

Public Document Pack



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29 January 2025

Dear Councillor

I am now able to enclose, for consideration at the meeting of the **CABINET** on Monday 3 February 2025 at 6.00 pm, the following reports that were unavailable when the agenda was printed.

6 **SECTION 25 REPORT** (Pages 2-8)

To consider the attached report of the Section 151 Officer.

Responsibility: Portfolio Holder for Finance, Governance, Climate Change and Environment

7 **DRAFT BUDGET 2025/26 AND MEDIUM-TERM FINANCIAL PLAN 2025/26-2028/29** (Pages 9-109)

To consider the attached report of the Head of Finance and Investment.

Responsibility: Portfolio Holder for Finance, Governance, Climate Change and Environment

Yours sincerely

A handwritten signature in black ink, appearing to read "Nicky", written over a horizontal line.

Chief Executive

Subject:	SECTION 25 REPORT
Meeting and Date:	Cabinet – 3 February 2025 Overview and Scrutiny Committee – 17 February 2025 Cabinet – 3 March 2025 Council – 5 March 2025
Report of:	Mike Davis, Section 151 Officer
Portfolio Holder:	Councillor Stacey Blair, Portfolio Holder for Finance, Governance, Climate Change and Environment
Decision Type:	Key Decision
Classification:	Unrestricted

Purpose of the report:	To advise Members of the robustness of the budget and the adequacy of reserves.
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Recommendation:	To receive the report and to take the report into consideration when approving the 2025/26 Budget and Medium Term Financial Plan (MTFP) which is elsewhere on the agenda.
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1. The Purpose of a “Section 25” Report

- 1.1 The Local Government Act 2003 (Section 25) requires that the s151 Officer reports to members on the robustness of the estimates made for the purposes of the budget calculations and the precept for the Council’s council tax and the adequacy of the proposed financial reserves. Members must have regard to this report when considering the annual budget and precept.
- 1.2 There is no prescribed format for a Section 25 report, but the s151 officer should bring to Members attention any matters or factors that are material and significant in considering the budget and the Council’s financial position.

2. Summary

- 2.1 It is the opinion of the s151 officer that the Council’s budget (as set out elsewhere on the agenda) has been prepared on a rigorous and robust basis and the Council’s reserves are sufficient for its immediate needs – although it should be noted that we have no clarity on government’s funding of the NI increase and initial indications suggest that the increase will not be fully funded and MHCLG do not appear to have used the relevant data, despite having it at their disposal.
- 2.2 It is also the opinion of the s151 officer that there are a number of significant factors that can undermine the budget over the next year or two. They are:
 - (a) Homelessness
 - (b) The local government funding model
 - (c) Department for Environment, Food and Rural Affairs (DEFRA) and Dover Port Health Authority (DPHA)
 - (d) Major Projects
 - (e) Local Government Re-organisation

- (f) Production of the Budgets
- (g) Governance Process
- (h) Future Year Pressures

3. Homelessness, Temporary Accommodation (TA) and Supported Accommodation (SA)

3.1 Homelessness is a demand led service. There is a national shortage of housing that has accrued over many years leading to the use of TA which creates a budget pressure. The net costs to DDC of TA (after grant funding and Housing Benefit income) in 2025/26 are estimated to be £1.4m. The impact on DDC is also seen across virtually all other district councils.

3.2 The Council continues to take steps to mitigate the impact of homelessness including:

- (a) Building and procuring more housing and allocating more of the council's stock for use as TA.
- (b) Using block booking / contracts with local hotels to mitigate the costs.
- (c) Pro-actively managing and minimising the length of stay in TA.
- (d) Detailed independent benchmarking by East Kent Audit Partnership using data for all Kent districts. DDC is not an outlier.
- (e) Working with other Kent districts to learn from their initiatives.

3.3 Nonetheless, homelessness pressures are expected to continue to increase.

4. The Local Government Funding Model

4.1 The local government funding model is deeply flawed. It is complex, inexplicable and unsustainable.

4.2 Of the Councils £21.2m of General Fund revenue financing, only Council Tax of £9.3m (43.9% of total financing) is really under the Council's control.

4.3 Non-Domestic Rates (or Business Rates) of £9.2m (43.4%) is expected to be reset (this has been expected / promised for many years), but the basis of the reset has not been announced.

4.4 The rest of the financing, circa £2.7m (12.7%) is provided for a single year with no certainty. Overall, 56% of the financing is, to some degree, uncertain.

4.5 So, although the Council is obliged to produce a budget and a financial plan, it does not have clarity or control over future financing.

4.6 Other financing issues include:

(a) Complexity

The structure of local government and the funding model are very complex, to the point that they are beyond rational explanation to non-specialists.

This is especially true of Business Rates Retention (BRR) which involves local calculations, understanding and forecasts of several elements including:

- Business Rates income
- Revaluations
- Appeals
- Tariffs
- Top-Ups
- Safety nets
- Re-sets

- Levies
 - Multi-authority pooling arrangements.
- (b) Transparency
- The current model is opaque. MHCLG do not publish or share the details of the settlement calculation. In practice it is based on past settlements rolled forward for many years and then adjusted to enable government to declare a “minimum guaranteed increase” in core spending power.
- (c) Core Spending Power
- The calculation and announcement of the maintenance and increase in core spending power is misleading. It does not consider the income from Business Rates growth. This means that the local government settlement can be less generous than publicly stated.

5. DEFRA and Dover Port Health Authority (DPHA)

- 5.1 DDC is the designated Port Health Authority for the Port of Dover (POD).
- 5.2 The POD is the main entry point for food, including Products of Animal Origin (POAO) from the EU and for foods passing through the EU to the UK.
- 5.3 The current position is:
- (a) African Swine Fever is spreading across the EU and has reached Germany and France
 - (b) There is an outbreak of Foot and Mouth in Germany. The last major outbreak to reach the UK cost circa £8bn.
 - (c) DPHA has seized over 180 tonnes of insanitary, unrefrigerated personal meat imports¹ at the POD, but these are from occasional checks and not 24/7 monitoring.
 - (d) No checks at all currently take place in respect of personal imports via the Channel Tunnel (CT).
- 5.4 DDC has been in discussion with DEFRA for several years over the need to provide sufficient funding to DPHA. There is currently no agreement in place with DEFRA for funding of DPHA activity in 2025/26 to control illegal POAO entering the UK at the Short Straits. At the time of writing, discussions with DEFRA Ministers are ongoing.
- 5.5 The budget therefore assumes that the cost, to the Council, of this activity will be neutral on the basis that either DEFRA will continue to meet on-going costs on an ad hoc two monthly basis, or that the Council will have to cease DPHA activity and leave the GB border open to significant biosecurity risk.
- 5.6 This is a stark choice. Either we maintain border controls to protect GB biosecurity, farming and the food chain, at the Council’s own expense, which will massively deplete our reserves, and greatly increase the risk of the chief finance officer² being required to make a report pursuant to s.114 of the Local Government Finance Act 1988 in 2025/26.
- 5.7 Or we effectively, cease the already too limited controls at this border and expose GB to the significant and severe risk of African Swine Fever and Foot and Mouth disease.

¹ These imports have often been in poor condition, at ambient temperature, wrapped in newspaper or unsuitable materials, with juices dripping onto ready to eat foods and sometimes blood and liquor dripping out of the vehicle posing a serious risk for UK farmers.

² Frequently referred to as the “Section 151 Officer” or s151 Officer.

6. **Major Projects**

- 6.1 Updates and progress on the Council's major projects are reported to Corporate Management Team (CMT) and to Cabinet and Council if the projects are expected to significantly exceed their budget or require the approval of more resources.
- 6.2 The only current major project of significant concern is the Bus Rapid Transit project, also known as Dover Fastrack. This has provided priority bus infrastructure linking the Council's premier development allocation at Whitfield with Dover town and Dover Priory railway station.
- 6.3 DDC is the accountable body, receives the grant funding and is, arguably, liable for any overspend. DDC has appointed KCC to deliver the project, and in turn KCC appointed contractors. The main contract value is circa £20m. However, a series of disagreements have arisen between KCC and the contractor, who now claims that they have incurred rechargeable costs of more than £50m.
- 6.4 The Council considers these claims to be wildly inflated and exaggerated, it appears that the contractor has submitted them purely to create a negotiating position. KCC and their consultant team have vigorously defended these claims in adjudications. To date, of £5.7m claimed through adjudication just £480k has been found in favour of the contractor.
- 6.5 The details of these claims, as well as DDC and KCC's responses, are being treated as commercially confidential and therefore have not been provided in this summary.

7. **Local Government Reorganisation**

- 7.1 KCC and Medway Council have submitted a joint expression of interest (EOI) for the Kent and Medway area to be reorganised with a new strategic authority and the two tiers in the KCC area being restructured, with Medway, into 3 or 4 unitary councils.
- 7.2 District councils are not formal consultees in this process, but the current timeline suggests that where an area is included in the Devolution Priority Programme (DPP), the new unitary Councils will be vested in April 2028.
- 7.3 This presents a number of financial challenges for which there are, at the moment, no answers. It is uncertain:
- (a) Whether the Kent and Medway EOI will be accepted into the DPP,
 - (b) What the cost of preparing and delivering unitarization will be and how this will be met,
 - (c) The costs of consolidation after unitarization,
 - (d) The basis of harmonisation / equalisation of Council Tax and other charges,
 - (e) The extent, if any, to which government will seek to freeze local authority reserves in advance, and
 - (f) The discipline required to maintain business as usual and operate on a "going concern" basis in the meantime.

8. **Production of the General Fund (GF), Housing Revenue Account (HRA) and capital budgets**

8.1 Key Assumptions

- 8.2 The key assumptions that underpin the budget are reviewed annually by the s151 officer and are specifically stated in the Budget and Medium Term Financial Plan (B&MFTP).

- 8.3 The B&MFTP also contains a “ready reckoner” that provides a sensitivity assessment, where possible, of the assumptions.
- 8.4 In addition, the budget and the project programmes have been drawn up based on corporate priorities and known available resources. Projects are fully funded (mainly from grants, reserves and any affordable borrowing) and affordable. No reliance is placed on capital receipts and grants that have not been confirmed and secured.
- 8.5 Risks
- 8.6 The key financial risks to which DDC is exposed are set out in the B&MFTP. The risks have been reviewed by the s151 officer alongside the Corporate Risk Register for completeness, impact and mitigation.
- 8.7 Alignment to Corporate Plan
- 8.8 The Council’s Corporate plan sets out its objectives and priorities. The Leader and Cabinet, Chief Executive, Directors and Heads of Service all provide their input and financial and budget data in accordance with the Corporate Plan for inclusion in the B&MFTP.
- 8.9 The HRA Budget
- 8.10 The HRA budget has been produced taking into account the requirement for continued investment in the HRA stock. To further strengthen the HRA budget and planning, a stock condition survey started in 2024/25 and will continue over 4 years to ensure the programme of investment remains affordable and that stock condition is maintained.
- 8.11 Scale and Servicing of Debt
- 8.12 A number of high profile s114s have been issued due to disproportionate debt levels that councils have been unable to service.
- 8.13 DDC’s long term debt commitments are:

Debt Type	Value £000
HRA Self Financing Debt	62,731
Other Long Term Debt	4,000
Total	66,731

- 8.14 The bulk (94%) of DDC’s debt was incurred at the instruction of MHCLG (actually one of its many predecessor departments). In 2012 the Council was required, by legislation, to borrow circa £90m from the Public Works Loan Board (PWLB), pay this to DLUHC and service the debt from HRA rents. MHCLG assured Councils that they could raise rents by CPI+1% to service the debt. This promise was not kept. Instead, rents were then frozen by MHCLG as a cash figure for several years leaving the HRA with continuing substantial losses in rent income.
- 8.15 Nonetheless DDC is servicing the outstanding debt which is now down to £62m. However, the annual cost to DDC tenants is £2.4m and this money could otherwise be used on much needed social housing.
- 8.16 The remaining long term debt of £4m is historic and manageable. At the present time the Council does not add to its borrowing and uses its cash flow (often referred to as internal borrowing) to support capital expenditure. Any borrowing that has been

assumed or modelled in project viability assessments is “prudent” and complies with the affordability requirements of the Prudential Code.

8.17 Income Streams

8.18 In addition to the (unpredictable, single year) settlement, the Council does rely on income from its major income streams. These are set out in the B&MTFP and are reviewed annually to ensure that the assumptions on future income levels are reasonable.

8.19 The Council does not rely on other income streams from exceptional, unusual, commercially risky or other high risk sources.

8.20 Adequacy of Reserves

8.21 The Council’s balances and earmarked reserves are set out in full in the B&MTFP together with an explanation of the purposes for each reserve and its current and future planned use.

8.22 The Council holds a General Fund balance which must be maintained for unexpected in-year events. The Council also holds earmarked reserves for planned and committed purposes and essential / unavoidable expected expenditure such as elections, maintenance, etc.

8.23 However, total English council reserves have fallen and are expected to fall further this year because grant funding has not kept pace with high costs and rising demand. Councils cannot take short-term one-off decisions as the reserves left are to manage future risk and uncertainties, one of those being future funding.

9. **Governance Process**

9.1 The Council manages its budget process in a clear and effective way as follows.

- (a) July – November – initial budget projections produced and discussed with Corporate Management Team, Leader and Portfolio Holder.
- (b) October / December – refinement of the projections, inclusion of changes and strategic priorities.
- (c) Late December – single year local government settlement consultation received.
- (d) Ad hoc decisions from other government departments.
- (e) Late January - single year local government settlement response to consultation received and proposed settlement confirmed or further amended.
- (f) January / February – first budget report to Cabinet.
- (g) February – briefing to Overview and Scrutiny Committee as required.
- (h) February – Overview and Scrutiny meeting to scrutinise the budget.
- (i) February / early March – Cabinet budget meeting and recommendations to Council.
- (j) By 11th March – Council approve the budget and set the Council Tax.

9.2 The late timing of the local government settlement and failure of DEFRA to confirm funding for DPHA make achieving the committee dates particularly challenging and risk undermining the process.

10. **Future Year Pressures**

10.1 We have no firm data upon which to forecast financing streams for the 2026/27 budget. Based on forecasts by the Council’s two advisors, Pixel and Local Government

Futures, the reduction in financing following falls in Revenue Support Grant, New Homes Bonus and other grants, and re-set of Business Rates is estimated to be between £2m and £3m.

- 10.2 In addition, inflation at 2% would add £600k of pressures.
- 10.3 So, allowing for 3% Council Tax increase and 1% Council Tax Base growth, the overall pressures for 2026/27, before any other service pressures, are forecast to be between £2.6m to £3.6m.
- 10.4 This would require urgent and strong corrective action – but the forecast is currently made in the absence of firm data, without which Members may consider it premature to take preparatory action of this scale at this time. The situation will be kept under review and reported to Members accordingly – but the timescale for government releasing the required draft financial settlements is unknown.

11. **Identification of Options**

- 11.1 The s25 report from the s151 Officer is for receiving and considering by Cabinet, Scrutiny and Council as they consider the budget. Unless Members believe they have grounds to reject the report, it is recommended that they receive it.

12. **Resource Implications**

- 12.1 There are no specific resource implications from this report. The resource implications flow from the B&MTP to be considered in association with this report.

13. **Corporate Implications**

- 13.1 Comment from the Director of Housing, Finance and Assets: The Director has produced this report and has no further comments to add (MD).
- 13.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.
- 13.3 Comment from the Equalities Officer: This report advising Members of the robustness of the budget and the adequacy of reserves, does not specifically highlight any equality implications. In discharging their duties Members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15/section/149> .

14. **Background Papers**

Budget and Medium-Term Financial Plan working papers.

Contact Officer: Mike Davis

Subject:	COUNCIL BUDGET 2025/26 AND MEDIUM-TERM FINANCIAL PLAN 2025/26–2028/29
Meeting and Date:	Cabinet – 3 February 2025 Overview and Scrutiny Committee – 17 February 2025 Cabinet – 3 March 2025 Council – 5 March 2025
Report of:	Mike Davis, Director of Housing, Finance and Assets
Portfolio Holder:	Councillor Stacey Blair, Portfolio Holder for Finance, Governance, Climate Change and Environment
Decision Type:	Key Decision
Classification:	Unrestricted

Purpose of the report:	To progress approval of the 2025/26 budget and the Medium Term Financial Plan (MTFP) for 2025/26 – 2028/29
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Recommendation:	<p>It is recommended that Cabinet:</p> <ul style="list-style-type: none"> • Consider the draft General Fund Revenue Budget, the Project Programmes, the Housing Revenue Account budget, and the content of the Medium Term Financial Plan (MTFP) as proposed in Appendix 1, and advise the Director of Finance, Housing and Assets of any changes they require to be incorporated in the final version. • Note that the calculation of the 2025/26 Business Rates impact on the General Fund funding is still being finalised. Any changes will be reflected in adjustments to the use of the smoothing reserve in the final budget. • Note that the remaining Annexes, including the Council Tax Resolution and Treasury Management, Investment and Capital Strategies will be added to the MTFP and that other adjustments may be made before being presented to Cabinet and Council in March.
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1. Summary

- 1.1 This report should be read in conjunction with the Chief Finance Officer’s Section 25 report included separately on this agenda.
- 1.2 The budget faces a range of immediate uncertainties due to the macroeconomic position, the on-going challenges with the local government funding model and the impact of working with DEFRA and being a Port Health Authority (PHA).
- 1.3 This report sets out the broad areas of pressure and uncertainty and the strategy adopted to deal with them.

- 1.4 In summary the position is:
- i) The General Fund budget for 2025/26 forecasts a deficit of c.£432k, funded from earmarked reserves, reflecting the pressures of homelessness and key income streams – pressures also faced by many councils nationally.
 - ii) Proposed DDC Council Tax increase of £6.39 (2.98%) per annum (12p per week) for a Band D property, maintaining the lowest Council Tax in East Kent.
 - iii) There are no major reductions in services proposed within the budget.
 - iv) Housing rents will increase by 2.7%. The typical weekly rent on a 3 bedroom house will be £117.38 and is much lower than the private sector equivalent.
 - v) The Housing Revenue Account forecasts a surplus of £520k.
 - vi) The Capital Programme is fully funded but resources for future projects are limited.
- 1.5 The forecasts contain a significant margin of uncertainty and pressures from homelessness, future funding, inflation, service proposals and the macroeconomic position. As a result, there is a risk that measures to produce a balanced budget may be too severe, or insufficient. To mitigate this risk the Council has a Smoothing Reserve which can be utilised to deal with unforeseen pressures faced.
- 1.6 This approach enables the total forecast pressures over the financial planning period to be balanced by savings and income over the full period whilst assessment of the on-going impact of pressures is undertaken and reviewed.

2. Overview

- 2.1 The budget for 2025/26 and the Medium-Term Financial Plan (MTFP) for 2025 – 2029 have been produced in circumstances that remain unusual and volatile because of the macroeconomic position, inflation levels, impact of being a Port Health Authority (PHA), the unpredictable economic environment and the proposals for local government reorganisation¹.
- 2.2 These events have led to significant uncertainties at the time of writing, impacting (mainly) the revenue budgets, including:
- 2024/25
 - The final 2024/25 outturn and the reserves and balances to be carried forwards.
 - 2025/26
 - The on-going macroeconomic position.
 - Business Rates income.
 - The net costs to Dover District Council (DDC) of the DPHA.
 - Funding decisions by Ministry of Housing, Communities and Local Government (MHCLG).
 - 2025 – 2028
 - The net cost to DDC of the future DPHA.
 - The continuing impacts of the macroeconomic position and the speed of economic recovery.

¹ As little information on local government reorganisation and its impact is available, the budget has been produced on a “business as usual” basis.

- The review of local government finance and the on-going baseline level of financing available including:
 - The Fair Funding Review.
 - New Homes Bonus replacement (if any).
 - The reform of the Business Rates Retention model.
 - Business Rates revaluations and re-sets.

3. **Report Pursuant to Section 25 Local Government Act 2003**

3.1 Section 25(2) of the Local Government Finance Act requires the Council to have regard to the S25 report when making decisions about the calculations in connection with which it is made. The Director of Housing, Finance and Assets (Section 151 Officer) has produced a separate report on this agenda to be consider alongside the budget and MTFP.

4. **General Fund Budget Strategy**

4.1 In the 2022/23 budget process it was recognised that to mitigate the risk and volatility associated with the budget process a £4m smoothing reserve should be created to enable the council to take a measured approach to the forecast pressures.

4.2 Significant savings were included in the 2023/24 budget, alongside application of the Smoothing Reserve to finance the forecast 2023/24 residual deficit of £1m. During the year the forecast budget deficit was decreased to £935k. Overall the year-end position resulted in a £509k deficit for the year, which is £426k less than the forecast position.

4.3 This enabled consideration of further options for savings and income generation to be taken in 2024/25 and the rest of the planning period as a fuller understanding of the likely outturns and funding was developed. Based on current forecasts it is expected that c.£1m will be applied from the Smoothing Reserve in 2024/25 mainly relating to the on-going homelessness pressures and pressures on key income streams being faced nationally by councils, leaving £2.5m for future requirements.

4.4 The 2025/26 budget is currently forecast to have a deficit of £432k, to be funded from earmarked reserves. It is assumed that the cost to DDC of maintaining the current PHA service will continue to be funded by DEFRA in line with the current arrangements.

5. **Dover Port Health Function**

5.1 See the Section 25 report included separately on the agenda for information on the port health function.

6. **Wider Local Government Finance Picture**

6.1 This section supplements the issues raised in the Section 25 report.

6.2 There is a pressing need for reform to local government finance. It is not possible to set out in detail all the variables and potential outcomes. The notes below provide the headlines.

Core Spending Power

6.3 Core spending power is a measure used by central government to demonstrate the resources available to local authorities and includes council tax as well as Revenue Support Grant, Business Rates etc. The measure has its flaws, but it does demonstrate

an overall trend and shire districts have generally seen the largest reduction, or smallest increase, in core spending power.

Council Tax

- 6.4 The Government is placing an increasing burden for funding local services onto the local taxpayer. Overall, approximately 56% of Core Spending Power (CSP) across England in 2024/25 is forecast to be funded from Council Tax.
- 6.5 Council tax increases for shire districts is proposed, in the settlement consultation, to be limited to 2.99% or £5, whichever is the greater. This maintains the existing inequity between low and higher taxing districts. DDC is a low tax district.

Business Rates Retention

- 6.6 There are several potential changes to the Business Rates Retention (BRR) scheme.
- 6.7 A baseline re-set is overdue. At present Councils still work to the baseline that was set when the system was introduced. A reset will remove some, or all, of the retained Business Rates arising from growth. This will feed resources back into the system, but without some form of damping the impacts on “growth” councils could be significant and appear to be penal to councils reliant on the extra income from growth and therefore delivering the government’s agenda.

Recovery Grant and Funding Guarantee

- 6.8 In 2025/26 a new ‘Recovery Grant’ is to be distributed to local authorities as part of the core spending power calculations that government undertook. The grant is currently intended to be for 2025/26 only, with the funding going to all tiers of local government in recognition of the range of vital services delivered by councils across the country. For financial planning purposes it has been assumed that the grant will reduce significantly in 2026/27 and will cease by 2028/29.

7. Housing Revenue Account (HRA)

- 7.1 The HRA budget has been set based on the current anticipated level of costs of running the service. Rent levels will be set in line with government guidance of CPI + 1% (equating to 2.7% for 2025/26). To further strengthen the HRA budget and planning, a stock condition survey started in 2024/25 and will continue over 4 years to ensure the programme of investment remains affordable and that stock condition is maintained. This results in a forecast surplus for the HRA of £520k for 2025/26.
- 7.2 DDC’s Tenancy Strategy 2021-2026 states that the Council’s view is that wherever possible affordable rent levels should not exceed Local Housing Allowance (LHA) rates, the LHA rates are remaining the same as 2024/25 so therefore affordable rents will stay at the same levels.
- 7.3 The shared ownership properties increase as per the lease which states RPI + 0.5% which for 2025/26 is a 3.2% increase in weekly rents.
- 7.4 The HRA is viable now and in the medium term, even with the underlying pressure to borrow, but this relies on rigorous financial discipline to ensure that the current investment programme is managed within existing and forecast resources.

8. Capital and Revenue Projects Programmes

8.1 The Council holds limited capital resources (other than the capacity to borrow² and any grants (often match funded) that the Council is awarded), but within these resources it has discretion over which projects to support. In setting the project programmes for the future it is important to note that:

- Capital resources are virtually exhausted if all current commitments are met;
- The capital and GF revenue budgets are interdependent and pressure on one can lead to pressure on the other;
- The ability of the revenue budget to contribute to capital resources in the future is very limited;
- Assets for sale to gain future receipts are limited;
- Proposed changes to “Right to Buy” are likely to lead to a reduction in HRA housing sales.

8.2 The proposed project programmes show that these limited resources have been applied to prioritise regeneration projects in support of the Council’s corporate objectives. Resources for new projects not currently included in the proposed programme are expected to be significantly limited.

9. Identification of Options

9.1 It is a statutory duty to set a budget and approve a Council Tax level. This report seeks Cabinet’s approval to consider the proposed budget and associated content in the MTFP. Therefore, there are two options:

9.2 Option 1 - Approve the proposed budget to be progressed for final review by Cabinet and approval by Council and approve the increase to social, affordable and shared ownership rents; or

9.3 Option 2 – Propose changes to the proposed budget to be presented to Council and propose changes to the proposed Council Tax and rent levels.

10. Evaluation of Options

10.1 Option 1 - Approve the proposed budget to be progressed.

10.2 The proposed budget recognises that there is a wide range of unknowns in the expenditure, income and financing of the Council for 2025/26 and that, as in 2024/25, the Council needs the ability to be able to react to changing circumstances and demands in a timely manner.

10.3 The budget therefore proposes to address this by continuing to provide the Section 151 Officer with delegated authority (in consultation with the Leader and the Portfolio Holder for Finance, Governance and Digital) to draw on reserves to meet unexpected costs or lost income, should that be necessary without recourse to Council for a revised budget. For these reasons, this is the recommended option.

10.4 Option 2 – Propose changes to the proposed budget to be presented to Council and propose changes to the proposed rent levels.

² Borrowing can be undertaken for capital projects but revenue budgets have to finance the interest and repayment costs. This makes it more difficult for projects to be viable.

- 10.5 There are two ways to approach this. First, the option to flex the budget in year could be rejected in favour of a more rigid budget envelope. Second, within the proposed envelope, resources could be moved between areas of service.
- 10.6 Fixing the budget envelope at the current time, with the range of uncertainties set out in this report, would inhibit the Council's ability to react to changing circumstances. The allocation of resources between services reflects the existing level of service provision and the current service pressures.
- 10.7 Members could also choose to apply more reserves to balance the budget and set a lower Council tax. This would have implications for the Council's ability to maintain services in the future.
- 10.8 The social rent increases proposed are in line with government policy of CPI + 1% and so cannot be increased further, the shared ownership rents are restricted to RPI + 0.5% which is stated in the shared ownership leases. Affordable rents are increasing as DDC policy is that affordable rents are kept at the same level as Local Housing Allowance (LHA). The LHA rates have been increased to the 30th percentile of local market rates by the Valuation Office Agency (VOA). A lower increase could be implemented for all rent types, but this would create further pressure on the future viability of the HRA.
- 10.9 For these reasons this is not the recommended option.

11. **Resource Implications**

- 11.1 The revenue budgets and capital plans determine the level of Council Tax and the utilisation of resources for the next year. The MTFP is a key element in the prudent use of resources over the medium term.

12. **Climate Change and Environmental Implications**

- 12.1 Recovery plans, strategies and projects should all consider the impacts on Climate change on a case by case basis, and what could be done within the Council's resources to reduce emissions to support delivery of DDC's Climate Emergency ambitions.

13. **Corporate Implications**

- 13.1 Comment from the Director of Housing, Finance and Assets: No further comments to add (MD).
- 13.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.
- 13.3 Comment from the Equalities Officer: This report relating to the Council Budget 2025/26 and Medium-Term Financial Plan 2025/26 – 2028/29 does not specifically highlight any equality implications. Members are reminded that in discharging their duties they are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010
<http://www.legislation.gov.uk/ukpga/2010/15/section/149>

14. **Appendices**

15. **Background Papers**

2025/26 Budget Working Papers

Contact Officer: Helen Lamb, Head of Finance and Investment



**Draft
Budget
2025/26
and
Medium Term
Financial Plan
2025/26 – 2028/29**

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EXECUTIVE SUMMARY

OVERALL POSITION

1. This section provides a summary of the main points of the budget and Medium Term Financial Plan (MTFP) covering the General Fund Revenue Budget, Housing Revenue Account (HRA) and Capital Programme.

BUDGET AND MEDIUM TERM PLANS

2. The MTFP is the Council's key financial planning tool and underpins the strategic approach to financial planning. Although it spans five years, it is reviewed at least annually and is monitored during the year.
3. It should not be viewed in isolation but as part of the wider financial management process and in conjunction with other plans and strategies, in particular the Corporate Plan and the Asset Management Plan. This MTFP covers the period 2025/26 – 2028/29.
4. Year 1 (2025/26) is the formally approved budget for the coming year. Years 2 – 5 of the MTFP (2026/27 – 2028/29) are included as “indicative budgets” for planning purposes. These will be rolled forward and amended in subsequent MTFPs (Medium Term Financial Plan) and so approval of the MTFP does not set the budgets for the future years.
5. Regard has been given to the resources required to deliver the Council’s objectives and the budget has been prepared to reflect the anticipated service costs and pressures. However, this budget has been set in a period of uncertainty and volatility due to the unpredictable economy and public finances, the unpredictable system of local government finance and the ongoing requirements and funding for the Dover Port Health Authority (DPHA).
6. Significant uncertainties at the time of writing, impacting (mainly) the 2024/25 revenue budget, include:
 - 2024/25
 - The final 2024/25 outturn and the reserves and balances to be carried forwards.
 - 2025/26
 - The on-going macroeconomic position.
 - Business Rates income.
 - The net costs to Dover District Council (DDC) of the DPHA.
 - Funding decisions by Ministry of Housing, Communities and Local Government (MHCLG).
 - 2025 – 2028
 - The net cost to DDC of the future DPHA.
 - The continuing impacts of the macroeconomic position and the speed of economic recovery.
 - The review of local government finance and the on-going baseline level of financing available including:
 - The Fair Funding Review.
 - New Homes Bonus replacement (if any).

- The reform of the Business Rates Retention model.
 - Business Rates revaluations and re-sets.
7. In addition, the impact and timing of local government devolution and re-organisation is likely to have a very significant impact on costs, activities and the basis of decision making across the whole period of the budget and MTFP, but the scale of this impact and any central funding provision are currently unknown.

DEVOLUTION AND REORGANISATION TIMELINE

8. The Government wants to end the two-tier council system and replace it with unitary councils with a population of >500k. These unitaries will be 'principal authorities' that will deliver the public services and will replace counties and districts.
9. Kent County Council (KCC) have submitted an expression of interest (EOI) to be in the first wave of authorities moving to this new arrangement with either 3 or 4 unitary authorities covering the current areas of Kent County Council and Medway Council.
10. Government's decision is expected to be given by the end of January 2025. If the Government approve KCC's EOI, then it is expected that a shadow authority will be created in 2027, with vesting day for the new authority of 1st April 2028.
11. That would mean there are 3 further years of DDC and that this MTFP stretches beyond the last year of DDC.
12. There are many unknowns at the current time, the most significant being whether the Kent and Medway areas are in the first wave. In the meantime, the Council must continue to manage business as usual and continue its proper financial management. This MTFP has been prepared on that basis.

BUDGET HEADLINES

GENERAL FUND

13. The General Fund (GF) headlines are:

- The General Fund budget for 2025/26 forecasts a budget deficit of £432k, funded from earmarked reserves.
- General Fund balance forecast to be maintained at £1.5m.
- Proposed DDC Council Tax increase of £6.39 (2.98%) per annum (12p per week) for a Band D property, maintaining the lowest Council Tax in East Kent.
- There are no major reductions in services proposed within the budget.
- The 2025/26 budget assumes that the Dover Port Health Authority (DPHA) function will be cost neutral.

THE HOUSING REVENUE ACCOUNT

14. The Housing Revenue Account (HRA) headlines are:

- The Housing Revenue Account forecasts a surplus of £520k.
- Housing rents will increase by 2.7%. The typical weekly rent on a 3 bedroom house will be £117.38 and is much lower than the private sector equivalent.
- The housing development programme is continuing to deliver additional social rent, affordable rent and shared ownership homes for the district.
- Rent arrears levels are reducing year on year and prepayment levels are the highest in recent years. Rent collection levels have increased as a percentage of the total rent to be collected.
- HRA balance to be maintained at £1m for 2025/26.
- Housing Initiatives Reserve is forecast at £17m at the end of 2025/26.

THE CAPITAL AND SPECIAL REVENUE PROJECTS PROGRAMME

15. The capital and special revenue projects programme headlines are:

- The current Capital Programme totals £111.8m and is fully funded. The major projects in the programme are:
 - Dover Beacon Project
 - Major restoration works on Maison Dieu (Dover Town Hall)
 - Future High Street Funding
 - Regenerations Projects
 - Tides Leisure Centre Replacement
 - Deal Pier Repairs
- The current Special Revenue Programme totals £20.4m and is fully funded.
- The current resources for funding capital and special revenue projects will be largely exhausted by the current programme.
- Future capital receipts are expected to come mainly from on-going housing right to buy sales (which amount to circa £125k per annum at current sales levels) and one-off asset sales, so will not replenish capital funds and will not be sufficient to maintain the current level of activity in the future.
- The government are also consulting on changes in right to buy discounts and qualification periods which may reduce sales further.

- Revenue project resources will also be largely depleted, and no significant new resources are expected other than from contributions from the revenue budget.
- Borrowing for capital purposes can be undertaken but this will make business case proposals for projects more challenging as they will have to recognise the costs of borrowing and repayment to demonstrate affordability and comply with the Prudential Code.
- The current HRA Capital programme totals £109m, the main projects included in the programme are:
 - Affordable Housing developments, including:
 - Grove Road, Preston
 - Military Road, Dover
 - Willowbank, Sandwich
 - Easole Street, Nonnington
 - HRA Property Purchases
 - District Development Sites
 - Section 106 Purchases
 - HRA Improvement Works

TREASURY MANAGEMENT AND CAPITAL STRATEGIES

16. The Council is required to produce a Capital Strategy, Treasury Management Strategy, and Investment Strategy. These will be included in the second circulation of the budget papers.

KEY ASSUMPTIONS AND SIGNIFICANT BUDGET RISKS

17. The budget and projections have been based on the best information available. However, there are always areas where there remains a degree of uncertainty, or it has been necessary to make assumptions. The most significant of these assumptions, together with the significant budget risks, have been reviewed and are set out within this MTFP to ensure that Members are aware of the basis of the budget.
18. Periodic budget monitoring updates will be circulated to all Members via the quarterly performance report, so that variances can be identified, and appropriate action initiated as early as possible.

THE GENERAL FUND REVENUE ACCOUNTS

INTRODUCTION

19. All the Council's services, other than housing, are provided through the General Fund (GF). The GF is mainly financed by Council Tax (CT), Business Rates (BR) and various grants including Revenue Support, Funding Guarantee and New Homes Bonus. There are new finances being received called the Recovery Grant and Extended Producer Responsibility Funding.

FINANCIAL OBJECTIVES

20. The main financial objectives for the GF Revenue Account¹ are as follows:
- Produce a fully funded GF Budget
 - Maintain general balances over the medium term at an appropriate level (considered to be a minimum of £1.5m)
 - Maintain and use a GF Smoothing Reserve to enable the council to take a measured approach to the forecast pressures
 - Use earmarked reserves to finance one-off items
 - Support the Council's corporate priorities and agreed service standards

BUDGET DISCIPLINE

21. Corporate Management Team, in consultation with the Leader and Portfolio Holders, have reviewed their service areas to support delivery of efficient and effective services within the budgets available.
22. To maintain firm downwards pressure on expenditure and recruitment, and to ensure budgets are directed to the Council's priorities the Council maintains a continuous "authority to recruit" process. The process requires formal sign-off before any recruitment is permitted.
23. The Council also undertakes efficiency and service reviews. These review services to deliver efficiencies, savings, alternative delivery methods, digital improvements, smarter working and improved customer experiences.
24. A key element of financial management is the treatment of unspent budgets. The Council gives budget managers the flexibility to manage their budgets responsibly. Accordingly, managers are given the opportunity to carry forward unused elements of their budget, subject to approval by the Strategic Director (Finance & Housing).

THE GENERAL FUND BUDGET SUMMARY

25. The Council's GF revenue budget for 2025/26 is shown in Annex 1. The budget forecasts a deficit of £432k for 2025/26, to be funded from the Operational and Fee Income Reserve, recognising the pressures on homelessness and key income streams in the year. The GF balance is forecast to be maintained at £1.5m.
26. The main factors impacting the General Fund budget are the ongoing and increasing pressures to support homelessness across the district, pressures on key income streams

¹ The Revenue Account funds day to day recurrent expenditure (excluding housing). There are separate financing arrangements for capital expenditure where the benefit of the expenditure lasts for more than one year.

and uncertainties relating to the Port Health service and its funding as detailed in the Section 25 report. Other key areas of impact are detailed at Annex 1D.

2024/25 FORECAST OUTTURN

27. The 2024/25 original budget forecast a surplus of £1k (excluding the £2.8m pressure to maintain the Dover Port Health service with the uncertainties relating to on-going DEFRA funding). The budget forecast included £567k of savings and income generation targets and an assumption that an underspend of £500k will be delivered at year end in line with previous year outturn positions.
28. Progress to deliver these targets is being made, and further budget variances have been identified in-year. The 2024/25 outturn as at 31st December 2024 forecasts a deficit of £1.05m deficit, mainly relating to the on-going homelessness pressures and pressures on key income streams being faced nationally by councils, to be funded from the general fund earmarked smoothing reserve.
29. There remain a number of uncertainties which may continue to impact the outturn position. These include the economic environment, inflation and interest rate pressures, business rates collection rates and potential appeals, Council Tax collection rates, homelessness levels, supported housing costs, and the future of the Port Health service.

VARIANCES BETWEEN 2024/25 BUDGET AND 2025/26 PROPOSED BUDGET

30. The budget process identified significant pressures facing the GF budget and Heads of Service have worked with their portfolio holders and Corporate Management team to identify savings and income to offset these pressures and deliver a balanced budget.
31. The table below summarises details the main variances between the 2024/25 original budget and the proposed 2025/26 budget.

Ref		£000	£000
	2024/25 Original Budget Forecast Surplus		(1)
1	Increase in forecast total National Non-Domestic Rates (NNDR) funding	(95)	
2	Increase in Council Tax income	(536)	
3	Increase in Council Tax Collection Fund surplus	0	
4	Increase in New Homes Bonus funding	(188)	
5	Introduction of Extended Producer Responsibility Funding	(1,019)	
6	Other grant funding movement	602	
7	Movement in funding		(1,237)
8	Increase in interest receivable forecast	(168)	
9	Increase in interest payable forecast	213	
10	Review of Grounds Maintenance service	(50)	
11	Review of Street Cleansing levels	(150)	
12	Reduce Corporate Maintenance provision	(110)	
13	Review of Deal Pier service provision and income options	(100)	
14	Review of Community service provision and income options	(50)	
15	Review of CCTV service provision and income options	(80)	
16	Target income stream, subject to the outcome of the parking strategy	(100)	
17	Target income stream from garages, beach huts & other properties	(150)	
18	Staff savings proposed from changes to senior structure and other changes	(245)	
18	Miscellaneous other savings	(50)	

Ref		£000	£000
19	Salaries from 2024/25 incorporated into base budgets	483	
20	Movement in target savings		(602)
21	Salary and associated staff costs Inflation	660	
22	Other increases in salary costs, including increments, priority areas, etc	310	
23	Increase in pensions backfunding costs	82	
24	Net increase in Homelessness temporary accommodation and other costs	889	
25	Contract inflation (mainly refuse, recycling and street cleansing)	214	
26	Computer software costs due to move to Cloud & increase in licences	97	
27	Increase in external audit charges	50	
28	Increase in forecast revenue costs associated with Tides leisure centre	148	
29	Reduction in forecast building control income	77	
30	Reduction in forecast planning income	98	
31	Reduction in forecast parking income, based on 2024/25 levels	195	
32	Reduction in forecast rental income across all properties	56	
33	Pressures from introduction of persistent organic pollutants regulations	39	
34	Net increase in cost to DDC relating to housing benefits and rent rebates	144	
35	Maison Dieu Staffing	150	
36	General inflationary pressures	182	
37	Increase in recharges to HRA and projects	(737)	
38	Increase in port health certification income	(143)	
39	Forecast increase in green waste income	(101)	
40	Forecast increase in Council Tax & NDR penalty & fine income	(45)	
43	Application of Fee Income & Operational Reserve to offset reduction in recharges to Port Health	(325)	
44	Application of Fee Income & Operational Reserve to offset budget pressures	(440)	
44	Reduced contribution to NDR Pooling Reserve for projects agreed with KCC	(82)	
45	Numerous miscellaneous variances	315	
46	Movement in services & associated reserves		1,832
47	General Fund Surplus for the Year		(8)

FINANCING THE BUDGET

32. The net cost of all General Fund services for 2025/26 is forecast to be £21.211m. The bulk of this (87.7%) is financed by locally through Council Tax and the proportion of Non-Domestic Rates retained by the Council.
33. Government provides the balance of just 12.3% through a small number of grants, as shown below.

General Fund Revenue Financing	2024/25 £000	2025/26 £000	% of total
Non-Domestic Rates Income	9,109	9,204	43.4
Revenue Support Grant	254	294	1.4
Recovery Grant	0	451	2.1
Funding Guarantee	1,412	320	1.5
New Homes Bonus	346	534	2.5
Extended Producer Responsibility Funding	0	1,019	4.8
Council Tax	8,763	9,299	43.9

Collection Fund Surplus (Council Tax)	91	91	0.4
Total Financing	19,975	21,211	100.0

34. The basis of government's settlement is based on data collected by government in 2013 and earlier. It is therefore largely out of date and not a reasonable basis for a settlement. The following sections provide further explanation of the Council's main funding streams.

REVENUE SUPPORT GRANT

35. Revenue Support Grant (RSG) (from Government) had been reduced by significant amounts every year since 2012/13, with a slight increase in 23/24. For 2025/26 RSG has increased by 15.5% from £254k to £294k.
36. For financial planning purposes it has been assumed that RSG will continue for the remainder of the MTFP planning period.

RECOVERY GRANT AND FUNDING GUARANTEE

37. In 2025/26 a new 'Recovery Grant' is to be distributed to local authorities as part of the core spending power calculations that government undertook. The grant is currently intended to be for 2025/26 only, with the funding going to all tiers of local government in recognition of the range of vital services delivered by councils across the country. DDC is to be awarded £451k in 2025/26. For financial planning purposes it has been assumed that the grant will reduce significantly in 2026/27 and will cease by 2028/29.
38. The sector wide Funding Guarantee Grant replaced the Lower Tier Services Grant. This grant is intended to provide a funding floor for all local authorities, so that no local authority would see an increase in Core Spending Power that is lower than 3% (before assumptions on council tax rate increases but including those on Council Tax base). The settlement included a significantly reduced award of £320k for 2025/26. This has decreased from 2024/25 when DDC was awarded £1,386k. It is anticipated that this will continue in 2026/27 and that it will then be built into the Settlement Funding Assessment which determines the business rate baseline and subsequently the business rate income we receive.

EXTENDED PRODUCER RESPONSIBILITY FUNDING (EPR)

39. The EPR grant is essentially a tax on the packaging industry to meet the costs of managing the waste their activities generate. The grant is not ring fenced and there are no specific obligations on the Council, other than the recent requirements set out in the government's announcement regarding Simpler Recycling. As the Council's waste collection service is compliant with government requirements, this is just an additional income stream, which based on the assessment calculations, aims to meet the costs we are already incurring in processing packaging waste.
40. There are two particular issues with EPR. First, it has been in development for some years, the calculations of the awards to councils are complex and opaque, and the comparative awards to different districts are hard to explain. DEFRA has committed to provide information on the methodology used to make the calculations "in the spring", so at the moment we don't have sight of the grant, whether it accurately reflects DDCs base data and share of the scheme etc.
41. The second issue is that as a tax, and a source of funding for local government, it may not meet the requirement to remain buoyant. As the packaging industry responds to the tax it

can be expected to reduce the volume of packaging in use and to favour less heavily taxed types of packaging. As a result, the funds generated by the tax may be expected to fall and, accordingly, so would the share paid to waste collection authorities such as DDC. Unfortunately, our collection costs are unlikely to reduce in the same way.

42. Despite apparent commitments that the EPR will be “additional” funds, there have been suggestions that MHCLG may use this to claw back elements of the settlement in future years. So, the basis of this grant for longer term financial planning is uncertain.
43. However, it is worth noting that the phrase used in DEFRA’s notification letter was, “We trust that this guaranteed funding will enable you to drive the changes needed to deliver an efficient service.”. Being able to demonstrate that we operate an “efficient” (and “effective”) service for the collection of packaging materials is one of the criteria for determining the amount of future EPR payments. DEFRA have indicated that they will be publishing league tables in due course benchmarking Council performance, as a measure to encourage improvement in services.

BUSINESS RATES (BR)

The Business Rates Retention System

44. The system is complex and volatile. It contains tariffs and top-ups, safety nets, levies, baseline “resets”, BR pools, pilot schemes, periodic revaluations, transition periods, s31 grants, adjustments for renewable energy, appeals and BR relief schemes.
45. Although referred to as a 50% local retention system, of which 40% is currently retained by districts, this is not the full picture. DDC retains about 10% (before s31 grants). A simplified illustration of the mechanism for the “50%” BR retention system is set out in the table below (illustrative, based on draft 2025/26 data before adjustment for S31 grant funding or reliefs).

Attribution of BR Income (Indicative)	£m
Dover district net rate yield	(52.3)
Less	
50% to Government	26.2
9% to KCC and 1% to Fire	5.2
Retained balance of 40%	(20.9)
Less: tariff to Government	16.2
Balance retained by DDC	(4.7)

46. From the 40% retained, if the baseline amount that remains with the council is greater than the council’s baseline budget requirement, then the council pays the excess to government in the form of a “tariff”. For Dover this means the bulk of the 40% is also paid to government, as shown in the table.
47. Once the tariff is set, a district will have to continue to pay this amount to government. If actual collection is lower (for example, due to demolition, successful appeals, bad debts etc.) the council must continue to pay the tariff and bear the loss itself until it hits the safety net at which point losses are capped.
48. The dynamic nature of the system, the elements of which can all be moving in different directions, can produce perverse outcomes, which make it very difficult to develop a stable and robust budget. The accounting regulations for the different elements of the system also mean that some elements are recognised in different years, even though they arise

in the current year. In addition, the government return has been revised for 2024/25 so that it splits out small and standard multiplier figures. This has created delays to the data collection due to the revenue systems having to be adapted to allow for the changes to the government return, this has continued to 2025/26.

49. Provisions for likely reductions in rateable value (RV) from appeals and bad debts also have to be calculated. These may or may not be sufficient.
50. For 2025/26 the baseline budget requirement (or 'Baseline Funding Level (BFL)) is deemed to be £4,081k. The safety net kicks in at £3,775k, meaning the first £306k of any loss must be borne by the Council before a safety net payment is received from Government. The safety net payment would top up the Council's income to 92.5% of the BFL (i.e. to £3,775k).
51. BR revaluation occurred in April 2023, the effect of which was an increase of 19% to the rateable value of properties in the Dover area. But this is offset by adjustments to the BFL, so the revaluation was broadly neutral at both the local authority and the national level.
52. The MTFP allows for the increase in rateable values, the estimated impact on the business rates baseline and tariffs / top-ups and the resultant impact on the share that Dover retains. The budget also allows for a continuation of the current pooling arrangement to reduce levies.
53. There are several significant aspects to the current business rates regime:
 - "Real" Growth
 - The DDC BR Profile
 - Renewable Energy Income
 - The Business rates Pilot and Pool

Real Growth

54. The Dover District has been successful in generating significant real growth in developments in the district during 2016/17 – 2025/26 and this is vital to the Council since it helps to offset the erosion of the tax base and BR income from BR appeals, or from unexpected downward revisions by the VOA (Valuation Office Agency).
55. However, BR is still dominated by a small number of hereditaments.

DDC BR Profile

56. The BR profile for DDC is unusual for its high level of concentration, the unique nature of some of the properties and the volatility of the Rateable Value (RV) of unique properties such as the Channel Tunnel.

Dover's Rateable Values	Rateable Value ² £000	%
Channel Tunnel	40,000	31
Discovery Park	12,376	9
Dover Harbour Board	3,270	3
Tesco, Whitfield	1,820	1

² Note – These figures are based on the 2023 valuations. Rateable Value is not the same as the Business Rates paid. RV is multiplied by a government set multiplier (49.9p in 2022/23 and 2023/24 for the standard multiplier) to determine the amount payable and this may be subject to BR reliefs.

Dover's Rateable Values	Rateable Value ² £000	%
Sub Total	57,466	44
Remainder ³	71,848	56
Total	129,314	100

Renewable Energy Income

57. The new Biomass Power Plant at Discovery Park is a renewable energy site. As such, we are able to retain all of the BR income ourselves, i.e. it does not have to be shared between the preceptors, so long as we granted planning permission.
58. The 2023 revaluation reduced the value of the Biomass Power Plant by c.£1m, resulting in a reduction of the business rates retained by c.£500k. With a small inflationary increase, the Renewable Energy retained figure for 25/26 is £623k.

The Business Rates Pool

59. DDC will become a full member of the Kent BR pool in 25/26 after being in a “shadow” pool for previous years, this was agreed at a Kent Pool meeting. The pool has been agreed to continue for 2025/26.

Forecasts

60. The outcome for 2025/26 is expected to see an improved position compared to 2024/25. There is expected to be a surplus on the NDR Collection Fund at the end of the year that will need to be distributed in future years, in line with the Collection Fund accounting requirements.
61. However, government have also announced that they intend to undertake a re-set of BR. This was long promised by the previous government but never happened. If a re-set is implemented, then it is likely that some / all of the BR growth achieved and retained by councils will be withdrawn and redistributed. It is not certain whether there will be a transitional arrangement and whether DDC would be a winner or a loser in this process.

COUNCIL TAX

62. A Council Tax increase of 2.98% for DDC purposes has been assumed for the 2025/26 budget which, if approved, will produce a Band D Council Tax of £220.77. This will result in an increase of £6.39 per year on a Band D property, which is within the Government's capping requirements, which limit increases to 3% or £5, whichever is the greater.
63. The increase in the tax base from 40,874.50 Band D equivalent properties in 2024/25 to 42,119.72 equivalent properties in 2025/26, a rise of 3.05%, is mainly due to the inclusion of the 2nd Homes premium, partially offset by a forecast reduction in the expected Council Tax collection rate.
64. The combined impact of the Council Tax increase and the tax base increase is forecast to generate total Council Tax income of £9.3m. For planning purposes, a Council Tax increase of 3% per annum has been estimated for future years.
65. The total Council Tax charges for a Band D property is made up as follows: (Information not yet due from preceptors - to be added for final circulation of budget).

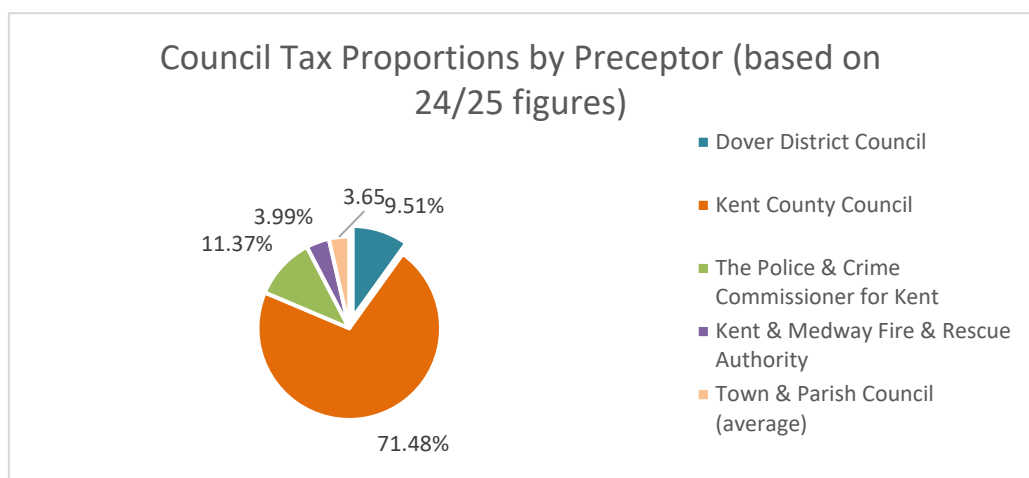
³ The next largest site is less than 1% of the total.

	2024/25 £	2025/26 £	Increase %	2025/26 Proportion %
Dover District Council (proposed)	214.38	220.77	2.98	TBC
Kent County Council	1,610.82	TBC	TBC	TBC
The Police & Crime Commissioner for Kent	256.15	TBC	TBC	TBC
Kent & Medway Fire & Rescue Authority	89.91	TBC	TBC	TBC
Sub-Total	2,171.26	TBC	TBC	TBC
Town & Parish Council (average)	82.23	TBC	TBC	TBC
Total Band D Council Tax	2,253.49	TBC	TBC	TBC

The Council Tax, by band, for the major preceptors will be as follows: (Information to be added for final circulation of budget)

	Valuation Bands							
	A £	B £	C £	D £	E £	F £	G £	H £
Precepting Authority:								
Kent County Council	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC
The Police & Crime Commissioner for Kent	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC
Kent & Medway Fire & Rescue Service	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC
Dover District Council	147.18	171.71	196.24	220.77	269.83	318.89	367.95	441.54
Total	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC

66. How the total Council Tax charge is allocated to the individual organisations will follow on receipt of all the preceptor information.



COMPARISON WITH OTHER DISTRICTS' 2024/25 BAND D COUNCIL TAX

67. DDC has one of the lowest Council Tax rates in Kent. A comparison with the East Kent authorities' 2024/25 Council Tax rates below shows the percentage that their 2024/25

Council Tax level exceeded DDC's and the extra income DDC would receive at their level of Council Tax:

	Band D Council Tax £	Difference to DDC %	Extra Income DDC would receive
Dover District Council	214.38	-	-
Canterbury City Council	239.89	11.90%	£1.07m
Folkestone and Hythe District Council	280.08	30.65%	£2.77m
Thanet District Council	263.18	22.76%	£2.06m

NEW HOMES BONUS

68. New Homes Bonus (NHB) was funded by DLUHC⁴ from a top slice of existing local government finance. The NHB received is credited to the General Fund revenue budget and it is therefore an essential element in balancing the Council's budget.
69. The grant awarded to Dover since the start of the scheme is detailed below:

Year of Scheme	Financial Year	Annual Grant £000	Cumulative Grant ⁵ £000	Cumulative Years Included
1	2011/12	294	294	1
2	2012/13	155	449	2
3	2013/14	450	899	3
4	2014/15	396	1,296	4
5	2015/16	275	1,570	5
6	2016/17	328	1,899	6
7	2017/18	415	1,865	5
8	2018/19	497	1,515	4
9	2019/20	488	1,729	4
10	2020/21	333	1,733	4
11	2021/22	5	990	3
12	2022/23	741	1,229	2
13	2023/24	645	645	1
14	2024/25	346	346	1
15	2025/26	534	534	1
Future Years (Est)	2026/27 onwards	0	0	n/a

70. DLUHC's terms and promises of the original NHB scheme have not been honoured. Changes to the scheme from 2017/18 have resulted in a reduction in the number of years grant in payment from 6 years in 2016/17 to 5 years in 2017/18, further reducing to 4 years in 2018/19 and is now on a single year by year basis. In addition, a minimum growth threshold of 0.4% was introduced, below which no NHB will be paid. The growth delivered by DDC for the 2025/26 NHB calculations was sufficient to receive an award of £534k.
71. For the purposes of the MTFP it has been assumed that the NHB grant will be reduced to nil for future years.

⁴ Department for Levelling Up, Homes and Communities

⁵ "Cumulative Grant" is the total grant paid in the year, based on the annual grants from previous years still being in payment for a number of years. Grants are now made on a single year basis and so in recent years the annual grant and cumulative grants are the same.

FUTURE FUNDING

72. The future of Local Government funding remains uncertain with numerous unknowns with potential significant impacts on local authority budgets, including:
- The Fair Funding Review
 - New Homes Bonus replacement (if any)
 - The future of Services and Funding Guarantee grants
 - The reform of the Business Rates Retention model
 - Business Rates revaluations and re-sets
 - Future Council Tax capping levels
 - The Extended Producer Responsibility Grant
 - Recovery Grant
73. The forecasting for future years has taken assumptions from our funding advisors for each stream and includes a Business Rates reset from 2026/27. These forecasts also include the cessation of New Homes Bonus and Services Grants in the timescale. The total impact of all these changes would result in a reduction in funding of between £2m and £3m. It would not seem credible for such a significant impact to be applied across local government in a single year with only a short period of notice for councils to adjust to the change. Therefore, for the purposes of the MTFP an allowance for damping any significant reductions in funding has been included in the forecasts for future years.
74. The situation will be kept under review and reported to Members accordingly – but the timescale for government releasing the required draft financial settlements is unknown.

COLLECTION FUNDS

75. The Collection Funds are statutory funds. They sit entirely outside of the General Fund and the Council budget.
76. The Council manages separate collection funds for Council Tax and Business Rates. Every year the Collection Funds are credited with the income from Council Tax and Business Rates (c. £88m and £53m respectively).
77. The Council Tax collection fund is debited with the precepts from DDC, KCC, Fire, Police etc. These precepts are based on the forecast of income based on assumptions about the tax base, collection rates, etc. So, if income is below forecast, the collection fund will show a deficit at the year end. If it is above forecast, it will show a surplus.
78. Normally this surplus (or deficit) is owed to (or by) the preceptors and will be added to (or deducted from) the following year's precept in order to distribute the surplus available in the collection fund or contribute the projected deficit back to the collection fund to top it up. This is a continuous rolling process. An estimate of the expected Surplus is calculated in the January before the start of the year.
79. DDC's share of the NDR surplus/deficit will be calculated as part of the NDR1 process, if a deficit is forecast it will be financed from the Business Rates & Council Tax Support Reserve in accordance with the planned smoothing of NDR timing differences.

GENERAL FUND RESERVES AND BALANCES

80. In the 2022/23 budget process it was recognised that to mitigate the risk and volatility associated with the budget process a £4m smoothing reserve should be created to enable the council to take a measured approach to the forecast pressures.
81. Significant savings were included in the 2024/25 budget to finance the forecast 2024/25 residual deficit. This enabled consideration of further options for savings and income generation to be taken in 2025/26 and the rest of the planning period as a fuller understanding of the likely outturns and funding was developed. In 2023/24 £510k of the Smoothing Reserve was applied to balance the outturn position, which was £426k less than the original forecast position. Based on current forecasts it is expected that c.£1m will be applied from the Smoothing Reserve in 2024/25, leaving c.£2.5m for future requirements. Replenishment of this reserve will be considered as part of future budget setting processes.
82. The 2025/26 budget is currently forecast to have a deficit of £432k for 2025/26, to be funded from the Operational and Fee Income Reserve, recognising the pressures on homelessness and key income streams in the year.
83. The proposed General Fund balance of £1.5m reflects a revised “minimum preferred level”, following the introduction on the General Fund Revenue Budget Smoothing Reserve.
84. The forecasts contain a significant margin of uncertainty and pressures from inflation, the macroeconomic position, and the future of local government funding. Based on current assumptions. it is currently forecast that there will be a requirement to deliver savings and / or income generation in the region of £2.5m in 2026/27 and a further £1m per annum in future years, as detailed in Annex 2. This value is subject to the impacts of local government financing and will be kept under review.
85. The Council’s earmarked reserves, and protocols for their use, are set out in Annex 4. Without these earmarked reserves the Council cannot plan effectively for anticipated future events and requirements and expenditure of a cyclical nature. Nor could the Council plan to smooth the impacts of the volatile income streams from Business Rates, New Homes Bonus etc. Therefore, the earmarked reserves are held at an appropriate level for the Council’s plans.
86. Further supporting information on the GF budget is provided in the following Annexes:
 - Annex 1A contains the budget summary for the General Fund
 - Annex 1B shows the net service expenditure analysed by categories of expenditure and income
 - Annex 1C shows the key expenditure and income figures and patterns for the General Fund
 - Annex 1D details the main factors impacting the General Fund budget
 - Annex 2 provides the General Fund Revenue Budget projection for the period to 2028/29
 - Annexes 3A – 3C contain summaries of the services managed by each Director and the associated budgets
 - Annex 4 contains details of the General Fund balance and earmarked reserves
 - Annex 9 details the Grants made to Organisations for approval

Recommendations from this Section

87. It is recommended that Cabinet:
- approve the grants to organisations detailed at Annex 9.
88. It is recommended that Council:
- approve the General Fund Revenue budget for 2025/26.
 - approve the policies and protocols regarding the General Fund balances and earmarked reserves, and transfers between reserves as set out in Annex 4.

HOUSING AND THE HOUSING REVENUE ACCOUNT

OVERVIEW

89. This section addresses two, separate but related, aspects of housing within the district. The first concerns the financial standing of the HRA, its budget and balances, and the rent levels for the coming year.
90. The second concerns housing development and investment, and includes developments by the HRA, Registered Providers (RPs) and by the private sector.

HRA FINANCIAL OBJECTIVES

91. The main strategic financial objectives of the Housing Revenue Account are as follows:
- Maintain a Housing Revenue Account that is self-financing and reflects the requirements of residents
 - Comply with the Decent Homes Standard and relevant health and safety requirements
 - Maximise the recovery of rental income
 - Minimise the number of void properties and minimise the level of rent arrears and debt write offs
 - Provide sufficient investment in the current stock to maintain its condition and implement upgrades as necessary
 - Maintain an adequate level of HRA balances and reserves
 - Undertake prudential borrowing, in accordance with the Council's treasury management policies, where appropriate and there is a business case to do so, for investment in additional properties and property development
 - Develop a programme to deliver new affordable housing across the district
92. At the time of writing, the HRA has 4,482 dwellings, made up of 2,721 houses and 1,761 flats.

2025/26 DRAFT BUDGET AND MEDIUM-TERM FORECAST

93. The HRA's financial position, detailed at Annex 5, can be summarised as follows:
- HRA balance to be maintained for the period at £1m
 - Housing Initiatives Reserve (HIR) balance to be used for stock condition and planned works for DDC's housing stock
 - The housing development projects (as detailed in paragraph 119) for the planning period will be funded by retained right-to-buy receipts, grant funding and borrowing⁶
 - Increase in social rent of 2.7% as per MHCLG
 - No increase in affordable rent as Local Housing Allowance (LHA) rates have stayed the same
 - Increase in shared ownership rents of 3.2% as per MHCLG guidance
94. The future year projections show an increasing income stream from rents. This is due to the Government's guidance to increase rents annually by CPI+1% (totalling 2.7% for 2024/25). These rent increases help to partially offset the general inflationary pressures

⁶ Project viability assessments are undertaken on the basis that borrowing will be required. However, where cashflow is sufficient to undertake the projects without borrowing, then the borrowing will only be undertaken when it is required or prudent to do so.

on the HRA expenditure and to maintain service levels. The Housing Initiatives Reserve (HIR) is currently planned to be used to continue the work on improving DDC housing stock.

95. During 2025/26, and for the duration of the MTFP, it is assumed that the HRA development projects will be funded through retained right-to-buy receipts, external funding and borrowing. The council is aiming to add 200 units per year to its housing stock, progress is under way, see paragraph 123 for more details, and further developments and proposals in the pipeline.
96. Annex 5 provides a draft HRA budget summary & Annex 5A details the 4-year forecast position for the HRA.
97. The planned capital and revenue works budgets have been set to account for the expected level of repairs needed to maintain the stock at an appropriate level for the planning period.

BACKGROUND

98. With effect from 1st April 2012 the government replaced the subsidy based system of HRA financing with “Self-Financing”. For DDC this resulted in the replacement of the subsidy that we were paying to Government (£6.3m in 2011/12) with a single payment to them of £90.5m. This was facilitated by the compulsory borrowing by DDC of the required sum from the Public Works Loans Board (PWLB). Government direction was to plan for long term rent increases of 1% above inflation. Servicing the loan, over 30 years, cost less than the negative subsidy, and so the HRA started to accrue a surplus which could be invested in new housing or other appropriate requirements. The current balance outstanding on the PWLB loan is c.£64m.
99. The HRA budget is funded for 2025/26. The HIR balance will be added to with the £520k surplus from the HRA. New projects will use borrowing, as required, to support the on-going programme of housing development.
100. The 2025/26 budget is based on the work programme provided by the property services section and incorporating the results of the survey. A new stock condition survey was started in 2024/25 to review the latest position and provide up to date information for forecasting futures works and budget requirements and will continue in 2025/26.
101. In May 2017 Dover District Council Jobcentre Plus went live with the Universal Credit Full Service. There had been a significant increase in HRA rent arrears until January 2021 when the in-house rent team started to be able to recover some of the arrears. The rent arrears continue to stay at their lowest level since April 2018. The debt is mainly a cash flow issue rather than a bad debt due to the timing delays associated with payment of Universal Credit. However, tenants now directly receive the Universal Credit payment, whereas with Housing Benefit, payments are made direct to the landlord. This is resulting in some cases of higher debt levels from tenants not paying their rent and we are beginning to see some evictions due to this.

Rent Setting

102. Council house rents are effectively controlled by Government. The current guidelines from the Ministry of Housing, Communities and Local Government (MHCLG) are for social rents to be increased using CPI (Consumer Prices Index) + 1%, this results in an increase for 2025/26 of 2.7%. Social rent levels are calculated on an individual property basis using rent formulas previously prescribed by MHCLG.

103. It is not, therefore, possible to report on the rent to be set for, say, a standard 2-bedroom flat or a standard 3-bedroom house. However, for Members' information the following figures may be helpful:
- The 2024/25 average weekly social rent across all properties is £103.99
 - The 2024/25 average weekly social rent is forecast to be £106.90
 - The increase in the average weekly social rent is £2.91 or 2.7%
 - Three bedroom houses have rents (for 2025/26) ranging from £102.48 per week to £155.12 per week with an average of £117.38
 - These rents are all significantly lower than those available in the private rental sector
104. DDC now has 76 properties which are charged at affordable rent. This is defined as homes let below market rent. The rent (including service charges) is set at up to 80% of the local market rent for an equivalent home for most registered providers but the Council's view is that wherever possible affordable rent levels should not exceed the Local Housing Allowance (LHA) rate. The LHA rates are as below for 2024/25:
- Shared accommodation/Bedsit - £99.30 weekly rent
 - 1 Bedroom - £117.37 weekly rent
 - 2 Bedrooms - £159.95 weekly rent
 - 3 Bedrooms - £199.07 weekly rent
 - 4 Bedrooms - £276.16 weekly rent
105. The LHA rates in the Dover District are determined by Broad Rental Market Areas (BRMAs). There are two BRMAs in the district; Canterbury BRMA and the Dover-Shepway BRMA. The latter is the largest of the two in our district but has the lowest LHA rate in Kent. This has a negative impact on the Council's ability to develop new affordable housing, and on our resident's ability to pay their rent through Housing Benefit.
106. DDC completed a preliminary investigation into a BRMA review which showed that the Local Housing Allowance (LHA) rates for the Dover-Shepway BRMA were not reflective of the existing housing market which has changed significantly since 2011 when the current BRMAs were established. Subsequently, DDC completed and submitted a report to the Valuation Office Agency that requested they review the Dover-Shepway BRMA boundary to bring it into line with the changes highlighted in the report. Our request for a boundary review was refused by the VOA.
107. DDC also has 43 shared ownership properties, these are houses and flats which are sold on a leasehold basis with the Council being the landlord and having the remaining share of the lease. The initial share purchase for shared ownership homes is between 25% and 75%.
108. As part of the scheme the owner of the property agrees to pay rent on the remaining unsold share which is approx. 3%. There is also an annual service charge to pay. The increase in rents is determined in the lease as Retail Price Index (RPI) +0.5% (as at the September prior to the financial year) per annum. For Members' information the following figures may be helpful:
- The 2025/26 average weekly shared ownership rent is forecast to be £70.10.
 - The increase in the average weekly shared ownership rent is £1.93 or 3.2%.

Capital Receipts

109. Like the majority of Councils, Dover has entered into an agreement with Government to retain 100% of the receipts from right-to-buy sales above the anticipated trend level. These excess receipts (known as “1:4:1 replacement”) are ring fenced to provide part funding of the cost of new affordable/social housing. This means that there is a cap on the receipts that can be used for general capital purposes. This can be supplemented by the element of excess RTB receipts retained for ‘debt repayment’ that may be used for other capital purposes if repayment of debt is funded from an alternative source.
110. As at the end of December 2024 there had been 10 RTB sales in the financial year. It is estimated that retained ‘excess receipts’ will be in excess of £125k by the end of the financial year. This has to be used within 5 years of receipt, or else it must be repaid to MCHLG. To comply with these rules and avoid claw back by MHCLG, this funding is normally applied to HRA housing projects before any other sources are used.
111. MHCLG has launched a consultation on right to buy reform which would include changes to the qualifying criteria for tenants, the initial and maximum discounts as a percentage of the property’s value and types of properties that should be exempt from the scheme. The details of any changes from the consultation will follow.

Service Charges

112. The Council currently levies service charges to tenants and leaseholders based on the costs of the specific services received by the two groups. Service charges and charges for insurance are made to leaseholders in addition to the ground rent charged.
113. Service charges to tenants are made in addition to their weekly rent, these are reviewed on a rolling yearly basis depending on the type of charge.

THE MANAGEMENT OF DDC’S HOUSING STOCK

114. The management of DDC’s housing stock has been with DDC since 1st October 2020 following a special Cabinet meeting to bring it back in house on 20th February 2020.
115. The stock had previously been managed by East Kent Housing (EKH) who also managed the stock for Canterbury, Folkestone and Hythe and Thanet Councils. The three other Councils also decided to take back the management of their own housing stock.
116. The in-house teams are now established and operational. Much of the work has been completed including:
- Compliance levels and procedures are now at the required level and have received sign-off from the Social Housing Regulator
 - The disaggregation and implementation of computer systems
 - The embedding and development of the smooth running of the new service
117. The cumulative problems indicated above have given rise to building a new HRA Business Plan to help to forecast the cash flow needed for the Council. This includes a 14-year capital investment programme of restorative measures as well as working towards its housing stock becoming carbon neutral by 2050 (as per the Climate Change Emergency report to cabinet on 4th November 2019).

HRA BUSINESS PLAN

118. As mentioned above the HRA Business Plan has been built to assess the impact on future modelling of the HRA cashflow for both future major projects and future increased spend on improvements on the housing stock. The plan evaluated and confirmed that a 3-year profiled spend on capital investment is an affordable approach to support the restorative measures required. The Business Plan will continue to be reviewed within 2025/26 to assess the on-going impact of the current restorative works, future spending plans, the impact of the macroeconomic environment and other relevant factors on the long-term viability of the HRA.

HOUSING DEVELOPMENT AND INVESTMENT

119. Housing development and investment within the district is a corporate priority and is taking place on a number of fronts, of which the most significant are:
- HRA Investment, utilising
 - External funding
 - Borrowing
 - 1:4:1 Right to Buy Replacement
 - Acquisition and new build
 - Investment in existing stock
 - Registered Providers Investment
 - Private Sector Housing
 - Commercial housing developments
 - Homelessness strategy
120. These are discussed in more detail below.

HRA INVESTMENT

Housing Initiatives Reserve (HIR) & 1:4:1 Right to Buy Replacement

121. The HIR has been funded by the transfer of surpluses, and an under investment by EKH in our housing stock, in previous years whilst maintaining a £1m balance in the HRA. The HIR was established to fund a programme of new house building / acquisition.
122. Since 2017/18 HIR funding, coupled with 1:4:1 Right to Buy funding and borrowing plans have enabled the purchase of 96 former Council properties which have been added to the HRA stock.
123. Current and future projects underway to provide additional affordable housing in the district are detailed below:
- Sandwich Road, Sholden – 40 properties inc. 15 shared ownership purchases
 - Willowbank, Sandwich – 20 shared ownership purchases
 - Military Road, Dover – 8 properties.
 - Mongeham Road, Great Mongeham – 10 properties inc. 3 shared ownership purchases
 - Poulton Close, Dover – 24 properties
 - Wallers Field – 10 properties inc. 5 shared ownership purchases
 - Easole Street, Nonington – 6 property purchases
 - Local Authority Housing Fund – 16 property purchases.

124. The current economic climate of construction inflation and higher interest rates and the VOA's refusal to adjust LHA rates in the district above their currently unfeasibly low level, means that the viability test for new developments is hard to pass. We continue to work constructively with Homes England to find support for new projects where possible.
125. It is proposed that the pipeline projects for 2025/26 and future projects will be financed by external funding, retained right-to-buy receipts, and borrowing. The balance in the HIR at the end of 2024/25 is projected to be around £17m. The four year HRA forecast (Annex 5A), shows the balance will continue to stay around £17m and will be used to improve the condition of DDC's housing stock.

Supporting Information

126. Further supporting information on the HRA budget is provided in the following Annexes:
- Annex 5 contains the budget summary for the HRA
 - Annex 5A shows the four-year forecast by categories of expenditure and income
 - Annex 5B details the revenue and capital works programmes
 - Annex 5C shows the housing development capital projects

Recommendations from this Section

127. It is recommended that Council:
- approve the HRA budget for 2025/26.
 - approve the HRA Capital and Revenue Works Programmes.

ASSET MANAGEMENT PLAN (AMP)

128. The AMP is used as a management tool to assist in ensuring that the Council's property assets meet the Strategic Priorities that are identified in the Corporate Plan. It covers:
- effective maintenance of assets.
 - capital works and planned maintenance programmes.
 - compliance and Health & Safety.
 - data on performance of significant corporate assets.
 - properties identified for disposal.
129. Property Assets are currently working on previously identified priorities but note the need to prepare a new AMP and review corporate priorities moving forward. The new Asset Management Plan will be completed in 2025/26.
130. Expenditure on repairs, maintenance and compliance forms a direct link with the revenue budget, which contains the resources to meet the programme of repairs, maintenance and compliance. Standards of maintenance, and therefore of required expenditure, are to some extent subjective. The Head of Property Assets confirms that there are sufficient resources to keep properties generally wind and water-tight, but it continues to be a challenge to maintain all buildings without deterioration. Continuing with this approach increases the risk, but it ensures that the limited budget focuses mainly on essential maintenance. Similarly, the budget constraints mean that there is not sufficient resource to facilitate significant reductions in the carbon footprint of DDC owned assets. The Councils Capital Works Programme (which has a limited and reducing budget) provides the resource to fund any significant work.
131. There is a growing backlog of planned maintenance / project work required for DDC's "Operational Assets". Significant expenditure is needed at:
- Tides Leisure Centre – It was agreed at Cabinet in January 2025 to move forward with RIBA Stages 3 and 4 for the development of the six-lane pool option and confirmed that the current centre would close temporarily from April 2025.
 - Deal Pier - a concrete clad metal structure in a maritime environment and therefore subject to enhanced rates of corrosion. It therefore needs cyclical repairs; these were last undertaken about 10 years ago. An investigative survey was undertaken in 2024 and a series of immediate structural repairs were completed in early 2025. Further significant work is required to a number of the main pylons (support legs) under a separate tender package. An allowance has been made within the MTFP for this work which it is anticipated will be undertaken during 2025.
 - Dover Museum – an ageing facility in need of a new roof and significant replacement / enhancement of its mechanical and electrical services (with priority in the Bronze Age Boat gallery). An allowance has been proposed within the MTFP for this work to be undertaken .
 - Kearsney – A strategic DDC asset that requires further works to ensure the Council continues to provide high quality open space. Works will include (but not be limited too) where budget allows; repairs to two bridges and the boat house in Russell Gardens, works to the Russell Gardens pond, works to the sluice in Kearsney Abbey, cafe floor replacement (within listed section of building) and a new boardwalk in Kearsney Abbey to provide year round access .
 - Roman Painted House – following the return of the building by The Dover Roman Painted House Trust in October significant essential remedial and environment works were carried out. The property was added to Historic England's Heritage

at Risk Register and ongoing works are required to protect and monitor the building and scheduled monument.

132. Significant restoration works are currently underway and nearing completion at Dover Town Hall (Maison Dieu) as part of National Lottery Heritage Fund funded works with the project due for completion in early 2025.

Summary

The key points for Members to note are:

- There are currently sufficient resources to maintain the Council's General Fund properties in a basic state of repair, but it is a significant challenge to maintain all the buildings without deterioration and this does carry a risk of service failure or an increase in the overall maintenance backlog. The current resource levels preclude any significant expenditure on initiatives to cut carbon emissions; however, innovative sustainable projects and solutions will cumulatively and significantly reduce emissions help the Council achieve its organisational zero carbon ambition by 2030.
- The Head of Property Assets continues to review opportunities for realising capital receipts from surplus assets to support financing of the capital programme.

PROJECT PROGRAMMES

Purpose of the Project Programmes

133. The primary objectives are to:
- maintain achievable, affordable project programmes.
 - ensure capital resources are aligned with corporate priorities.
 - identify any requirement for Prudential Borrowing and ensure that it is only undertaken if it is affordable.
 - maximise available resources by actively seeking external funding and disposing of surplus assets.

Definition of Capital

134. Capital expenditure is expenditure which increases the capital value, performance, use or life of an asset. It can be financed by several means including:
- Capital receipts
 - Capital grants
 - Prudential Borrowing
 - Revenue resources
 - Leasing
135. Of the above, only revenue resources and the use of external leasing can be applied to meet revenue requirements.

Content of the Capital Programme

136. Members are referred to the draft Medium Term Capital Programme (MTCP) at Annex 6A. This is a dynamic programme, and a bidding process is operated every year to identify and plan future projects.
137. However, if formal approval is required for every minor change in the programme, this will potentially generate delays. To manage this, it is proposed that the current practice, as set out below, is continued:
- The programme will be continuously updated to reflect the latest position.
 - A summary of changes will be provided in the quarterly performance reports.
 - Whenever changes are required which exceed the overall spend of the programme, Member approval will be required – in effect, approval will be required if officers cannot find savings within existing resources to accommodate changes or cannot finance them from external sources.
 - Any changes which are expected to have significant policy implications will be discussed with the Leader and relevant portfolio holder and will be reported to Members.
138. To simplify the management of regeneration budgets it has been agreed that they are treated as one major project and virements between them can be authorised by the Strategic Director (Finance and Housing / Section 151 Officer).

139. To facilitate efficient decision making, final approval for projects up to £50k that are included on the Capital and Special Revenue Programmes are delegated to the Strategic Director (Finance and Housing / Section 151 Officer) in consultation with the Portfolio Holder responsible for Finance.
140. In addition, a contingency has been included on the Special Revenue Programme to allow progression of small projects without significant policy implications. It is proposed that the approval of such projects continues to be delegated to the Strategic Director (Finance and Housing / Section 151 Officer) in consultation with the Portfolio Holder responsible for Finance.
141. All projects will continue to require reports for approval of a Project Appraisal and at evaluation, design, and tender stages where appropriate, in accordance with the Constitution.
142. The structure of the programme is reflected in the format of Annex 6A and is explained below:
- Committed Projects
These are live projects that have been approved by Cabinet through the Project Appraisal process, or under the agreed delegated authority, and are committed or in progress.
 - Proposed Projects
New projects are shown in the programme for approval of funding to the projects. These projects will be subject to the completion of a Project Appraisal for Cabinet or delegated approval before they commence.
 - Financed by
This table provides a summary of the financing of the proposed Capital Programme. Members will note that there are sufficient resources to finance the projects included in the table. However, Members should also note that:
 - if Members wish to include additional projects in the programme, these can only be resourced by removal of the equivalent value in new bids unless the projects have external funding.
 - removal of projects financed by specific grants, or from the HRA, will not generate additional resources for other projects in the General Fund programme.

Content of the Special Revenue Projects Programme

143. The Special Revenue Projects Programme (Annex 6B) comprises significant projects which are not, in the main, capital, but which are still one-off revenue expenditure in nature and are therefore to be funded from reserves as annual recurrent revenue budgets are insufficient to finance them. As one-off projects they are generally managed with the same disciplines and controls as capital projects. As they are financed from revenue reserves, cancellation of any of these projects would free up resources which could be used to finance capital projects, other revenue projects, or for other purposes.

Content of the Digital and ICT Projects Programme

144. The Digital and ICT Projects Programme (Annex 6C) comprises significant projects which are required to deliver digital improvements to services and support the ICT infrastructure.

These are usually one-off revenue expenditure in nature and are therefore to be funded from reserves as annual recurrent revenue budgets are insufficient to finance them. Any ongoing software which becomes business as usual, will be incorporated into department budgets from year two.

Financing of the Project Programmes

145. In order to maximise the capital resources available to the Council, the detailed decision to apply capital receipts, revenue resources, grants, s106 monies etc. to finance the approved Capital and Special Revenue Projects Programmes is delegated to the Strategic Director (Finance and Housing / Section 151 Officer), in consultation with the portfolio holder responsible for Finance, and capital receipts from particular sources will not be hypothecated to specific projects. Instead, they will be treated as one overall stream to finance projects according to the priority of the projects and the availability of financing.
146. The financing of the capital programme will be reported to Members as part of the Outturn Report. This is produced annually and accompanies the final accounts.
147. In addition to financing of capital expenditure, the Council must also consider what provision, if any, should be made for the repayment of debt. Although new long term borrowing has not yet been undertaken, it is intended that new borrowing, when required, will be repaid by making revenue provisions based, inter alia, on the life of the asset as set out in the Treasury Management Strategy Statement.

Prudential Code

148. The "Prudential" regime was introduced on 1 April 2004, and since then local authorities have had the freedom to borrow monies that are judged affordable, sustainable, and prudent. This enables local authorities to fund new borrowing from savings in revenue expenditure or the generation of additional revenue income.

Capital Receipts

149. From 1st April 2012 new Right-to-Buy regulations were introduced under the Housing Finance Reform Debt Settlement. This allows authorities to retain receipts for 1:4:1 replacement of Affordable Housing, see paragraph 109 for more details.
150. Right-to-Buy (RTB) sales in 2024/25 have increased than in 2023/24 although they are still significantly lower than in previous years. Although the level of receipts available for general capital purposes is capped additional funding is available from the element of excess RTB retained for debt repayment that may be used for other capital purposes.
151. The Council generally retains 100% of non-HRA capital receipts and non-RTB HRA capital receipts, subject to capital allowance regulations.
152. Future capital receipts are expected to come mainly from housing right to buy sales and amount to circa £125k per annum at current sales levels, so will not replenish capital funds and will not be sufficient to maintain the current level of activity in the future. No other major receipts are currently expected.

Summary

153. The key points for Members to note are:

- The Capital Programme operates on a cash funded position with no new projects being approved to commence unless:
 - the whole project costs can be financed through additional funding.
 - sufficient capital receipts have been banked.
 - external borrowing is approved.
 - other savings in the programme have been identified.
- The new projects in the programme have been approved subject to the completion of a Project Appraisal for approval by Cabinet, or the Strategic Director (Finance and Housing / Section 151 Officer) in consultation with the Portfolio Holder responsible for Finance under delegated powers.
- The Capital Programme is partly financed from HRA Right-to-Buy sales. Since 2017/18 the level of RTB sales has been declining and the level of sales for 2024/25 is currently showing this trend is continuing. Therefore, the amount of receipts available for general capital purposes remains limited.
- The detailed financing of the Project Programmes is delegated to the Strategic Director (Finance and Housing / Section 151 Officer) in consultation with the portfolio holder responsible for Finance.
- The lack of headroom in the capital programme for additional projects is a significant constraint and new large projects will need to be funded from external borrowing where revenue savings can be identified to offset the borrowing costs.

RECOMMENDATIONS FROM THIS SECTION

154. It is recommended that Cabinet:

- delegate the approval of projects included in Annex 6C, the Digital & ICT Programme, to the Digital Services Manager, in consultation with the Head of Finance & Investment and the Portfolio Holder responsible for ICT.

155. It is recommended that Council:

- approve the Capital, Special Revenue and Digital & ICT Programmes.
- approve that capital resources required to finance new projects are secured before new projects commence.

TREASURY MANAGEMENT AND THE PRUDENTIAL CODE

156. The Local Government Act 2003 introduced new capital accounting regulations, which required Councils to have regard to the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code when setting their budgets.
157. The new capital system promotes a Council framework to ensure:
- that the authority maintains a balanced budget.
 - that the impact of capital investment decisions is reflected in the revenue budget.
 - that performance measurement is implemented in managing and controlling the impact of capital investment decisions.
158. Annexes 7A – 7C (to follow) set out estimates for each of the relevant Prudential Indicators in each of the financial years 2025/26 to 2028/29 and include the latest estimates for 2024/25 aligned with the revised forecast budget. Approval is sought for the proposed indicators for 2025/26 – 2028/29.
159. The capital programme has been financed to date within existing resources, which include capital receipts, specific capital grants, the Major Repairs Allowance, and useable reserves and internal borrowing. Significant projects, including the Dover District Leisure Centre, will ultimately be financed by borrowing; however, no borrowing has been undertaken at this time. Approval levels for borrowing will be included in Annex 7B.

TREASURY MANAGEMENT

160. The Council's Treasury Strategy complies with the requirements of the CIPFA Code of Practice on Treasury Management, which was adopted by the Council in September 2002 and the CIPFA Code of Practice on Treasury Management (revised December 2021) that was adopted by this Council in March 2022.
161. Approval of the strategy is a Council decision.

RECOMMENDATIONS FROM THIS SECTION

162. It is recommended that Council:
- approve the Capital, Treasury Management and Investment Strategies, including the Prudential Indicators and Minimum Revenue Provision statement (Annexes 7A, 7B, 7C and 7D – to follow in second circulation).

KEY ASSUMPTIONS & READY RECKONER

Background

163. To complete the budget and MTFP in accordance with the timetable it is necessary to make various assumptions. These are based on the most realistic information available at the time of production, but it is important that Members are aware of these assumptions and their implications.

Inflation

164. Salary inflation will be based on the results of the Collective Bargaining process.
165. Contract inflation for 2025/26 is based on the details of the specific contracts, the state of the market for the specific services and any other relevant factors.
166. General inflation is assumed to be 2% for 2025/26 and future years.

Staff Numbers

167. The 2025/26 budget includes 487 full time equivalent posts directly employed for DDC. This includes 25 Port Health posts, 8 posts employed by DDC as part of the East Kent Audit Partnership (working for Canterbury, Thanet, Folkestone and Hythe and Dover and recharged accordingly) and 5 posts employed by DDC as part of the East Kent Payroll (working for Canterbury, Thanet and Dover and recharged accordingly) allocated across services.

Triennial Valuation of the Pension Fund by the Fund Actuaries

168. The triennial valuation took effect from April 2023, when the Council's actuaries agreed a reduction in payments to the pension fund to clear the Council's deficit over eleven years rather than eight. It is assumed that the annual DDC backfunding contribution will increase by 5% per annum for the planning period.

Interest Rates

169. It is assumed that DDC will maintain the 2025/26 level of income from investments for the remainder of the planning period. Any additional income generated will be transferred to reserves to support future projects.

Revenue Support Grant (RSG)

170. The local government settlement provides figures for 2025/26. For 2025/26 the RSG has increased. For financial planning purposes it has been assumed that RSG will continue for the remainder of the MTFP planning period.

Non-Domestic Rates (NDR) Retention

171. The calculations are based on working figures from models that are used to estimate the NDR1 figures and what they will be. The figures will be reviewed following the completion of the NDR1 returns and will be updated in the second circulation of the papers if the changes are significant. The forecasts assume some small growth in the level of NDR income in 2025/26, followed by a reduction due to NDR reforms impacting from 2026/27.

Council Tax

172. Council tax increases have been assumed at 3% for 2025/26 and for the remainder of the planning period. It is also assumed that the Council Tax base will increase by 1% per year.

New Homes Bonus (NHB)

173. New Homes Bonus is a scheme that provided incentives and rewards for councils and communities who support delivery of new homes in their area. It is assumed that the NHB grant will be reduced to nil by 2026/27.

Capital Projects

174. Revenue pressures arising from capital projects will be built into future budgets and MTFP forecasts as they are identified.

Ready Reckoner

- Payroll - 1% increase costs the General Fund approximately £250k
- Council tax - 1% raises c.£93k
- NDR – 1% growth in BR income equates to c.£102k (DDC's share @ 40%, less 50% levy, but will be higher under pooling due to reduced levy rates)
- Investment Income - 1% equals approximately £500k (based on investment balances of £50m)
- Contract inflation – 1% equals c.£70k

SIGNIFICANT BUDGET RISKS

175. Budgets, by their nature, involve an element of forecasting which entails uncertainty and hence risk. The schedule below highlights the main strategic / high value budget risks.

176. Income risks:

- Business Rates
- New Homes Bonus
- Fair Funding Review
- Council Tax
- Treasury Management
- Property Investment
- Capital Receipts
- Housing rent collection
- Car parking

177. Expenditure risks:

- Macroeconomic environment and inflation
- Port Health
- Pension Funding
- Homelessness
- Contract renewals
- Major capital projects

Ref	Risk Description	Explanation and Mitigation	Budget Sensitivity
1	Port and Border	The creation of a “third country” border between the UK and France and the subsequent delay in implementation of the Entry/Exit System (EES) increases the risks of border closures and related disruptions to the traffic flows in and out of the Port of Dover and the Channel Tunnel. This poses a risk in terms of the impact on local businesses and communities, the disruption in the delivery of services such as waste collection, and the requirement clear litter, clean highways etc.	Unable to forecast. Impact is dependent on the events, timing, duration, and the responses of other agencies.
2	Port Health	DEFRA are yet to confirm the funding for Dover Port Health Authority activities/checks in respect of African Swine Fever (ASF) and now Foot & Mouth Disease (FMD) for 2025/26. Throughout 2024/25, funding has been provided by DEFRA on an ad hoc basis, based on the continuation of the existing service (out of Dover Port only, nothing in Coquelles) upon submissions of claims by DPHA. It is assumed that funding will continue in this manner, until a more sustainable funding package is agreed by DEFRA. If that does not happen then either DDC funds the Port Health Authority activities (which is likely to be unaffordable) for the benefit of the UK food chain and meat industry (which is now at high risk) or checks at the border (and Coquelles, should they start) will cease, with biosecurity, food security, economic and	Assumed as budget neutral.

Ref	Risk Description	Explanation and Mitigation	Budget Sensitivity
		reputational risks to Dover and the UK from the unintentional introduction of diseases such as ASF and FMD.	
3	Local Government Reform	<p>This presents a number of financial challenges for which there are, at the moment, no answers. It is uncertain:</p> <ol style="list-style-type: none"> 1. Whether the Kent and Medway EOI will be accepted into the Devolution Priority Programme, 2. What the cost of preparing and delivering unitarization will be and how this will be met, 3. The costs of consolidation after unitarization, 4. The basis of harmonisation / equalisation of Council Tax and other charges, 5. The extent, if any, to which government will seek to freeze local authority reserves in advance, and 6. What discipline will be required to maintain business as usual and operate on a “going concern” basis in the meantime. 	Unable to forecast at the time of writing.
4	Local Government Finance Settlement	<p>This risk relates mainly to 2026/27 and later years, where the basis of future settlements remains uncertain.</p> <p>The Council’s total financing is £21.2m. The future of circa 57% of this financing is uncertain, as set out below.</p> <p><u>Core Spending Power</u></p> <p>Although the government have stated they will protect core spending power it is considered unlikely that they will include income from Business Rates (BR) in this calculation.</p> <p>BR income is currently £9.2m, or 43% of financing.</p> <p><u>Business Rates</u></p> <p>Government proposes to re-set the BR system. The Council currently retains a proportion of its BR reflecting growth achieved since the inception of the system. It is not clear whether the Council would lose or gain from a re-set of its baseline, tariff etc.</p> <p><u>Revenue Support Grant (RSG)</u></p> <p>Government proposes to review the local government settlement. The basis of this is not certain and therefore the impact on is unknown.</p>	<p>Unknown</p> <p>Unknown</p> <p>£294k</p>

Ref	Risk Description	Explanation and Mitigation	Budget Sensitivity
		<p><u>Services and Funding Guarantee Grants</u></p> <p>This is unlikely to be continued beyond 2025/26.</p> <p><u>New Homes Bonus</u></p> <p>This has been rolled over on a one year basis and so based on current understanding, it is unlikely to be continued beyond 2025/26.</p> <p><u>Extended Producer Responsibility Funding</u></p> <p>This grant is funded by a tax on the producers of packaging. As the industry reacts to the tax, it is likely to be less productive over time, leading to a reduction in the grant. The timescale for this is uncertain.</p>	<p>£771k</p> <p>£534k</p> <p>£1,019k</p>
5	National Insurance Increase	<p>Government have indicated that they will fully fund the NI increase for local authorities.</p> <p>Initial indications suggest that the increase will not be fully funded and MHCLG do not appear to have used the relevant data, despite having it at their disposal.</p>	Circa £200k
6	Council Tax Base & Collection Rates	<p>The draft budget includes the current forecasts of the Council Tax base and collection rates.</p> <p>The uncertainty around current economic performance and employment may have an on-going impact on Council Tax income.</p>	£9.3m pa.
7	Treasury Management	<p>Of the current forecast £2.6m treasury management income £600k is being transferred to earmarked reserves to support future projects and reduce the GF risk of over-reliance on the income stream.</p> <p>Reductions in the capital value of investments would only impact the GF if the funds were realised when the values were low. Due to the breadth of investments held it is unlikely that this would become necessary as other funds could be realised or short term borrowing undertaken if cash flow shortages occur.</p>	£1.9m pa.
8	Property Income	<p>The Council receives rental income from its properties. There is an inherent risk that this income may be reduced if tenants are unable to continue to trade.</p>	£2.4m pa.
9	Capital Resources and Receipts	<p>Capital resources (other than borrowing) are almost depleted and will not be easily replaced from revenue contributions or receipts.</p> <p>Capital receipts come from housing and other asset sales. Any drop-off in the level of receipts will lead to reduced</p>	£125k pa (average level)

Ref	Risk Description	Explanation and Mitigation	Budget Sensitivity
		<p>resources available to complete projects. The reduced receipts could arise from lower sales, lower prices, or both.</p> <p>We cannot mitigate against market movements or reduced levels of sales. To some degree lower values may increase the level of demand, but this will also be dependent on interest rate movements.</p>	
10	HRA Rent Arrears	<p>Current tenant rent arrears have been significantly reduced in the last year.</p> <p>A bad debt provision is included within the budget and arrears levels are being monitored.</p>	<p>Annual HRA rent £24.8m</p> <p>Current arrears £516k</p>
11	Car Parking	<p>Car parking income is affected by visitor numbers, shopping patterns, household income and charge levels and is therefore difficult to predict.</p> <p>A new parking strategy is currently being developed, this may lead to changes in parking charge arrangements in the 2025/26 financial year.</p>	<p>£3.3m pa</p>
12	Homeless Expenditure	<p>Expenditure will continue to increase due to the impact of the Homeless Reduction Bill, the continued implementation of Universal Credit in the district, refugee dispersal and the moving on of Ukrainian refugees on the Homes for Ukraine scheme. Close monitoring of the impact of the Bill and the in-year budget is required. Additionally, changes proposed in the Kent County Council budget may impact the support available to vulnerable adults in the district, potentially resulting in additional homeless presentations to the Council.</p> <p>The service will continue investigating innovative options and working with partners to support homeless requirements in the district.</p>	<p>£2.2m</p>
13	Major Contract Renewals	<p>When major recurrent contracts are up for renewal the price achieved by the council depends upon the functioning of the market in the particular sector and the attractiveness of the package assembled by DDC.</p>	<p>Unable to forecast at the time of writing.</p>
14	Major Capital Projects	<p>The Council is involved with a number of major capital projects including Dover Beacon, Maison Dieu, Tides Leisure Centre and Fastrack.</p> <p>These projects are vulnerable to significant inflation and unexpected events including unexpected costs in historic buildings, ground conditions, archaeological risks, contractor failure and poor performance, and inclement weather.</p>	<p>Unable to forecast.</p>

Ref	Risk Description	Explanation and Mitigation	Budget Sensitivity
		<p>Mitigation is through robust forecasts of costs, contingency, effective contracts, and contract management.</p> <p>Regarding Fasttrack, DDC is the accountable body, receives the grant funding and is, arguably, liable for any overspend.</p> <p>DDC has appointed KCC to deliver the project, and in turn KCC appointed contractors. The main contract value is circa £20m, the construction work is complete, and the bus service is operating. However, a series of disagreements have arisen between KCC and the main contractor, who now claims that they have incurred rechargeable costs of more than £50m.</p> <p>The Council considers these claims to be wildly inflated and exaggerated, it appears that the contractor has submitted them purely to create a negotiating position. KCC and their consultant team have vigorously defended these claims in adjudications. To date, of £5.7m claimed through adjudication just £480k has been found in favour of the contractor.</p> <p>The details of these claims, as well as DDC and KCC's responses, are being treated as commercially confidential and therefore have not been provided in this summary.</p>	
15	Supported Housing	<p>The government have proposed self-funding licensing arrangements for regulating the Supported Housing sector. However, the regulations are still awaited. It is not possible to forecast the budget sensitivity.</p> <p>The government has declined the opportunity to address the gap between the cost to the Council of the supported housing premium (when the housing is provided by charities and the private sector) and the lower level of housing benefit that can be reclaimed.</p> <p>In addition to this long-standing financing anomaly, the level of supported housing in Dover is potentially increasing as KCC decant their own facilities and the net costs are shunted to districts.</p>	£300k+ pa.

BUDGET SUMMARY

<u>2023/24</u> <u>Actuals</u>		<u>2024/25</u> <u>Original Budget</u>	<u>2024/25</u> <u>Q2 Projected</u> <u>Outturn</u>	<u>2025/26</u> <u>Budget</u>
£000		£000	£000	£000
2,559	Chief Executive	2,942	2,935	3,307
11,660	Finance, Housing & Assets	14,705	15,910	16,424
8,519	Environment and Place	10,676	9,215	8,767
757	Special & Digital Revenue Projects	2,218	2,218	2,838
0	Vacancy Allowance	(150)	(454)	(150)
0	Target Savings / Income	(417)	(483)	(1,085)
0	Estimated Annual Underspend	(500)	(500)	(500)
0	Savings assumptions @ 80% delivery	0	21	0
0	Contingency	161	161	285
88	River Stour Drainage Board	96	94	96
(4,998)	Directorate costs recharged to HRA & Projects	(5,679)	(5,973)	(6,416)
18,585	Net Operating Expenditure	24,051	23,143	23,566
	Financing Adjustments:			
(2,395)	Interest Receivable	(2,391)	(2,391)	(2,559)
824	Interest Payable	879	879	1,092
1,811	Loan Principal Repayments/Borrowing Allowance	1,603	1,603	1,737
239	Total Financing Adjustments	90	90	271
	Contribution to/(from) Reserves:			
288	- Regeneration Reserve	552	308	550
752	- Special Projects & Events Reserve	(816)	(816)	(2,020)
(340)	- Periodic Operations Reserve	(309)	(309)	(103)
(141)	- ICT Systems & Servers Reserve	(796)	(796)	(295)
(530)	- Business Rates & Council Tax Reserve	0	0	0
226	- Operational & Income Reserves	(2,800)	(901)	(325)
256	Net Contribution to/(from) Reserves	(4,169)	(2,514)	(2,193)
19,079	Total Budget Requirement	19,973	20,720	21,643
	Financed by:			
8,401	Business Rates - Total Income Net of Timing Ad	9,109	8,807	9,204
238	Revenue Support Grant	254	254	294
909	Services & Funding Guarantee Grants	1,412	1,412	771
8,321	Council Tax	8,763	8,763	9,299
55	Council Tax - Collection Fund Surplus / (Deficit)	91	91	91
645	Council Tax - S31 Grants	0	0	0
0	New Homes Bonus	346	346	534
0	Extended Producer Responsibility Funding	0	0	1,019
18,571	Total Financing	19,973	19,670	21,211
509	General Fund Deficit/(Surplus) for the Year	(1)	1,049	432
(1,506)	General Fund Balance at Start of Year	(1,521)	(1,507)	(1,509)
(510)	Transfer from Earmarked Reserves	0	(1,050)	(440)
(1,507)	Leaving Year End Balances of	(1,522)	(1,509)	(1,516)

General Fund Service Expenditure by Cost Type

	2024/25 Original Budget £000	2024/25 Projected Outturn £000	2025/26 Proposed Budget £000
Direct Expenditure			
Employees	28,326	28,409	28,773
Premises	1,277	1,378	2,890
Transport	223	245	243
Supplies and services	10,167	11,738	9,581
Third parties	14,736	14,864	14,991
Shared services	-	-	-
Transfer payments	21,242	20,005	21,611
Total Direct Expenditure	75,971	76,639	78,089
Direct Income			
Government Grants	(24,369)	(24,887)	(26,196)
Sales	(930)	(783)	(1,142)
Fees and Charges	(11,693)	(12,921)	(12,410)
Other Income	(10,657)	(9,989)	(9,844)
Total Direct Income	(47,649)	(48,580)	(49,592)
Central Support reallocation of costs	(5,679)	(5,973)	(6,415)
Special Revenue Projects	2,218	2,218	2,838
Vacancy Allowance & Employment Stability	(150)	(454)	(150)
Savings & Income Generation Target	(918)	(962)	(1,585)
Contingency	161	161	285
River Stour Drainage Board	96	94	96
Net Service Expenditure	24,051	23,143	23,566

GENERAL FUND KEY FIGURES - EXPENDITURE

	2023/24 Outturn	2024/25 Original Budget	2025/26 Draft Budget	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
Key Expenditure Figures:	£000	£000	£000	£000	£000	£000
Employees:						
Basic	15,669	19,058	19,348	19,735	20,130	20,532
NI	1,640	2,071	2,104	2,146	2,189	2,233
Current year pension	3,113	3,850	3,908	3,986	4,066	4,147
Backfunding	1,025	1,025	1,107	1,162	1,220	1,281
	21,447	26,004	26,467	27,030	27,605	28,194
Major contracts:						
Refuse Collection	1,253	1,397	1,446	1,475	1,504	1,535
Recycling	2,315	2,461	2,505	2,555	2,606	2,658
Street Cleansing	2,201	2,344	2,332	2,379	2,426	2,475
Total Waste	5,769	6,202	6,283	6,409	6,537	6,668
Balance of Third Party Payments ¹	823	610	632	645	658	671
	6,592	6,812	6,915	7,053	7,194	7,338

Notes

1 Excludes EKS Management Fees & WCLP

GENERAL FUND KEY FIGURES - INCOME

	2023/24 Outturn	2024/25 Original Budget	2025/26 Draft Budget	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
Key Income Figures:	£000	£000	£000	£000	£000	£000
Car Parking	(2,793)	(3,230)	(3,117)	(3,273)	(3,436)	(3,608)
Rent Income	(2,347)	(2,502)	(2,446)	(2,495)	(2,545)	(2,596)
Development Management	(864)	(1,065)	(965)	(984)	(1,004)	(1,024)
Building Control	(254)	(375)	(300)	(306)	(312)	(318)
Licensing	(255)	(204)	(227)	(232)	(236)	(241)
Green Waste	(565)	(586)	(650)	(663)	(676)	(690)
Land Charges	(160)	(168)	(170)	(173)	(177)	(180)
	(7,238)	(8,130)	(7,875)	(8,126)	(8,387)	(8,658)
Total Financing:						
Non-Domestic Rates	8,401	9,270	9,204	6,565	6,677	6,810
Revenue Support Grant	238	254	294	259	263	267
Council Tax	8,321	8,763	9,299	9,670	10,050	10,440
New Home Bonus	760	346	534	0	0	0
Funding Guarantee	150	1,266	320	785	299	0
Recovery Grant	0	0	451	57	57	0
Extended Producer Responsibility Funding	0	0	1,019	1,019	917	825
Other	700	91	91	91	91	91
Damping	0	0	0	1,320	990	495
Total Financing	18,570	19,990	21,212	19,765	19,343	18,928

GENERAL FUND KEY ELEMENTS

1. The main factors impacting the General Fund budget are detailed below.

Staff Salaries

2. Independent advice on the cost-of-living increase is received to form the basis of negotiations for the 2025/26 pay settlement and is factored into the budget.

Vacancy Allowance and Organisational Savings

3. The vacancy allowance (savings from staff turnover) has been set at £150k. It is proposed to continue an employment management process to maintain the link between corporate priorities and the approval of posts to be filled.

Pension Fund

4. The Council's Pension Fund (part of the countywide fund administered by Kent County Council) is subject to actuarial valuation on a three-yearly cycle. The next triennial valuation of the KCC pension fund is expected to be carried out in March 2025 and implemented from April 2026.
5. DDC pays two contributions to the pension fund; these are "current service rate" (the additional pension earned in year) and a lump sum to finance the existing pension deficit. The actuarial report advised that based on the various assumptions used the current contributions required to meet the cost of pensions being earned today is 20.2% of payroll per annum.
6. The annual calculations in respect of pension benefits as at 31 March 2023 estimated a decrease in the pension fund deficit for Dover. Dover agreed with the actuary to extend the payment of the pension fund deficit from 8 to 11 years which delivered an in-year £500k reduction of the back funding payment from £1.75m to £1.25m.
7. It should be noted that changes to the pension fund deficit are largely a result of factors outside of the Council's control including increases in pensions payable, increased life expectancy and lower asset values.

General Inflation

8. Setting a guideline level of inflation introduces a risk of "over budgeting". Instead, all managers are asked to consider the specific quantity and price of services they will need in the coming year and to reduce expenditure where possible.
9. The other significant area of potential inflation pressures relates to major term contracts. In 2025/26 the assumed level of contract inflation is based on the details of the specific contracts, the state of the market for the specific services and any other relevant factors. For future years it is not realistic to attempt to model contract renewal costs and so for planning purposes increases in the cost of major term contracts 2% for future years has been assumed. Each 1% variance in contract inflation leads to approximately £70k variance in costs.

Contingency Provision

10. Contingency provision of £285k has been included to meet any unexpected expenditure commitments, if they cannot be contained within other budgets. As part of the budget setting process managers and directors are asked to identify any budgets held for items such as legal or consultants' fees that would only be required if certain circumstances occurred. These budgets have been removed from individual budgets and will be funded from this provision if required for the items identified.

Homelessness

11. Homelessness is a demand led service. There is a national shortage of housing that has accrued over many years leading to the use of TA which creates a budget pressure. The net costs to DDC of TA (after grant funding and Housing Benefit income) in 2025/26 are estimated to be £1.4m. The impact on DDC is also seen across virtually all other district councils.
12. The Council continues to take steps to mitigate the impact of homelessness including:
 - Building and procuring more housing and allocating more of the council's stock for use as TA.
 - Using block booking / contracts with local hotels to mitigate the costs.
 - Pro-actively managing and minimising the length of stay in TA.
 - Detailed independent benchmarking by East Kent Audit Partnership using data for all Kent districts. DDC is not an outlier.
 - Working with other Kent districts to learn from their initiatives.
13. Nonetheless, homelessness pressures are expected to continue to increase.

Grants to Organisations

14. The Council makes Grants to Organisations in two ways, by concessionary rentals and by cash payments. The value of grants proposed for 2025/26 totals £232k comprising concessionary rentals of £30k and grant payments of £202k. The Concessionary Rentals are grants given to lessees of the Council properties to support them with their accommodation. The Grants to Organisations are for groups supporting services across the district or for those who need support.
15. The grants include contributions to the Citizens Advice Bureau, Sandwich Town Cricket Club, KCC and the Neighbourhood Forum. The budget for 2025/26 compared to 2024/25, has decreased substantially as the closure of Tides means that the grant paid to Your Leisure has been removed. The grant for Sandwich Town Cricket Club has increased in line with inflation, but no further increases have been identified for any other grantee. Each of the individual grants, with the organisations' names and the grant purposes, are set out in Annex 9.

Shared Services

16. East Kent Services (EKS) delegate the payroll function to Dover who provide it on behalf of Dover, Canterbury, and Thanet Councils. EKS have been managing the revenues & benefits and customer services contract with Civica (which started on 1st February 2018) on behalf of the East Kent Councils. Thanet have been the accountable body for these arrangements and have handled the accounting arrangements, which have been billed by Civica, and then in turn charge management

fees to Dover. From 1st February 2025 these services will be provided to EKS by Partnership One, a three way Local Authority Trading Company (LATCo) jointly and wholly owned by Canterbury, Thanet and Dover. The board of the LATCo comprises 3 directors, one from each council. Civica staff working on the EKS contract will transfer to the LATCo. This will ensure continuity.

17. The contract for the collection of refuse and recycling with Veolia Environmental Services (UK), which extends until January 2029, has been awarded in partnership with Folkestone & Hythe District Council (FHDC). Dover District Council is the lead authority within this partnership and manages the client team, which comprises staff from both DDC and FHDC and is based at the DDC offices. In addition to managing the contract, the team are also responsible for promoting waste reduction, re-use and recycling to residents across the two districts.
18. East Kent Audit Partnership (EKAP), hosted by Dover, provides internal audit services to Dover, Folkestone and Hythe, Canterbury, and Thanet (including East Kent Services) Councils.

Interest on Investments

19. The overall interest rates achieved in 2025/26 will depend on the combination of the Sterling Overnight Index Average (SONIA) rate and the margin it maintains above base rate, the rates for current investments, the prevailing market rates when current investments are renewed, as well as the permissible deposit durations which change according to updated credit rating criteria. SONIA is administered by the Bank of England, which takes responsibility for its governance and daily publication.
20. The Chancellor of the Exchequer delivered her Autumn Budget at the end of October. Based on the plans announced, the Office for Budget Responsibility reported they would provide a short-term boost to GDP growth before weakening it further out and pushing inflation higher over the medium-term. This change to the economic and inflation outlook caused financial markets to readjust expectations of Bank of England (BoE) Bank Rate and gilt yields higher. The council's treasury management advisor, Arlingclose, also revised its interest rate forecast upwards in November, with Bank Rate expected to eventually fall to 3.75%.
21. The impact on the UK from the government's Autumn Budget, slower expected interest rate cuts, a short-term boost to but modestly weaker economic growth over the medium term, together with the impact from President Trump's second term in office and uncertainties around US domestic and foreign policy, will be major influences on the Council's treasury management strategy for 2025/26.
22. The Bank of England's (BoE) Monetary Policy Committee (MPC) held Bank Rate at 4.75% at its December 2024 meeting, having reduced it to that level in November and following a previous 25bp cut from the 5.25% peak at the August MPC meeting. At the December meeting, six Committee members voted to maintain Bank Rate at 4.75% while three members preferred to reduce it to 4.50%.
23. The Council's treasury management adviser Arlingclose expects the Bank of England's MPC will continue reducing Bank Rate through 2025, taking it to around 3.75% by the end of the 2025/26 financial year. The effect from the Autumn Budget on economic growth and inflation has reduced previous expectations in terms of the pace of rate cuts as well as pushing up the rate at the end of the loosening cycle.

24. Arlingclose expects long-term gilt yields to remain broadly at current levels on average (amid continued volatility), but to end the forecast period modestly lower compared to now. Yields will continue remain relatively higher than in the past, due to quantitative tightening and significant bond supply. As ever, there will be short-term volatility due to economic and (geo)political uncertainty and events.
25. As of 31st December 2024, the Council has a total of £46.4m invested in pooled investment funds. The MTFP assumes that the Council's investments overall will earn the General Fund £2,533k (£142k more than the £2,391k budgeted for 2024/25) due to the rates of current investments. However, this is being offset by an increased need to undertake short-term borrowing to maintain cashflow levels.
26. The authority continues to work with its treasury management advisors to monitor the position.

Other Income Streams and Fees and Charges Made by DDC

27. Fees and Charges are reviewed and set annually, with reports approved by Licensing and Regulatory Committees and Cabinet. When setting Fees and Charges managers consider:
 - Cost of providing the service
 - General market rate for the service
 - Charges levied by neighbouring authorities
 - Government guidelines
 - The last time the fee / charge was increased
 - Appropriate price points – it is more sensible to increase by rounded amounts every two or three years rather than a few odd pence every year
 - Impact of the fee upon service use and upon different sections of the community
 - Impact of service use upon corporate objectives
 - Overall income the service generates
28. The only Fees and Charges that are not included in this process are for car parking and housing rents & service charges, which are the subject of separate reporting.
29. The main sources of income and relevant issues are summarised below.
 - Car Parking

The 2024/25 gross income (before costs) for parking fees and penalty charge notices is currently forecast to be performing below the 2024/25 budget, totalling £3.1m.

The 2025/26 service budget has been increased conservatively from the levels set in 2024/25 based on evidence shown throughout the year and information provided regarding the new patterns of parking behaviour and changing. Additionally, a target income has been included for additional income for potential changes to charging proposals from the parking strategy process currently underway.
 - Rental Income

The 2024/25 budget forecasts rental income of c.£2.5m. This consists of the rent (excluding any costs) for B&Q, Whitfield Court, and garages as well as existing rental streams from corporate properties, including the letting of space at DDC's Whitfield offices.

- Development Management

The original budget for Development Management fee income in 2024/25 was £993k incorporating £910k for planning application fees and £83k for pre-application fees. This has been revised to £833k with £750k for planning application fees and £85k for pre-application fees in year due to the reduction in activity in the construction industry.

The income budget for 2025/26 has been set at £905k with a mix of application types and the anticipated take-up of pre-application advice. This incorporates the increase in householder Planning application fees as proposed by government.

- Licensing

Incomes from the various licensing streams are projected to meet their targets by the end of the fiscal year. These include Alcohol, Regulated Entertainment, Taxis, Gambling, and other miscellaneous licences. The original budget for 2024/25 was set at £203.7k. Incomes from the various licensing streams are projected to meet their targets by the end of the fiscal year.

The 2025/26 budget has risen to £226.7k. The improvement is due to increases in Premises Licences-New, Hack Private Licences. There are small increases across numerous areas including Lotteries Licence, Health-Related Licences, Scrap Metal Dealers, Gaming Machines. But the increases are offset by the reduction in income from application for Temporary Event Notices, Animal Establishment Licences.

- Land Charges

The original 2024/25 budget was set at £138k. The 2025/26 budget reflects that the requisition for Local Land Charge 1 has been removed as it will be handed over to HM Land Registry in early March. The council will retain responsibility for CON19 forms, used in conveyancing to request information from the local authority, the budget for this remaining service has been set at £130k.

- Green Waste Subscription Service

The Green Waste subscription service original budget for 2024/25 was set at £586k. The 2025/26 budget has been increased to £650k. This is due to a favourable take up of the service following the change to a wheeled-bin service (containerisation) from a service that used sacks. In doing so, we prioritised Health and Safety of staff and modernised the service to reflect industry good practice.

- Building Control

The Building Control fee income is dependent upon construction activity. Assumptions about the level of activity combined with the economic forecasts led

to a budget of £375k being set for 2024/25. The year-to-date receipts are likely to be below the forecast budget due to the impact of inflation and cost of living on the construction industry. The budget for 2025/26 has been estimated at £325k given the economic forecast looking better in the year ahead.

30. In total the major fees and charges generate over £8.6m gross towards the General Fund budget.

THREE YEAR REVENUE BUDGET FINANCIAL PROJECTION

Notes	2024/25 Projected Outturn £000	2025/26 Proposed Budget £000	2026/27 Forecast £000	2027/28 Forecast £000	2028/29 Forecast £000
1	20,720 Net Budget Requirement	21,643	21,643	21,643	21,643
	Corporate Adjustments				
2	- Salary inflation and increments including impact on National Insurance and Pensions		704	1,419	2,145
3	- Pension Backfunding (Triennial Valuation from 23/24)		54	111	170
4	- Contract inflation		139	280	424
5	- Average other expenditure inflation impact		320	648	982
6	- Average income inflation impact		(629)	(1,275)	(1,937)
	0 Total Corporate Adjustments	0	588	1,183	1,784
	20,720 Total Forecast Budget Requirement	21,643	22,231	22,826	23,427
	Financed By :-				
7	8,807 Non-Domestic Rates Income	9,204	6,565	6,677	6,810
8	254 Revenue Support Grant	294	259	263	267
9	1,412 Funding Guarantees / Recovery Funds	771	842	356	0
	Council Tax Income				
10	91 Collection Fund Surplus	91	91	91	91
	Tax rate increase (3% annual increase)				
	Base increase (1% per annum)				
11	8,763 Total Council Tax Income (incl s.31 grant)	9,299	9,670	10,050	10,440
12	346 New Homes Bonus	534	0	0	0
13	0 Extended Producer Responsibility	1,019	1,019	917	825
14	0 Estimated Damping Funding	0	1,320	990	495
	19,670 Total Financing	21,211	19,765	19,343	18,928
15	1,049 FORECAST NET DEFICIT	431	2,466	3,483	4,499
	Projected General Fund Reserves				
	(1,507) Opening balance	(1,509)	(1,517)	(1,552)	(1,569)
16	0 Target savings, based on current funding assumptions	0	(2,500)	(3,500)	(4,500)
17	(1,050) Transfer to/(from) Earmarked Reserves	(440)	0	0	0
18	(1,509) Closing Balance	(1,517)	(1,552)	(1,569)	(1,570)

**THREE YEAR REVENUE BUDGET FINANCIAL
PROJECTION**

Notes

- 1** The net budget is taken from the 2025/26 budget at Annex 1.
- 2** Increased salary costs reflect assumed inflation at 2% per annum pay settlement for the planning period.
- 3** Pension backfunding reflects the increases in backfunding required by the fund actuaries based on the current triennial valuation.
- 4** Inflation on major contracts has been assumed at 2% per annum for the planning period.
- 5** Inflation on all other expenditure will aim to be limited to the current budget level, however an allowance of 2% per annum has been forecast to allow some budget increases.
- 6** Increases in general income received (excluding specifically budgetted items such as car parking) assumed at 2% per annum inflation.
- 7** Forecast NDR funding, including impact of inflation, assumptions for impact of inflation and the fair funding review.
- 8** It is anticipated that RSG will continue for the planning period.
- 9** It is anticipated that the Funding Guarantee grants will cease from 2026/27. However, due to the significant value of these grants and also the potential reduction in retained business rates, an allowance for the continuation of the Funding Guarantee or similar replacement funding has been included.
- 10** The collection fund surplus is distributed to the precepting authorities pro rata to their share of the precepts.
- 11** Council Tax is forecast to increase by 3% per annum for the rest of the planning period. A 1% per annum increase in the tax base has also been assumed.
- 12** New Homes Bonus is forecast to cease from 2026/27.
- 13** Extended Producer Responsibility funding, forecast to reduce slowly over the period.
- 14** Allowance made for damping the impact of the business rates reset, forecast to reduce over the period.
- 15** Forecast (surplus) / deficit.
- 16** Estimated target savings required if current funding assumptions realised.
- 17** Proposed transfer from the Smoothing Reserve in 2024/25 and Operational and Fee Income Reserve in 2025/26.
- 18** Forecast General Fund Balance.

OFFICE OF THE CHIEF EXECUTIVE

The Chief Executive is the Head of Paid Service and leads the Corporate Management Team. The main service areas within his cost centres are summarised below.

LEADERSHIP AND STRATEGIC DIRECTION

The Chief Executive is the Council's head of paid service, he works closely with elected members to ensure strong and visible leadership and direction, encouraging and enabling managers to motivate and inspire their teams.

He acts as the principal policy adviser to the elected members of the Council, to lead the development of workable strategies, which will deliver the political objectives set by the councillors.

He has overall responsibility for overseeing financial and performance management, risk management, people management and change management within the council, ensuring all staff understand and adhere to the strategic aims of the organisation and follow the direction set by the elected members.

He ensures all staff understand and adhere to the strategic aims of the organisation, and follow the direction set by the elected members.

HUMAN RESOURCES, PAYROLL AND CORPORATE COMMUNICATIONS

Human Resources

This service provides HR services to the Council and is responsible for advising on all HR matters including recruitment, retention, absence performance management, and disciplinary and grievance matters, together with more strategic work such as succession planning and learning and development.

Payroll

Dover District Council is the host Authority for the East Kent Shared Payroll & Systems Service, which is a shared service governed under a Joint Committee arrangement (East Kent Services Committee) and shared with Canterbury and Thanet Councils. This provides and manages a full Payroll provision for the Council and the other partner councils in the shared arrangement.

This payroll service includes payment of staff, statutory and other deductions, production of interfaces to the general ledger, the production of statutory returns and liaison with statutory bodies. System security is managed within the team, by a dedicated payroll system support function for all partner councils.

In addition to providing payroll services for partner councils, the Shared Payroll and System service also provides payroll services to the Marlowe Theatre Trust, and subject to contract, the Local Authority Trading Company, "Partnership One" which generates additional income for the Councils.

The team are also the responsible administrator for the partners of the Local Government Pension Scheme (LGPS) in conjunction with the administering body, Kent County Council, developing employer scheme discretions and management and staff information for all partners.

Corporate Health & Safety

The Council is responsible for ensuring the health, safety and welfare of its staff and all those impacted by its undertaking. The team ensures the Council complies with its legal obligations as set out in various acts of law and provides a service design to identify and mitigate risks and upskill employees in risk prevention and reporting.

Communications, Public Relations

The PR & Communications Team provides a comprehensive range of support services to the Council, including handling all press and media enquiries, and the promotion of Council services. The team is responsible for: press releases, social media, the Council's Keep Me Posted e-mail alert service, and the DDC e-newsletter. The team's primary functions can be divided into:

Internal communications - Responsible for corporate internal communications to keep employees informed about council policies, important events, and service news.

Corporate communications - Deliver proactive communications to increase public awareness of council policies, initiatives, and service updates, and maintain a strong corporate identity across the council, ensuring high-quality and consistent communications.

Public Relations - Responsible for promoting the council to the public through local, regional, and national print and broadcast media, and building relationships with editors and journalists to ensure fair and accurate coverage of council news.

Creative Services

The Creative Services Team strive to deliver efficient, effective and productive in-house creative, print, mail and post services across the Council. Central services that directly support other DDC functions with the aim of creating a better and fairer future for our communities, and that also help to position the district as a greater place to live, work, visit, learn and invest.

The team's work also includes:

- Branding, Corporate Identity and Brand Guardianship.
- Graphic Design.

- Photography.
- Videography.
- Drone Services.

Continuous Improvement

This team was implemented in November 2024. The team's primary purpose is to:

- Lead cross-functional teams to develop and implement innovative solutions and best practices.
- Establish key performance indicators (KPIs) and metrics to track progress and measure the impact of improvement initiatives.
- Collaborate with internal and external stakeholders to gather feedback, build consensus, and drive change.
- Advise the Council on industry trends, emerging technologies, and best practices in continuous improvement, to continuously refine Council processes, to increase performance and efficient delivery of services to residents and staff.

DEMOCRATIC AND CORPORATE SERVICES

Democratic Services

The Democratic Services function provides support for elected Members, support for the offices of the Chairman of the Council and Leader of the Council, and the provision of a secretariat for Council and Executive committees. The main areas are:

- The Member Support function provides support to all Members of the Council.
- Provide an efficient and effective secretariat to all committees, sub-committees and project/policy advisory groups of the Council.
- Administer the Notice of Forthcoming Key Decisions.
- Administer Special Urgency and General Exception procedures as well the procedures for Leader of the Council decisions, delegated decisions by Members and officers, decisions between meetings and the notice of exempt meetings of the Executive.
- Provide support for the overview and scrutiny function, including support for scrutiny reviews.
- Maintain an archive of past Minutes of Council meetings.
- Administering the Members' Allowances Scheme.
- Administers outside body appointments for elected Members.
- Organise the annual Town and Parish Council event.
- Organise new Member induction following full Council elections and district by-elections.
- Organise new Member induction and co-ordinate training and development for Members following the election. Organise the provision of equipment to enable the councillors to carry out their democratic role as elected representatives of the community.
- Provide secretarial and administrative support to the Leader of the Council and the Chairman of the Council.
- Organise small civic events for the Chairman.

Corporate Services

This Corporate Services function is responsible for a number of corporate services of which the main areas are:

- Administer all Freedom of Information and Data Protection requests responding to FOI requests within the time constraints laid down by the Information Commissioner.
- Administer complaints made against the Council.
- Administer complaints made against elected Members for the Monitoring Officer.
- Identification and mitigation of key corporate and project risks; maintain the Risk Registers.
- Provide insurance cover for the Council's assets and liability risks.
- Administration of the Breathing Space arrangements.
- Administer RIPA (Regulation of Investigatory Powers Act) and SPOC (Single Point of Contact applications) – ensure that any surveillance work is properly authorised in accordance with legislation.
- Act as the central point of reference to promote and advise on equality issues throughout the Council's services and maintain and update the Equality Policy and Objectives.
- Administer the National Fraud Initiative schemes.
- Provide other corporate services such as: project support, job evaluation & employment management support and numerous other areas.
- The formulation of policy and strategy, including corporate planning.
- Maintaining and reviewing the information that forms the Dover District Profile.
- Support Corporate Management Team and the Leader/Executive, through project-based work.
- Administers Leadership Forum.
- The development and delivery of the Health and Wellbeing agenda and strategic Public Health liaison.

Electoral Services

Electoral Services are responsible for the organisation and conduct of Parliamentary, Police and Crime Commissioner Elections, County Council, District Council and Parish Council elections, and all associated by-elections within the district. Electoral Services are also responsible for the conduct of local and national referenda, parish polls and reviewing polling districts and places. The costs incurred in the conduct of elections are met by the body concerned. The Council is obliged to appoint an officer of the Council to act as Returning Officer (RO) to undertake their statutory duties. The officer acts as Acting Returning Officer at Parliamentary Elections, the Deputy Returning Officer at County Council Elections and the Local Returning Officer at Police and Crime Commissioner Elections.

The Council is also obliged to appoint an officer of the Council to act as Electoral Registration Officer (ERO) to undertake their statutory duties. The Electoral Services Team are responsible for maintaining the Register of Electors on behalf of the ERO throughout the year, which includes running a district wide canvass of all households from July to November and publish a new Register of Electors on 1 December each year. On behalf of the RO & ERO, the

Elections Team will be processing Voter ID applications and postal/proxy applications as well as ensuring everything is updated in line with the latest legislation.

Chief Executive

Budget 2025/26

Costs controlled by Head of Service								Recharges and Other Adjustments	
2024/25 Sub-total	Cost Centre	Description	FTE	Employees	Other Costs	Income	2025/26 Sub-total		Total
302,930	7002	CHIEF EXEC ADMIN TRADING ACCT	3	272,031	39,498	-	311,529	(311,529)	-
164,694	1001	NON SERVICE SPECIFIC WORK	-	9,051	179,710	-	188,761	893,428	1,082,189
467,624		Total Office of the Chief Executive	3	281,082	219,208	-	500,290	581,899	1,082,189
(360)	1074	PHOTOCOPIERS HOLDING ACCOUNT	-	-	18,990	(26,923)	(7,933)	7,933	-
120	1075	MAIL ROOM POSTAGE ACCOUNT	-	-	90,600	(90,600)	-	-	-
-	1077	HEALTH PROJECTS	-	-	-	-	-	61,418	61,418
-	1082	C-19 EMERGENCY ASSISTANCE FUND	-	-	-	-	-	2,157	2,157
16,700	1316	CORPORATE PRESS AND PUBLICITY	-	-	16,900	-	16,900	152,880	169,780
109,996	7004	DESIGN STUDIO	2	115,604	7,070	(1,000)	121,674	(121,674)	-
89,865	7005	MAIL ROOM TRADING ACCOUNT	2	81,999	9,175	-	91,174	(91,174)	-
359,545	7011	HR TRADING ACCOUNT (OLD SHARED SERV)	9	409,471	3,560	-	413,032	(413,032)	-
77,698	7012	PAYROLL AND SYSTEMS SHARED SERVICES	6	289,123	141,640	(334,811)	95,952	(95,952)	-
162,500	7013	CORPORATE HR TRADING ACCOUNT	-	387,590	37,610	-	425,200	(425,200)	-
161,242	7017	CORPORATE HEALTH & SAFETY	3	128,085	23,220	-	151,305	(151,305)	-
13,263	7025	PRINT UNIT TRADING ACCOUNT	-	500	38,025	(13,800)	24,725	(24,725)	-
-	7043	CONTINUOUS IMPROVEMENT	2	108,639	500	-	109,139	(109,139)	-
265,204	7505	FUNDING & COMMUNICATIONS	3	178,719	300	-	179,019	(179,019)	-
1,255,773		Total Human Resources, Payroll and Communications	27	1,699,730	387,590	(467,134)	1,620,187	(1,386,832)	233,355
-	1031	ELECTIONS - ADMIN		-	-	-	-	185,924	185,924
90,210	1032	ELECTORAL REGISTRATION		-	113,580	(1,000)	112,580	260,555	373,135
-	1033	COST OF ELECTIONS HELD		10,000	1,000	(10,000)	1,000	-	1,000
50	1076	CORPORATE PLANNING		-	50	-	50	114,854	114,904
-	1380	COUNCIL, CABINET & COMMITTEES		-	-	-	-	463,745	463,745
9,160	1381	CHAIRMANS ACCOUNT		6	9,058	-	9,064	48,747	57,811
279,762	1382	MEMBERS ACCOUNT		12,790	267,108	(3,152)	276,746	176,441	453,187
7,905	1601	CIVIC CAR		587	280	-	867	3,154	4,021
246,508	7022	CORPORATE SUPPORT TRADING ACCT	3	193,117	4,531	-	197,648	(197,648)	-
305,279	7501	ELECTORAL SERVICES	5	308,595	3,000	-	311,595	(311,595)	-
279,945	7507	DEMOCRATIC SERVICES	4	254,479	22,576	-	277,055	(277,055)	-
1,218,819		Total Electoral, Democratic and Corporate Services	12	779,574	421,183	-	1,186,605	467,122	1,653,727
2,942,216		Total Chief Executive	42	2,760,386	1,027,981	(481,286)	3,307,082	(337,811)	2,969,271

DIRECTOR OF ENVIRONMENT AND PLACE

The Director of Environment and Place is responsible for a number of service areas, the most significant of which are those summarised below.

LEGAL SERVICES & LICENSING

Monitoring Officer

The functions of the Monitoring Officer, (who is the Solicitor to the Council) are set out in Article 12.03 of the Constitution, and are primarily concerned with reporting to the full Council or to the Leader and Executive in relation to an executive function, if he or she considers that any proposal, decision or omission would give rise to unlawfulness, or if any decision or omission has given rise to maladministration in accordance with section 5 of the Local Government and Housing Act 1989.

The Monitoring Officer also has a role in advising where particular decisions were, or are likely to be, contrary to or not in accordance with the budget and policy framework. In addition, he or she also has responsibilities (deriving from Part 7 of the Localism Act 2011) in relation to the promotion and maintenance of the ethical standard of councillors serving on the District Council, and the 35 town and parish councils within the District Council's administrative area. This includes the initial consideration of complaints made about District, Town and Parish Councillors.

Although the Monitoring Officer sits within the Directorate, The Strategic Director of Corporate and Regulatory is not responsible for discharging the functions of the Monitoring Officer.

Data Protection Officer

Article 37 of General Data Protection Regulation 2016 requires a public body to designate a Data Protection Officer. The minimum tasks of the Data Protection Officer are set out in Article 39 of General Data Protection Regulation 2016 and include:

- To inform and advise the organisation and its employees about their obligations to comply with the GDPR and other data protection laws.
- To monitor compliance with the GDPR and other data protection laws, including managing internal data protection activities, advise on data protection impact assessments; train staff and conduct internal audits.
- To cooperate with the supervisory authority.
- To be the first point of contact for supervisory authorities and for individuals whose data is processed (employees, customers etc).

The Data Protection Officer must be able to perform their duties in an independent manner and the Council may not give the Data Protection Officer instruction on exercising their role. The Solicitor to the Council is the Council's designated Data Protection Officer. Although the

Data Protection Officer sits within the Directorate, The Strategic Director of Corporate and Regulatory is not responsible for discharging the functions of the Data Protection Officer.

Legal Services

This section is responsible for providing a full legal service to the Council. This includes corporate and service specific legal advice, together with legal support to the Monitoring Officer and legal advice, and support to the Executive and all Committees of the Council. The legal service includes planning law, conveyancing, housing, contract, employment law, property law and support for the Council's regulatory functions (including both civil and criminal court work). The Legal team continues to be heavily involved in supporting the regeneration agenda and advising on numerous matters including a number of housing development schemes, major projects, contracts and disputes arising therefrom, housing disrepair and enforcement matters.

Licensing

The Council is responsible for the issuing and enforcement of local licences including:

- Alcohol, public entertainment and late-night refreshments, including temporary events.
- Gambling.
- Private Hire and Hackney Carriages vehicles, drivers and operators.
- Animals - boarding and breeding establishments, Riding establishments, Zoo's, Pet Shops, Dangerous Wild animals.
- Beauty Treatments – tattooing, piercing, acupuncture, electrolysis etc.
- Street Trading consents.
- Scrap Metal.
- Street Furniture and Pavement Permits.
- Sex Establishments.

PORT HEALTH AND ENVIRONMENTAL SERVICES

Environmental Protection

Pollution Control - the primary aim of the service is to facilitate acceptable standards for those living, working or visiting the district in respect of air, land and water quality. In particular, the team has a key role in fulfilling the Council's statutory duties in relation to Air Quality Management, Contaminated Land, and Drinking and Bathing Water Quality.

Environmental Protection - the team responds to service requests relating to a range of public health and environmental issues. There is a statutory duty to investigate potential statutory nuisances, which include noise (from commercial and domestic premises, burglar and car alarms etc.), dust, smoke (e.g., bonfires), odours, fumes, animals, etc. In addition, service requests relating to matters including drainage, rodents, accumulations on private land, filthy and verminous premises, and dark smoke from industrial/commercial premises are also responded to.

Public Health Act Burials – the team is responsible for arranging funerals undertaken under relevant Public Health legislation.

Environmental Crime

The team seek to promote behavioural change through a range of enforcement and educative activities with the aim of creating a cleaner, safer and greener environment. The work of the team is supplemented and enhanced by partnership working with Kent Police, KCC, Parish Councils etc. The principal focus of the team's work is to tackle environmental non-compliance in the areas of:

- Littering.
- Enforcement of the Council's PSPO e.g., Dog Fouling.
- Stray Dogs.
- Fly tipping.
- Trade waste.
- Accumulations of rubbish.

Private Sector Housing

Services provided by the Private Sector Housing team comprise:

- Tackling rogue landlords and improving the private rented sector through legal/formal action, to require owners/landlords meet the minimum Health and Safety requirements laid down in the Housing Act 2004 and other regulations.
- Investigation and prevention of illegal evictions.
- The licensing of Houses in Multiple Occupation.
- The provision of Mandatory Disabled Facilities Grants and other discretionary grants and loans to adapt homes for independent living.
- The provision of financial housing assistance to vulnerable owner occupiers living in substandard homes.
- The licensing of Caravan Sites.
- Bringing empty homes back into use.

Most enforcement work relating to housing conditions takes place in Dover, where a significant proportion of the housing stock is in poor condition due to its age, and where there are relatively high numbers of privately rented properties.

The service has been very successful over the years in bringing long term empty properties back into use. It works closely with KCC on a partnership project which provides funding to bring empty property back into use.

Public Protection

Food Safety and Hygiene Controls - This team undertakes visits and inspections of food establishments on a programmed, risk rated basis, to ensure that appropriate standards of food hygiene are maintained. It also operates the National Food Hygiene Rating Scheme throughout the district, as well as investigating complaints of unsound food / unhygienic premises and potentially infectious staff within the district (including within the Port district).

Infectious Diseases – This team is also responsible for investigating and enforcing infectious disease controls, including new and emerging diseases such as COVID. Notifications of infectious diseases are received via the UK Health Security Agency, the Coroner, Coast Guard, Trading Standards, Border Force and the Police within the district and Port district.

Health and Safety (H&S) at Work - This team is also responsible for H&S enforcement for retail, wholesale distribution and warehousing, hotel and catering premises, offices, and the consumer/leisure industries within the district. This team is also responsible for investigating complaints and accidents (including fatalities), occupational diseases and dangerous occurrences. Interventions made to regulate and influence businesses in the management of health and safety risks include:

- Provision of advice and guidance to individual businesses or groups.
- Proactive interventions including inspection.
- Reactive interventions e.g., to investigate an accident or complaint.
- Inspectors may use enforcement powers, including formal enforcement notices, to address occupational health and safety risks and secure compliance with the law.

Port Health – Maritime & Imported Food Controls

Dover District Council is the Port Health Authority for the Port of Dover and the frontier of the Channel Tunnel. This team is responsible for the Port Health function, which includes maritime activities within the Port District, such as water samples, waste and pest control, and the inspections of vessels (fishing boats, ferries, tugs and cruise ships) to ensure that infectious diseases are controlled, food hygiene standards are maintained and to issue Ship Sanitation Certificates to demonstrate that vessels are free from pests and infection.

To safeguard the nation and mitigate the incursion of disease.

Port Health – Imported Food Controls

This department is also responsible for Imported Food Controls to ensure that food imported into the UK via Dover Port, are compliant and safe to eat. This is achieved through the examination of imported food documentation, and when required the physical inspection and sampling of imported food that falls within our enforcement remit.

Illegal Food/Meat Controls – This team is also responsible for detecting and removing illegal food/meat controls at the border of Dover and Coquelles. To date, the Dover Port Health Authority have overseen the removal of over 127 tonnes of illegal food/meat at Dover alone, with just 25% operational coverage since September 2022. This is a critical service that provides a national protection to GB biosecurity and public health. As such this service has been funded centrally to date.

PLACE & GROWTH SERVICES

Placemaking & Economic Development

The Placemaking & Economic Development Team strive to develop a better and fairer future for Dover District, as well as drive transformational economic, physical and cultural change –

liaising with and supporting businesses, attractions and enterprises (of all sizes). Ultimately, positioning the district as a greater place to live, work, visit, learn and invest.

The team takes positive action in the following areas of recognised strategic need:

- Regeneration.
- Economic Development and Inward Investment.
- Town Centres Placemaking (Dover, Deal and Sandwich.)
- Tourism & the Visitor Economy.
- Culture & The Arts.
- Place Marketing & Promotion.
- Active Travel.
- Signage & Wayfinding.
- Funding Applications and Grant Giving Opportunities.

Major Projects

The Major Projects Team strive to deliver the Council's major capital projects efficiently, effectively and productively across Dover District. Projects that not only develop a better and fairer future for our communities, but also those that position the district as a greater place to live, work, visit, learn and invest.

Example, current projects (at various stages of delivery and feasibility) include:

- Dover Beacon Project.
- Deal Leisure Centre Project.
- Aylesham Garden Village Project.
- Roman Dover Project.
- Funding Applications and Opportunities.

Venues

The Venues & Visitor Services Team strive to deliver efficient, effective and productive venue and visitor services. Operations that are accessible and easy to use, as well as provide quality customer service. The team's work not only supports a better and fairer future for our communities but also helps to position the district as a greater place to live, work, visit, learn and invest.

Venues include:

- Kearsney Cafe & The Billiards Room.
- Maison Dieu.
- District Visitor Information Centre.
- Dover Museum (Front of House only.)
- Roman Painted House (Front of House only.)

Community Development

The Community Development Team strive to develop a better and fairer future for Dover District communities, as well as drive transformational social change, capacity and cohesion – liaising with and supporting residents and community groups (of all sizes). Ultimately, positioning the district as a greater place to live, work, visit, learn and invest.

The team takes positive action in the following areas of recognised strategic need:

- Homelessness and Veterans.
- Education, Jobs and Skills.
- Cost of Living, Inclusion and Pensioners.
- Leisure, Wellbeing and Family.
- Community Funding Applications and Grant Giving Opportunities.
- Events and Events Safety Advisory Group.

MUSEUM & TOURISM

Dover Museum and Bronze Age Boat Gallery

Dover Museum is one of the oldest museums in the United Kingdom, founded in 1836. Its three floors of exhibitions on the history of Dover and its award-winning Bronze Age Boat Gallery are open free to the public. It operates a successful schools programme and works with young people, traditionally a hard-to-reach group for museums, to make the museum more relevant to them. Staff are leading a team of volunteers in implementing a new collections plan relating to the national museums' accreditation scheme. This involves the introduction of a new Collections Management System. The museum has recently undertaken a project to relocate the reserve collections from the Maison Dieu to a new store, and work to consolidate collections from the other museum stores will continue in 2025. Staff at the museum are working on the Maison Dieu/Dover Town Hall NLHF project and utilising the Urban Archaeological Database to inform decisions in respect of the regeneration of Dover Town Centre. They are also leading and advising on projects related to the Roman Painted House, Western Heights, the Dover Bronze Age Boat, Silver Screen Cinema and Dover Discovery Centre.

Tourism & Visitor Economy

This Dover District Council service is the destination management & marketing organisation for the Dover District (including the character towns of Deal, Dover, Sandwich and wider environs), welcoming 4.7 million visitors a year, championing the district's £302 million tourism industry, and supporting more than 6,000 jobs under the 'White Cliffs Country' brand (and new supporting sub-brands, including 'Invest in White Cliffs Country,' 'Produced in White Cliffs Country,' 'Events in White Cliffs Country,' etc). The Council recognises that tourism is a crucial driver for holistic regeneration (social, cultural, physical and economic), destination development and our economy.

Focused upon the five strategic pillars of ideas, people, place, business environment and infrastructure, White Cliffs Country targets domestic and international markets to raise the district's profile as a 'great place to visit, invest, live, work and learn', improving experience, engagement, quality and skills within the industry, and growing investment in tourism. White Cliffs Country works with local, county, regional and national partners and industry groups as well as supporting local businesses to grow their tourism and visitor offering.

Following Dover District Council's new 'Destination White Cliffs Country – Growth Strategy for Tourism and the Visitor Economy 2020 to 2030¹,' the Corporate Plan 2020-2024 (Corporate Objective 1: Regeneration – Tourism & Inward Investment) and emerging Local Plan 2020 to 2040, this function has specific responsibility to deliver a diverse range of promotional, engagement and placemaking projects, as well as to provide a clear vision and direction for the district, creating a vibrant destination where everyone is recognised as a visitor and where tourism is everyone's business.

The service also runs, in partnership with the Dover Museum service, the White Cliffs Country Visitor Information Centre & Dover Museum Front of House (based at Dover Museum), as well as the Visitor Welcome Desk for Kent's Cruise Partnership (based at Dover Cruise Port.)

For more information regarding White Cliffs Country and the district's Tourism & Visitor Economy please visit:

- www.whitecliffscountry.org.uk (consumer)
- www.whitecliffscountry.org.uk/industry-hub (business)
- Facebook - <https://www.facebook.com/WhiteCliffsCountry/>
- Twitter - <https://twitter.com/VisitDover>
- Instagram - <https://www.instagram.com/visitdover/>

PLANNING AND DEVELOPMENT

Development Management

The main functions of the Development Management service relate to the processing of planning and other formal applications submitted under the Town and Country Planning Act and making determinations in accordance with policies and other material considerations. This is a statutory function that requires Local Planning Authorities (LPA) to make decisions in accordance with Government set performance targets. Failure to meet these can result in an LPA being put into special measures. The service makes both delegated decisions and also reports applications to Planning Committee in accordance with the provisions of the Constitution. The service also defends the Council's position in planning appeals against the refusal of applications (whether that be through written representations, an informal hearing or public inquiry). Other responsibilities include responding to requests for fee-earning pre-application advice and responses to a wide range of planning matters and enquiries.

A vital element of the service is to promote good urban design throughout the district. This often involves negotiations to secure better quality developments, as well as seeking to protect and enhance our heritage and our built and natural environment, and to manage change to underpin the long-term viability of the district.

Responsibilities include providing planning input for major projects and other significant schemes, including contributing to the delivery of corporate aspirations through collaborative working and project management, working closely with the Inward Investment Team and other Council services.

¹ Reflecting the priorities and aims of the UK Government's 'Industrial Strategy' and 'Tourism Sector Deal'

Functions also involve supporting and working closely with the Planning Policy team in work associated with the Local Plan, infrastructure, natural environment, heritage and other matters.

Planning Enforcement

The Planning Enforcement Section investigates breaches of planning control, including responding to complaints raised by interested parties and taking formal enforcement action in appropriate cases. In addition, the team deals with appeals to the planning inspectorate against enforcement notices and prosecutes for non-compliance with notices and organises direct action where necessary.

Local Land Charges

The Local Land Charges Section is responsible for carrying out the statutory function of maintaining and updating the Local Land Charges Register, by liaising with internal departments and external bodies to ensure the timely registration of new charges and the removal of expired charges. The Register is held and maintained as a digital/spatial record with supporting background documents meeting the requirements of HM Land Registry for the migration project.

The team is also responsible for compiling and returning upon request to solicitors/conveyancers, accurate Local Land Charge searches for both the Register (LLC1) and the conveyancing enquiries of Local Authorities (CON29), as well as checking the accuracy of authority data provided on the CON29 and providing access to the Local Land Charges and Planning Registers for personal search companies and/or members of the public upon request. In early 2025, the LLC1 will be moved to HMLR. The team will continue to be responsible for updating the register.

Planning Policy and Projects

Following the adoption of the Local Plan (expected October 2024), the priority will be to support delivery of the Plan, which will include the production of supporting documents including Supplementary Planning Documents and Design Codes and ensuring the Infrastructure Delivery Plan is up to date. The implementation of the Local Plan is reported each year in the form of an Authority Monitoring Report, which is prepared by the team, and includes reporting on the Council's five-year housing land supply.

The service also works closely with the Inward Investment team to support the Council's major regeneration projects and related research, strategies and corporate priorities. The overall objective is to bring focus to the Council's regeneration activities, particularly in Dover Town Centre.

Other work in the Planning Policy section includes monitoring the payments pursuant to Section 106 Agreements, including publication of an annual Infrastructure Funding Statement and working with other Council departments and external providers to manage spend.

Functions also include processing Listed Buildings applications and providing advice on heritage matters to support the development management team and implementing the District Council's Heritage Strategy by empowering local groups to prepare Conservation Area Character Appraisals.

The team also provides Natural Environment expertise in relation to ecology, including advice on planning applications, leading the Council's Green Infrastructure Strategy and the implementation of Biodiversity Net Gain, and other requirements set out in the Environment Act.

The team is also responsible for leading the Council's Climate Change Strategy and Action Plan, working corporately to reduce the Council's carbon emissions and deliver the target of being net zero by 2030.

Support Services

This section provides general support to the department including the validation, registration and consultation of all types of applications, answering customer queries on planning matters generally.

Building Control

The main functional area relates to Building Regulations Fee Earning (BRFE) work. The Section implements the Building Regulations, which are concerned with health and safety, access for all, and conservation of fuel and power in and about buildings. Fees are set by Dover District Council to fully recover the costs of providing the service over any three-year period. The service is in full competition with the private sector.

The second area of activity is paid for from the General Fund. This area includes certain Building Regulations work, for which no fees can be charged, for example, building work to adapt a house for someone with a disability. Another example is building control has become a repository for information regarding self-certification of certain Building Regulations applications, relating to replacement windows and electricity etc. Central Government does not allow local authorities to charge for this function.

In addition, the section undertakes additional functions such as dealing with dangerous structures.

ICT & DIGITAL

Digital and Technology

The Digital and Technology Team shape and implement the Council's digital vision. The role of the service includes:

- Maintaining and developing the Council's websites to meet customer needs and deliver business objectives to change behaviours and achieve channel shift.
- Influencing the Council's approach to digital and technology, using insight and analytics to understand the customer.
- Providing strategic and operational support for various types of technology used across the Council.
- Technology Support team provide weekday support on systems and end user devices.

- Providing advice and guidance to ensure the Council's digital initiatives are aligned and customer focussed.
- Supporting departments in implementing new ways of working via digital reviews, to replace outdated legacy systems and processes.
- Monitoring use of technology for cyber security threats and vulnerabilities, ensuring the threat attack surface is as small as possible.
- Security and Compliance team work closely with DPO and regularly report to Senior Information Risk Officer (SIRO.)
- Responsible for co-ordinating the delivery of new and improved cost-effective ways of working and developing digital support services across the organisation.
- Project management of major system implementations.
- Installation/maintenance of IT infrastructure and networks.

Community Safety

The Council facilitates the Dover District Community Safety Partnership (CSP), a group of agencies including Dover District Council, Kent Police, Kent County Council, Kent Fire and Rescue Service, the Probation Service (encompassing National Offender Management and Community Rehabilitation Company) and the Clinical Commissioning Groups. The Kent Police and Crime Commissioner provides the funding for this partnership.

The Dover District Community Safety Partnership is a group of agencies who come together to ensure Dover District remains a safe place to live, work and visit. The Partnership funds many initiatives across the district, tackling community safety issues identified by our communities.

We have an excellent record of working together and Dover District is one of the safest places to live, work and visit in the county. We are determined to continue to improve our performance and are confident that with the continued commitment of our partners and by improving our work within the communities, we will succeed in making Dover district a safer place. The Council is continuing to embed crime reduction activities in all its services (the Section 17 Project).

The Community Services Team are also responsible for DDC's approach to Unauthorised Encampments, Emergency Planning, Business Continuity and all Safeguarding Issues (Child and Adult Protection.) The team are also responsible for the planning and response as a local authority to the EU Entry and Exit System due to be implemented in 2025 (postponed from November 2024).

CCTV

We have operated a Closed-Circuit Television (CCTV) system since 1994. Cameras are strategically located around the town centres in Dover, Deal, Aylesham and Sandwich. The camera network is recorded 24 hours a day, 365 days a year. CCTV has proved itself in recent years to be a powerful weapon in the continuing fight against crime, particularly when integrated with other crime reduction methods such as retail 'radio-link' systems.

The system is used to help provide a safer environment for everyone by:

- Helping to reduce the fear of crime.
- Assisting partner agencies to help those most at risk including missing and vulnerable persons.
- Helping to detect and prosecute those who commit crime or public order offences.
- Providing evidential material for court proceedings.
- Assisting with traffic flow through the town but not to enforce minor traffic laws.
- Assisting in the detection and prevention of crime.
- Delivery of the councils 24/7 out-of-hours functions for all LA services.

The performance of the unit is reported upon on an annual basis following an independent audit of the section's activities and this report is in the public domain.

Environment and Place

Budget 2025/26

Costs controlled by Head of Service

2024/25 Sub-total	Cost Centre	Description	FTE	Employees	Other Costs	Income	2025/26 Sub-total	Recharges and Other Adjustments	Total
44,100	1050	ECONOMIC DEVELOPMENT	-	-	81,800	-	81,800	282,532	364,332
-	1300	COMMUNITY DEVELOPMENT	-	1,600	62,230	(20,000)	43,830	403,282	447,112
3,250	1301	AYLESHAM COMMUNITY DEVELOPMENT OFFICER	-	-	3,250	-	3,250	-	3,250
-	1302	DOVER DISTRICT LOTTO	-	-	8,000	(8,000)	-	-	-
-	1304	AYLESHAM GARDEN VILLAGE	-	-	-	-	-	23,382	23,382
3,000	1309	SPORTS STRATEGY, IMPLEMENTATION & GRANTS	-	-	3,000	-	3,000	3,864	6,864
73,748	1310	CCTV	-	3,620	82,500	-	86,120	261,101	347,221
(34,040)	1311	CRIME AND DISORDER	-	-	480	(21,163)	(20,683)	61,066	40,383
5,020	1312	ANTI-SOCIAL BEHAVIOUR	-	-	5,187	-	5,187	90,194	95,381
-	1318	SE STRATEGIC PARTNERSHIP MIGRATION	1	103,388	-	(102,176)	1,212	12,071	13,283
(150,000)	1319	CRIME AND DISORDER PROJECTS	7	373,240	-	(535,311)	(162,071)	12,071	(150,000)
(31,817)	1698	KEARSNEY PARK CAFÉ	13	465,672	319,849	(825,000)	(39,479)	153,009	113,530
71,200	1728	TOURISM DEVELOPMENT	-	-	-	-	-	206,199	206,199
-	1729	VIC GRANTS & HISTORIC PANELS	-	-	-	-	-	-	-
(500)	1730	CRUISE WELCOME OPERATION	-	3,500	500	(4,500)	(500)	713	213
176,846	7008	COMMUNITY AND ENGAGEMENT	-	-	25	-	25	(25)	-
125,426	7040	HEAD OF GROWTH & INVESTMENT	1	128,852	2,970	-	131,822	(131,822)	-
458,122	7502	ECONOMIC DEVELOPMENT TRADING ACCOUNT	12	779,138	12,535	-	791,673	(791,673)	-
448,554	7503	COMMUNITY DEVELOPMENT TEAM	11	473,679	10,370	-	484,049	(484,049)	-
332,456	7504	COMMUNITY SAFETY & CCTV	9	469,825	2,420	-	472,245	(472,245)	-
401,363	7524	STRATEGIC TOURISM TRADING ACCOUNT	7	344,698	570	-	345,268	(345,268)	-
1,926,728		Total Investment, Growth and Tourism	61	3,147,212	595,686	(1,516,150)	2,226,748	(715,598)	1,511,150
31,700	1071	EMERGENCY PLANNING	-	25,200	7,580	-	32,780	121,200	153,980
1,210,025	7009	DIGITAL SERVICES TEAM	17	1,189,842	99,285	(15,000)	1,274,127	(1,274,127)	-
489,330	7010	COMPUTER SERVICES TRADING ACCT	9	12,954	512,250	-	525,204	(525,204)	-
1,731,055		Total Digital and IT	26	1,227,996	619,115	(15,000)	1,832,111	(1,678,131)	153,980
123,293	1721	DOVER MUSEUM	-	27,715	142,724	(63,250)	107,189	437,831	545,020
50,650	1722	MUSEUMS-BRONZE AGE BOAT-EXHIBIT	-	-	29,030	(500)	28,530	44,867	73,397
1,069	1723	DOVER MUSEUM SCHOOLS	-	-	17,145	(16,200)	945	36,788	37,733
460	1725	CHANNEL SWIMMING	-	-	460	-	460	505	965
55,990	1726	MUSEUM COLLECTION STORAGE	-	-	95,900	-	95,900	32,455	128,355
6,465	1727	GRAND SHAFT-WESTERN HEIGHTS	-	291	3,530	-	3,821	28,591	32,412
3,720	1734	ROMAN PAINTED HOUSE	-	-	4,895	(8,530)	(3,635)	273,578	269,943
547,201	7518	MUSEUM HERITAGE & TOURISM ADMIN	9	453,372	1,450	-	454,822	(454,822)	-
788,848		Total Museums and Heritage	14	481,378	295,134	(88,480)	688,032	399,793	1,087,825
30,000	1383	LEGAL FEES HOLDING ACCOUNT	-	-	-	-	-	-	-
(87,650)	1410	LICENSING	-	-	-	(108,900)	(108,900)	182,489	73,589
(16,370)	1411	MISCELLANEOUS LICENSING	-	-	3,300	(15,100)	(11,800)	85,562	73,762
(14,940)	1412	GAMBLING ACT 2005	-	-	-	(15,374)	(15,374)	20,789	5,415
(69,428)	1413	HACKNEY CAR & PRIVATE HIRE	-	-	20,700	(87,280)	(66,580)	151,226	84,646
176,175	7016	GOVERNANCE AND DATA PROTECTION	2	175,922	8,615	-	184,537	(184,537)	-
634,537	7018	LEGAL TRADING ACCOUNT	8	631,284	70,275	(30,000)	671,559	(671,559)	-
254,313	7513	LICENSING ADMIN TRAD ACCOUNT	5	248,251	15,080	-	263,331	(263,331)	-
906,637		Total Legal Services	15	1,055,457	117,970	(256,654)	916,773	(679,361)	237,412

Costs controlled by Head of Service

2024/25 Sub-total	Cost Centre	Description	FTE	Employees	Other Costs	Income	2025/26 Sub-total	Recharges and Other Adjustments	Total
1,882,441	1090	PORT HEALTH AUTHORITY GRANT	24	1,660,932	578,148	(2,835,146)	(596,066)	596,066	-
17,865	1402	ENV PROTECTION ENFORCEMENT	-	3,064	33,392	(25,575)	10,881	261,403	272,284
1,000	1403	DOG CONTROL MEASURES	-	-	13,750	(6,000)	7,750	84,925	92,675
359,777	1406	PRIVATE SECTOR HOUSING (incl. Renov'n Grants)	6	379,622	15,534	(21,285)	373,871	114,180	488,051
(408)	1407	FOOD SAFETY AND HYGIENE	-	-	2,430	(2,070)	360	440,128	440,488
39	1408	HEALTH AND SAFETY AT WORK	-	-	-	-	-	129,484	129,484
(35,383)	1409	PORT HEALTH	-	9,000	47,346	(227,023)	(170,677)	47,870	(122,807)
-	1414	CALL OUT PAYMENTS - NOISE POLLUTION	-	-	45	-	45	-	45
127,679	7041	HEAD OF PORT HEALTH	1	129,483	1,410	-	130,893	(130,893)	-
372,264	7509	ENVIRONMENTAL CRIME TRADING ACCOUNT	5	275,128	29,477	-	304,605	(304,605)	-
225,834	7510	ENVIRONMENTAL PROTECTION	4	206,730	23,510	-	230,240	(230,240)	-
453,747	7511	PUBLIC PROTECTION	8	516,228	10,317	-	526,545	(526,545)	-
3,404,855		Total Port Health and Environmental Services	25	3,180,187	755,359	-	3,117,099	481,773	1,300,220
156,612	7080	STRATEGIC DIRECTOR - ENVIRONMENT AND PLACE	1	157,334	7,360	-	164,694	(164,694)	-
156,612		Total Environment and Place Service Area	1	157,334	7,360	-	164,694	(164,694)	-
(5,000)	1404	ENVIRONMENTAL CRIME	-	-	-	(3,475)	(3,475)	269,965	266,490
500	1405	PLANNING ENFORCEMENT	-	-	10,000	-	10,000	489,093	499,093
50,023	1626	BUILDING CONTROL	6	409,656	24,630	(300,000)	134,286	238,620	372,906
(987,310)	1751	DEVELOPMENT MANAGEMENT	-	-	73,728	(965,000)	(891,272)	2,228,907	1,337,635
(5,000)	1753	PLAN PERFORMANCE AGREEMENTS	-	-	32,000	(40,000)	(8,000)	-	(8,000)
(19,100)	1754	AYLESHAM DEVELOPMENT	-	-	35,000	(41,000)	(6,000)	24,567	18,567
-	1755	S106 NON-SPECIFIC PROJECTS	-	-	-	-	-	91,385	91,385
-	1757	CONSERVATION & HERITAGE	-	-	-	-	-	93,195	93,195
-	1761	BROWNFIELD REGISTER	-	-	-	-	-	3,046	3,046
-	1762	DOVER DISTRICT DEVELOPMT PLAN	-	-	300	-	300	515,815	516,115
-	1763	BIODIVERSITY NET GAIN	-	-	11,300	-	11,300	50,769	62,069
-	1764		-	-	-	-	-	63,052	63,052
15,152	1766	OTHER REGENERATION PROJECTS	-	-	2,881	-	2,881	158,528	161,409
(123,950)	1768	LOCAL LAND CHARGES	-	150	30,069	(170,000)	(139,781)	96,938	(42,843)
-	1772	S106 WITH CONDITIONS	-	-	-	-	-	3,864	3,864
-	1773	S106 WITHOUT CONDITIONS	-	-	-	-	-	3,864	3,864
357,867	7512	PLANNING ENFORCEMENT TRADING ACCOUNT	5	270,194	3,720	-	273,914	(273,914)	-
1,109,942	7519	DEVELOPMENT MANAGEMENT TRADING	18	1,192,141	18,537	-	1,210,678	(1,210,678)	-
886,801	7520	REGENERATION DELIVERY TRADING	12	847,975	23,780	(8,000)	863,755	(863,755)	-
481,176	7530	PLANNING AND DEVELOPMENT ADMIN	15	655,005	6,300	-	661,305	(661,305)	-
1,761,101		Total Planning & Development	56	3,375,121	272,245	(1,527,475)	2,119,891	1,321,956	3,441,847
10,675,836		Total Environment and Place	197	12,624,685	2,662,869	(6,520,858)	8,766,696	(1,034,262)	9,501,371

DIRECTOR OF FINANCE, HOUSING AND ASSETS

The Director of Finance, Housing and Assets is responsible for a number of service areas, the most significant of which are those summarised below.

FINANCE AND INVESTMENT

Financial Administration

Section 151 Local Government Act 1972 requires the Council to make arrangements for the proper administration of its financial affairs and to make one of its officers responsible for the administration of those affairs. The Strategic Director is that officer.

Accountancy

The Accountancy team is responsible for the General Fund revenue accounts, the capital and project budgets, the Housing Revenue Account, supporting the regeneration and investment agenda and technical matters such as VAT and Treasury Management.

Although the team is responsible for a range of tasks, the main focus is on co-ordinating and consolidating the revenue and capital budgets, producing the Medium Term Financial Plan, undertaking in-year budget monitoring, producing the final accounts, completing statutory and other returns (including VAT), treasury management and supporting value for money achievement. The team also supports budget managers, CMT and Members through the provision of financial advice in relation to budgets, service reviews, recruitment decisions, projects, reports with financial implications, partnership working and associated matters.

Procurement, Creditors and Income

The Procurement team provides professional advice and guidance and is responsible for the delivery of the Council's Procurement Strategy, compliance with its constitution (Contract Standing Orders), Public Contract Regulations, other legislation and delivering procurement best practice. The team is responsible for the Council's procurement infrastructure, including development and delivery of corporate procurement systems, policies, processes and procedures. They also maintain the Council's Contracts Register and Forward Plan, publication of Supplier Spend Data (compliance with the Transparency Code) and administer the Government Procurement Card Scheme.

The Creditors team are responsible for the accurate and timely processing of approved invoices, managing the payments process and producing the monthly returns to HMRC for the Construction Industry Scheme.

The Income team are responsible for the reconciliation of income receipts, updating the daily cash records and reconciling all entries to the bank statements. They also set up sundry income invoices for the Authority and manage rechargeable works.

Parking Services

The Parking Services team is responsible for the management and operation of parking both on and off street across the district.

With regard to off-street parking, the Council provides a number of car parks spread across the district including maintenance and enforcement operations. The Council also manages car parks on behalf of English Heritage in Deal & Walmer, and Eurotunnel at Samphire Hoe.

The management of on-street parking is carried out on behalf of KCC in accordance with the provisions set up within the Kent Parking agreement developed following the decriminalisation of parking operations within Kent in 2001.

The work of the team involves both “back office” functions associated with parking enforcement and dealing with all representations and challenges to the service of PCNs and debt recovery.

Cash collection from all Pay and Display machines and counting is carried out “in house” by a small team.

HOUSING SERVICES

Strategic Housing

Housing Policy – The service provides support to teams delivering housing services across the Council, in connection with the production of policy information and local and national monitoring returns. The service reviews and monitors statutory obligations in relation to the production of housing strategies and returns.

Strategic Housing and Enabling – The service is responsible for developing a strategic approach which will help meet the housing needs in the district and contribute to the development of sustainable communities. The strategic housing function plays an important role in enabling the provision of affordable housing in the district. This is through partnership working with other affordable housing providers such as Registered Providers, through development of new Council Housing stock, direct by the Council, and through liaison with developers to ensure affordable homes are delivered on new housing developments in line with Council Planning Policy. From 2022, there has been a statutory requirement for the Council to approve the sale of properties delivered by developers via the First Homes scheme, a form of Affordable Home Ownership. This function sits within the Strategic Housing service. The service plays an important role liaising with external agencies such as Homes England, with whom the Council is an investment partner, and Kent Housing Group in order to support delivery of new affordable housing in the district.

Affordable Housing Delivery

The service was established to deliver new Council owned affordable housing. An initial target of a programme of 500 new homes has been approved by Cabinet and 249 of these new homes have been completed. The target has since been increased to 200 properties to be

added to the Council's stock per year. The service predominantly delivers homes for affordable rent, but also delivers shared ownership homes, accessible properties, and interim homes for the homeless. The Key Partnerships are with Homes England, with whom the Council is an Investment Partner, and with Kent Housing Group.

Housing Needs

The Housing Needs team is responsible for ensuring social housing is allocated in accordance with statutory guidance, providing advice on housing options and dealing with homelessness in accordance with statutory duties.

The Housing Register is maintained by a team of Allocations Officers. Affordable and Social rent homes are let through a 'choice based lettings' system. The system is procured through a partnership of Kent district councils and housing associations with housing stock in the district. DDC is currently the lead partner and hosts the partnership manager. A recent re-procurement of the choice based lettings IT system has resulted in an enhanced system at lower cost.

The Housing Options team, provide advice and assistance to anyone who is homeless or potentially homeless. The key statutory function of the team is to ensure the Council's obligation to provide homelessness services is discharged correctly. This includes referral to Emergency and Temporary accommodation. The Housing Options team also provide a Homelessness Prevention service.

The Temporary Accommodation team was formed in January 2024. The team manages Council owned temporary accommodation and also liaises with landlords of privately owned temporary accommodation.

Housing Management Service

Dover District Council is the major social landlord in the district with 4,426 homes at the time of writing. Responsibility for tenancy management and property management/investment is now split between the Strategic Directors of Finance & Housing and Place & Environment with teams reporting to each. Housing Management Service delivery functions are the responsibility of the Strategic Director (Finance and Housing.)

Since 1 October 2020 the housing service has been managed 'in house' and the housing team deliver services in the following areas:

- Tenancy lettings and mutual exchanges.
- Tenancy management.
- Estate management.
- Sheltered housing.
- Income collection and arrears management.
- Resident involvement.
- Customer services.
- Reports of ASB and neighbour nuisance.

WASTE SERVICES

Recycling & Waste Collections

Dover District Council (DDC) is the statutory Waste Collection Authority for its area.

The Council introduced new service arrangements for refuse and recycling collections in 2021, which provide the over 55,000 households in the district with:

- weekly segregated collection of food / kitchen waste, collected in a 23L kerbside caddy, with householders also using a small kitchen caddy.
- alternate-weekly collections of recyclables and residual waste, with residual waste collected in a 180L wheeled bin (black lid), mixed dry recyclables collected in a 240L wheeled-bin (blue lid), and paper & card collected in a black 55L container. Alternative arrangements are available for those householders with limited storage space or difficult access. The materials collected through the doorstep recycling scheme now includes paper, card, plastic bottles, plastic pots, tubs and trays, cans and glass - which are collected fortnightly from all properties across the district.
- fortnightly subscription service for the collection of garden waste.
- separate collection of clinical waste, including needles.

The contract for the collection of refuse and recycling with Veolia Environmental Services (UK), which extends until January 2029, has been awarded in partnership with Folkestone & Hythe District Council (FHDC). Dover District Council is the lead authority within this partnership and manages the client team, which comprises staff from both DDC and FHDC and is based at the DDC offices. In addition to managing the contract, the team are also responsible for promoting waste reduction, re-use and recycling to residents across the two districts.

Paper and card from the recycling schemes is recycled into newsprint and packaging; cans into new metal items; plastic into food grade plastics or recycled products; and glass is crushed and either used as aggregates in road construction or melted down for reuse.

Garden waste is collected fortnightly through the subscription green waste collection service and is composted on a local farm in open windrows. Once fully composted it is supplied to local agricultural operators. Food waste is collected weekly as part of the new service and is taken to an anaerobic digestion facility near Maidstone where it is processed to produce energy.

In addition to the weekly recycling and waste collections, the Council offers other related services such as, for example, the bulky waste collection service. This is available for residents who wish to arrange for larger items of waste to be collected for a small fee from their homes. The removal of abandoned vehicles is also administered by this Service, in accordance with the Refuse Disposal (Amenity) 1978.

Street Cleansing

The Council is responsible for the cleansing of some 800km of public highways together with Council owned land and is the statutory Principal Litter Authority for its area, as defined by the Environmental Protection Act 1990. This activity is carried out in accordance with standards

described in the Code of Practice on Litter and Refuse (2006), which define how quickly the Council must clear such land. The statutory duties relate to the removal of litter, detritus (grit in the gutter), dog fouling, and blossom and leaf fall. The Council also works closely with the local Highway Authority, Kent County Council, to remove weeds from the public highway. Street Cleansing activity is undertaken via a combination of manual and mechanical sweeping, and the emptying of over 950 litter and dog waste bins is also undertaken.

The Service is also responsible for the removal of fly-tipped (i.e. illegally dumped) material, and works closely with Environmental Enforcement section, which is responsible for the investigation and enforcement element. Additional duties include the removal of graffiti on public buildings and structures, and the removal of flyposting (illegal banners and advertising) in the public realm.

The street cleansing activity is delivered by Veolia Environmental Services, under the same contract as noted in the Refuse & Recycling Collections description above, which extends until January 2029, and is a joint contractual arrangement with Folkestone & Hythe District Council, administered by Dover District Council Waste Services.

PARKS, OPEN SPACES & COUNTRYSIDE

The Council's Grounds Maintenance team cares for around 500 hectares of parks, pitches, open spaces, cemeteries and closed churchyards on a regular schedule. The White Cliffs Countryside Partnership manages 76 hectares of DDC owned land. Many further hectares of land in DDC ownership are visited by the Grounds Maintenance team on a reactive basis.

Parks & Open Spaces

Open spaces provide residents and visitors with opportunities for walking, socialising, and quiet reflection in the natural environment, as well as access to leisure facilities including play areas, outdoor sports facilities, skate parks and multi-use games areas. The Council owns and directly manages a substantial stock of open spaces throughout the district. This includes:

- parks, such as: Kearsney Abbey and Connaught Park in Dover, Victoria Park and Marke Wood in Deal.
- sports pitches, for example, at Elms Vale and the Danes in Dover.
- smaller amenity areas, many of which are associated with Council owned housing.

Some of the Council owned open space facilities are leased to, and managed by, sports clubs, for example the football and rugby facilities at Crabble in Dover, tennis courts at Marke Wood in Deal, cricket pitches in Sandwich, and bowling greens in Deal and Dover.

Cemeteries and Closed Churchyards

The Council owns and directly manages six cemeteries that are presently used for earth burials. These are located in Dover, Deal, Sandwich and Aylesham, covering a total of 19.25 hectares. In addition, the Council is obliged to accept responsibility for the upkeep of closed churchyards, if nominated by the relevant church or parish council. Currently 22 closed churchyards are maintained by the Council, covering about 10 hectares.

Trees

The team also provides the Council's tree management services, in relation to Tree Preservation Orders, works to trees in conservation areas, supporting relevant aspects of planning applications, and the management and maintenance of Council owned trees.

White Cliffs Countryside Partnership

WCCP helps to conserve and enhance the special coast and countryside of Dover and Folkestone & Hythe districts, making it accessible to all. The Partnership is hosted by Dover District Council, incorporating Folkestone & Hythe District Council, Kent County Council, Eurotunnel, Natural England, EDF Energy, Taylor Wimpey, Dover Town Council, the Land Trust, Affinity Water, Network Rail, Aylesham Parish Council and St Margaret's Parish Council.

WCCP manages 17 nature reserves across the two districts, including 4 DDC owned sites totalling 105 hectares, the Western Heights (50ha), Whinless Downs (15.43ha), Spinney Wood (11.2ha) and the section of Kingsdown & Walmer Beach in DDC ownership (28.64ha.) It also works on a range of other sites across the Dover District, some of which are owned by third parties, such as the River Dour and Gazen Salts.

PROPERTY ASSETS

After the retirement of key staff members, the service is being reshaped to become more focussed on managing the Council's assets, both corporate and housing. The name of the service has been changed to Property Assets to reflect this.

Corporate Assets

The Corporate team are responsible for in excess of 220 assets in the district which include but are not limited too; operational assets (i.e. Whitfield Offices, Kearsney Café, Maison Dieu and Deal Pier), sports centres and pools, cemeteries, museums, park buildings and recreational land and facilities (including play areas), stores, depots, public conveniences, shops, commercial properties, industrial land, ground leases, and community assets.

As well as this the team are responsible for beaches and foreshores, coastal protection, dealing with oil pollution, beach huts, boat plots, DDC owned street lighting, garage plots, car parks, shelters, structures, street furniture, markets, licences and leases and general facilities management such as caretaking, cleansing and routine maintenance.

Housing Assets

The Housing team are responsible for the maintenance of the Council's housing stock which reverted to Dover District Council from East Kent Housing with effect from 1st October 2020. The council currently owns over 4,000 housing assets comprising temporary accommodation, general needs, DART properties and shared ownership.

The housing team are responsible for ensuring that the stock is safely maintained and in good condition to standards set by legislation. The three main areas of work are compliance, responsive maintenance and planned works.

SHARED SERVICES

East Kent Audit Partnership

This Council is the host of the East Kent Audit Partnership and therefore the team forms part of the directorate. The four East Kent authorities, Canterbury City Council, Dover District Council, Folkestone & Hythe District Council, and Thanet District Council, formed the East Kent Audit Partnership (EKAP) to deliver a professional, cost effective, efficient, internal audit function.

A key aim for the EKAP is to build a resilient internal audit service that provides assurance on the risk, governance and control arrangements in place, as well as providing opportunities to share best practice, acting as a catalyst for change and improvement. The service delivers an agreed annual internal audit plan, undertakes special investigations and reports an annual opinion to the S151 Officer and also independently to the Governance Committee.

In the Annual Report, the Head of Audit (HOA) lists all recommendations raised in the course of their work for the year, split over the 4 criticality ratings. The report also summarises the follow up process and the results of the follow up for the year, highlighting any areas that have low levels of assurance after follow up. The HOA has unfettered access to all required information and staff, and also inter alia to the three statutory officers, the leader of the Council and the Chair of Governance Committee.

EK Services

The Strategic Director (Finance, Housing and Assets), or officers responsible to him or her, act as the lead officers for the following services which are provided jointly for Dover, Thanet & Canterbury by East Kent Services (EKS) under a joint committee arrangement, the East Kent Services Committee (EKSC). The services are fully delegated to the EKSC who in turn have delegated the full responsibility for the services to the Head of Shared Services. EKS provides Revenues, Benefits and Customer Services to Dover District Council and the other partner councils in the shared arrangement. The services will be provided by Civica under contract to EKS until 31st January 2025 when the current contract ends.

From 1st February 2025 these services will be provided to EKS by PartnershipOne, a three-way Local Authority Trading Company (LATCo) jointly and wholly owned by Canterbury, Thanet and Dover. The board of the LATCo comprises 3 directors, one from each council. Civica staff working on the EKS contract will transfer to the LATCo. This will ensure continuity.

Revenues

Council Tax has to be calculated, billed and collected for just under 56,000 dwellings within the district. Council Tax includes monies billed and collected for Dover District Council, Kent County Council, The Police & Crime Commissioner for Kent, Kent and Medway Fire and Rescue and the district's town and parish councils. The service target is to collect 96.84% of Council Tax in the year.

Business Rates / Non-Domestic Rates (NDR) also have to be calculated, billed and collected for around 4,200 businesses in the district. NDR is distributed by the council to the Government, KCC, Police, Fire and Rescue. The service target is to collect at least 98.20% of NDR by end of the financial year.

Any shortfall in revenue collection continues to be collected or attempted to be collected beyond the end of the financial year.

Benefits

The service anticipates that it will pay out benefits and financial assistance to over 1,300 council tenants, just under 1,900 private tenants and just under 9,000 council tax payers.

Universal Credit (UC) has been in place in the district since 2017, and the service works with the Department for Work and Pensions (DWP) to move those currently claiming housing benefit onto UC between now and March 2026.

Customer Services

Customer Services provides on-line, telephone, and face to face service delivery for all customers.

The service is seeking to increase the level of electronic service provision and self-service by customers. Innovation around electronic service provision for the council as a whole, seeking to drive through efficiency and service transformation, will be integrated with coordination of the Local Land and Property Gazetteer. In addition, the service will continue to work with us to develop our website and further develop the system to enable increased self-service and reduced paper transactions.

The service also administers various ad hoc schemes initiated by the Government from time to time, for example, in response to Covid-19 and energy inflation, etc.

Housing, Finance and Assets

Budget 2025/26

Costs controlled by Head of Service									
2024/25 Sub-total	Cost Centre	Description	FTE	Employees	Other Costs	Income	2025/26 Sub-total	Recharges and Other Adjustments	Total
-	1072	BUSINESS CONTINUITY	-	-	-	-	-	15,157	15,157
20,300	1073	UNAPPORTIONABLE OVERHEADS	-	-	26,923	-	26,923	-	26,923
89,000	1340	SPECIAL FEES AND PAYMENTS	-	-	105,500	(5,000)	100,500	2,157	102,657
30,000	1341	TREASURY MANAGEMENT	-	-	35,000	-	35,000	14,216	49,216
1,433,510	1342	BACKFUNDING & OTHER PENSION COSTS	-	1,523,612	-	-	1,523,612	-	1,523,612
247,805	1344	GRANTS TO VOLUNTARY ORGS	-	-	270,125	-	270,125	25,340	295,465
43,740	1345	OFFICE TELEPHONES HLDG ACCOUNT	-	-	41,360	-	41,360	-	41,360
-	1669	ACCOUNTABLE BODY RECHARGES	-	-	-	-	-	109,281	109,281
10,301	1688	FREE CAR PARKS	-	-	19,888	-	19,888	94,841	114,729
(1,737,645)	1689	OFF STREET CAR PARKS	-	3,109	434,045	(2,124,750)	(1,687,596)	334,539	(1,353,057)
(1,003,889)	1690	ON STREET PARKING	-	103	102,900	(962,000)	(858,997)	638,233	(220,764)
12,590	1700	ELECTRICAL VEHICLE CHARGING BAYS	-	2,241	-	(12,500)	(10,259)	6,377	(3,882)
128,705	7006	STRATEGIC DIRECTOR - FINANCE & HOUSING	1	125,612	6,036	-	131,648	(131,648)	-
125,984	7015	HEAD OF FINANCE & INVESTMENT	1	129,083	200	-	129,283	(129,283)	-
868,186	7021	ACCOUNTANCY TRADING ACCOUNT	13	709,718	235,590	-	945,308	(945,308)	-
307,477	7024	PROCUREMENT, CREDITORS & INCOME	7	328,728	10,910	(26,600)	313,038	(313,038)	-
88,884	7036	TRANSPORT AND PARKING MANAGER	1	90,682	285	-	90,967	(90,967)	-
119,565	7515	PARKING SERVICE ADMINISTRATION	2	110,955	23,870	-	134,825	(134,825)	-
529,091	7516	PARKING OPERATIONS AND ENFORCEMENT	12	491,341	44,245	-	535,586	(535,586)	-
1,313,604		Total Parking, Finance and Investment	37	3,515,183	1,356,877	(3,130,850)	1,741,210	(1,040,514)	700,697
12,000	1346	COMMUNITY HOUSING FUND	-	-	-	-	-	-	-
-	1347	HOUSING STRATEGY	-	-	-	-	-	2,344	2,344
10,502	1348	KENT HOMECHOICE	1	33,854	145,035	(280,000)	(101,111)	28,162	(72,949)
609,060	1349	HOMELESSNESS	-	-	3,108,300	(1,610,000)	1,498,300	724,146	2,222,446
-	1350	RENT DEPOSIT SCHEME	-	-	5,000	(5,000)	-	-	-
-	1351	ROUGH SLEEPING	-	-	423,367	(423,367)	-	45,236	45,236
13,290	1352	CHOICE BASED LETTINGS	-	-	13,300	-	13,300	-	13,300
-	1770	HOUSEBUILDING REGISTER	-	-	-	(30)	(30)	-	(30)
970,354	7506	HOUSING NEEDS TRADING ACCOUNT	23	1,035,493	5,650	-	1,041,143	(1,041,143)	-
121,655	7521	HEAD OF HOUSING	1	107,923	6,100	-	114,023	(114,023)	-
518,662	7525	HOUSING DEVELOPMENT	9	526,020	3,770	-	529,790	(529,790)	-
381,082	7526	HOUSING RENTS	8	395,902	22,050	-	417,952	(417,952)	-
171,291	7528	HOUSING POLICY	5	177,264	500	-	177,764	(177,764)	-
988,986	7527	HOUSING GENERAL NEEDS	20	1,015,434	19,430	-	1,034,864	(1,034,864)	-
-	7531	HOUSING CUSTOMER SERVICES	3	120,302	-	-	120,302	(120,302)	-
3,796,882		Total Housing	70	3,412,192	3,752,502	(2,318,397)	4,846,297	(2,635,950)	2,210,347
428,790	1440	COUNCIL TAX-COST OF COLLECTION	-	-	911,978	(560,000)	351,978	22,253	374,231
(20,368)	1441	NNDR - COST OF COLLECTION	-	-	162,547	(198,000)	(35,453)	20,102	(15,351)
1,013,059	1442	BENEFITS & SUBSIDIES	-	-	22,868,930	(21,681,840)	1,187,090	20,102	1,207,192
197,120	7026	CORPORATE INCOME COLLECTION	-	-	183,157	-	183,157	(183,157)	-
179,390	7032	DDC @ YOUR SERVICE	-	-	165,004	-	165,004	(165,004)	-
1,797,991		Total Revenues and Benefits	-	-	24,291,616	(22,439,840)	1,851,776	(285,704)	1,566,072
136,385	7019	AUDIT PARTNERSHIP	7	564,290	4,475	(428,767)	139,998	(139,998)	-
96	7020	AUDIT TRADING ACCOUNT	-	90	10	-	100	(100)	-
136,481		Total Audit Partnership	7	564,380	4,485	(428,767)	140,098	(140,098)	-

2024/25 Sub-total	Cost Centre	Description	FTE	Employees	Other Costs	Income	2025/26 Sub-total	Recharges and Other Adjustments	Total
-	1660	SHORNCLIFFE WCCP	1	35,895	38,485	(74,380)	-	-	-
-	1670	WHITE CLIFFS COUNTRYSIDE PROJECT	6	265,093	120,845	(385,938)	-	-	-
-	1671	WCCP - SAMPHIRE HOE	2	82,228	18,700	(100,928)	-	-	-
-	1672	WCCP - ROMNEY MARSH PROJECT	1	1,339	9,885	(11,224)	-	-	-
-	1673	WCCP - WILDLIFE/SITE SURVEY	1	41,738	9,480	(51,218)	-	-	-
(17,980)	1674	WCCP OFFICE MANAGER & ADMIN	3	144,854	17,003	(161,857)	-	18,000	18,000
-	1675	DOVER SITES MANAGEMENT	-	-	13,550	(13,550)	-	-	-
-	1676	SHEPWAY SITES MANAGEMENT	1	36,933	21,173	(58,106)	-	-	-
-	1677	FOLKESTONE DOWNS	-	-	14,479	(14,479)	-	-	-
-	1678	RIVER DOUR	1	608	1,782	(6,342)	(3,952)	3,952	-
-	1679	DUNGNESS (EDF ENERGY)	3	94,654	35,433	(130,087)	-	-	-
-	1680	FORT BURGOYNE	2	75,415	86,175	(173,661)	(12,071)	12,071	-
-	1682	OUR FINEST DOUR PROJECT	-	6	-	-	6	-	6
(6,160)	1683	DEPOTS	-	3,113	10,271	(19,584)	(6,200)	6,021	(179)
(93,551)	1684	CEMETERIES	-	3,306	262,558	(172,200)	93,664	82,424	176,088
1,504	1685	CLOSED CHURCHYARDS	-	47,264	-	-	47,264	25,758	73,022
177,195	1686	PARKS AND OPEN SPACES	-	50,894	769,556	(109,740)	710,710	155,391	866,101
124,457	1687	KEARSNEY PARKS	3	115,119	14,576	-	129,695	27,787	157,482
1,291,433	1691	REFUSE COLLECTION	-	-	1,601,350	(217,500)	1,383,850	185,835	1,569,685
1,282,269	1692	RECYCLING	-	-	2,505,470	(1,265,742)	1,239,728	118,231	1,357,959
-	1693	FOLKESTONE & HYTHE DISTRICT COUNCIL WASTE CONTRIBUTION	-	-	5,769,643	(5,769,643)	-	-	-
2,374,746	1697	STREET CLEANSING	-	-	2,364,430	-	2,364,430	226,955	2,591,385
15,725	1701	AYLESHAM GM SERVICE	-	-	-	-	-	2,157	2,157
100,772	7035	HEAD OF PARKS, OPEN SPACES AND COUNTRYSIDE	1	103,688	1,850	-	105,538	(105,538)	-
165,728	7037	PARKS AND OPEN SPACES ADMIN	5	258,629	1,150	-	259,779	(259,779)	-
682,719	7514	GROUND'S MAINTENANCE TEAM	30	1,058,890	286,450	(1,509,852)	(164,512)	164,512	-
252,153	7517	WASTE SERVICES TRADING ACCOUNT	5	326,158	40,289	(50,000)	316,447	(316,447)	-
6,351,010		Total Waste, Parks, Open Spaces and Countryside	65	2,745,824	14,014,583	(10,296,031)	6,464,376	347,330	6,811,706
159,655	1602	PUBLIC CONVENIENCES	-	2,290	280,682	(127,000)	155,972	63,791	219,763
450	1603	COAST PROTECTION	-	-	450	-	450	9,885	10,335
-	1604	SECTION 38	-	-	996	-	996	773	1,769
68,970	1605	STREETLIGHTING AND NAMING	-	-	74,130	(50,000)	24,130	62,296	86,426
3,000	1606	COUNTRYSIDE AND WATERWAYS	-	-	4,000	-	4,000	4,475	8,475
21,546	1607	BUS SHELTERS	-	-	17,014	-	17,014	6,021	23,035
50,830	1608	PRECINCTS - DEAL AND DOVER	-	-	23,010	-	23,010	35,612	58,622
(488,150)	1610	GARAGES - GF	-	-	25,000	(543,800)	(518,800)	257,990	(260,810)
(95,921)	1611	SHOPS & SHOWROOMS - GF	-	2,813	8,110	(133,770)	(122,847)	17,613	(105,234)
-	1612	55-61 CASTLE ST (FORMER CO-OP)	-	-	1,034	-	1,034	19,072	20,106
(333,411)	1613	WHITFIELD COURT BUSINESS PARK	-	8,678	23,608	(380,167)	(347,881)	59,241	(288,640)
(1,191,117)	1614	B&Q RETAIL WAREHOUSE DOVER	-	17,541	-	(1,208,314)	(1,190,773)	3,703	(1,187,070)
(169,746)	1615	MISC PROPERTIES - GENERAL	-	18,857	48,577	(99,450)	(32,016)	574,654	542,638
20	1616	RELOCATION OF TRAVELLERS	-	-	-	-	-	13,000	13,000
175,266	1617	HALLS - TOWN HALL DOVER	-	94,100	310,020	(290,400)	113,720	324,671	438,391
(550)	1618	TIMEBALL TOWER, DEAL	-	-	150	(663)	(513)	6,021	5,508
313	1619	PUBLIC CLOCKS AND MEMORIALS	-	319	535	-	854	2,312	3,166
(273)	1620	DOLPHIN HOUSE	-	4,536	65,910	(109,505)	(39,059)	38,934	(125)
-	1621	ENERGY EFFICIENCY GRANTS	-	-	-	-	-	23,185	23,185
(75,160)	1622	BEACHES AND FORESHORES	-	923	37,147	(125,965)	(87,895)	44,798	(43,097)
78,277	1623	DEAL PIER	2	141,325	80,130	(139,347)	82,108	126,642	208,750
(14,300)	1624	SANDWICH QUAY	-	-	11,504	(17,630)	(6,126)	9,885	3,759

2024/25 Sub-total	Cost Centre	Description	FTE	Employees	Other Costs	Income	2025/26 Sub-total	Recharges and Other Adjustments	Total
(25,000)	1625	PROPERTY SERVICES EVENTS	-	-	-	-	-	-	-
(695,669)	1627	DOVER LEISURE CENTRE	-	53,531	3,339	(750,000)	(693,130)	23,192	(669,938)
151,491	1628	DEAL LEISURE POOL - TIDES	-	34,732	252,493	-	287,225	114,619	401,844
46	1629	DEAL TENNIS CENTRE	-	47	-	-	47	9,885	9,932
563,000	1630	CORPORATE MAINTENANCE	-	-	563,000	-	563,000	-	563,000
-	1631	ACTIVITY PLAN - MAISON DIEU RESTORATION	-	-	30	-	30	4,689	4,719
303	1632	HOME UPGRADE GRANTS	-	772	-	-	772	-	772
473,651	7001	OFFICE ACCOMMODATION - WHITFIELD	1	57,024	439,951	-	496,975	(496,975)	-
148,260	7007	STRATEGIC DIRECTOR - PLACE AND ENVIRONMENT	-	10,290	6,266	-	16,556	(16,556)	-
1,085,376	7027	PROPERTY SERVICES	20	1,180,102	34,500	(6,725)	1,207,877	(1,207,877)	-
5,822	7028	ASSET MAINTENANCE TEAM	5	175,711	25,450	(201,161)	-	-	-
9,260	7030	THE DOVER GATEWAY (CASTLE ST)	-	1,682	16,415	(32,250)	(14,153)	14,153	-
8,780	7033	MAISON DIEU PREMISES - CAB OFFICES	-	593	12,095	(3,500)	9,188	(9,188)	-
1,394,028	7038	PROPERTY SERVICES HRA	26	1,392,443	35,930	-	1,428,373	(1,428,373)	-
1,309,047		Total Property Assets	54	3,198,308	2,401,476	(4,219,647)	1,380,137	(1,287,857)	92,281
14,705,015		Total Finance and Housing	233	13,435,887	45,821,539	(42,833,532)	16,423,893	(5,042,793)	11,381,103

Ref	<u>Earmarked General Fund Reserves</u> (Forecast 2023/24 - 2028/29)	Balance	Contribution	Application	Balance	Contribution	Application	Balance	Contribution	Application	Balance	
		2023/24	2024/25	2024/25	2024/25	2025/26	2025/26	2025/26	Future Years	Future Years	Future Years	Future Years
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
1	Special Projects & Events	(23,400)	(1,606)	12,000	(13,006)	(620)	2,619	(11,008)	0	6,507	(4,501)	
2	Periodic Operations	(7,876)	(334)	3,787	(4,423)	(422)	2,344	(2,502)	(785)	3,287	0	
3	Regeneration	(3,080)	(632)	1,700	(2,013)	(550)	0	(2,563)	(255)	425	(2,393)	
4	Smoothing Reserve	(3,490)	0	1,050	(2,440)	0	0	(2,440)	0	0	(2,440)	
5	ICT Equipment & Servers	(1,568)	0	758	(810)	0	276	(534)	0	0	(534)	
6	Business Rates & Council Tax Support	(2,898)	(1,114)	0	(4,012)	0	2,000	(2,012)	0	2,012	0	
7	Operational and Fee Income Reserve	(4,721)	0	0	(4,721)	0	765	(3,956)	0	0	(3,956)	
	Earmarked Reserves Total	(47,034)	(3,687)	19,295	(31,426)	(1,592)	8,003	(25,015)	(1,040)	12,231	(13,823)	

EARMARKED RESERVES

The following earmarked reserves are held:

1. Special Projects & Events Reserve

This reserve is set aside to continue to fund one-off General Fund projects as they arise and to support major events in the district. The contributions and applications from this reserve are detailed in the Special Projects summary (Annex 6C).

2. Periodic Operations Reserve

This reserve is to cover costs of cyclical / periodic events, such as elections, and to hold grants or other income streams for specific purposes, such as Section 106 funding, New Burdens grants and On-Street parking surpluses. Approval of expenditure from this reserve is delegated to the Section 151 Officer and the Portfolio Holder responsible for Finance.

3. Regeneration Reserve

This reserve is set aside to support the Local Plan process and regeneration projects. Approval of expenditure from this reserve is delegated to the Section 151 Officer and the Portfolio Holder responsible for Finance.

4. Smoothing Reserve

This reserve is to mitigate the risk and the volatility of the budget to enable the council to take a measured approach to the forecast pressures. This will enable the projections for future revenue budgets to be based on “mid case” assumptions, and if subsequently an overspend is incurred due to unanticipated pressures, this will be met from the Smoothing Reserve and remedial action (including rebuilding of the Smoothing Reserve) will be planned for future years.

5. Digital & ICT Equipment & Servers

The Digital & ICT Equipment & Servers reserve is held to support the requirements of the current and future digital strategies. The applications from this reserve are detailed in the Digital & ICT project summary (Annex 6D). Approval of expenditure from this reserve is delegated to the Digital Services Manager, in consultation with the Head of Finance & Investment and the Portfolio Holder responsible for ICT.

6. Business Rates & Council Tax Support Reserve

This reserve was set up to allow for the risk of unforeseen pressures from the Redistribution of Business Rates, the Council Tax Support scheme and changes for Universal Credit. The reserve is mainly used to smooth the impact of timing fluctuations associated with the complex accounting of NDR to prevent erratic impacts on the GF budget.

7. Operational and Fee Income Reserve

This reserve is required to provide flexibility to cope with areas of fee income uncertainty, including the volume of fees raised, the fee level per transaction and therefore the total income stream, the cost base and any more significant structural changes to services that may arise.

HRA BUDGET SUMMARY

<u>2023/24</u> <u>Actuals</u>		<u>2024/25 Original</u> <u>Budget</u>	<u>2024/25</u> <u>Q2 Projected</u> <u>Outturn</u>	<u>2025/26</u> <u>Budget</u>
£000		£000	£000	£000
6,926	Repairs and Maintenance	6,019	6,464	6,094
5,778	Supervision and Management	13,053	12,943	9,041
177	Rents, Rates, Taxes and Other Charges	120	120	154
3,055	Depreciation of Fixed Assets	3,086	3,086	3,056
35	Debt Management Expenses	20	30	79
176	Bad Debt Provision	200	200	182
1,229	HRA Share of Corporate charges	(4,707)	(4,707)	328
2,522	Interest Payable and Similar Charges	2,461	3,343	3,342
19,899	Net Operating Expenditure	20,252	21,479	22,277
	Income received:			
(21,973)	Dwelling Rents	(23,631)	(23,631)	(24,873)
(964)	Tenant Charges for Services and Facilities	(1,011)	(992)	(1,006)
(425)	Leaseholder Charges for Services and Facilities	(433)	(527)	(521)
(9)	Interest and Investment Income	(24)	(24)	(26)
(23,372)	Total Income Received	(25,098)	(25,174)	(26,426)
	Contribution to/(from) Reserves:			
469	- Housing Initiatives Reserves	475	1,400	520
3,001	- Direct Revenue Financing	3,715	2,302	3,629
0	- Major Repairs Reserve	1,673	0	0
3,469	Net Contribution to/(from) Reserves	5,863	3,702	4,149
(4)	Total HRA Budget Requirement	1,017	7	(1)
	Financed by:			
0	Housing Initiatives Reserves	(1,020)	0	0
0	Total Financing	(1,020)	0	0
(4)	HRA Deficit/(Surplus) for the Year	(3)	7	(1)
(1,010)	HRA Balance at Start of Year	(1,014)	(1,014)	(1,007)
(1,014)	Leaving Year End Balances of	(1,017)	(1,007)	(1,007)

FOUR YEAR REVENUE BUDGET FINANCIAL PROJECTION

Notes	2024/25 Projected Outturn £000	2025/26 Forecast £000	2026/27 Forecast £000	2027/28 Forecast £000	2028/29 Forecast £000
1	(25,150) Income	(26,426)	(26,426)	(26,426)	(26,426)
	Income Adjustments				
2	Rent increases at CPI + 1% from 2020/21		(746)	(1,515)	(2,306)
3	Impact of Right to Buy sales on rental income		43	87	133
4	Forecast rent from new stock		(500)	(900)	(1,300)
5	Inflation on leasehold & service charges		(31)	(62)	(93)
	(25,150) Total	(26,426)	(27,660)	(28,815)	(29,993)
6	17,500 Expenditure	18,537	18,537	18,537	18,537
	Expenditure Adjustments				
7	Repairs and Maintenance (3% inflation)		122	246	373
8	Supervision and Management (3% inflation & increase in Housing team will be needed as the amount of Council stock increases)		229	463	702
9	Other Misc expenditure inflation		15	26	38
	17,500 Total	18,537	18,903	19,273	19,650
10	6,258 Other Charges	7,299	7,299	7,299	7,299
11	Increase of capital spend on planned works for DDC housing stock		73	147	222
	6,258 Total	7,299	7,372	7,446	7,521
12	Net (Increase)/Decrease in the Housing Revenue Account Balance (1,393) before transfers to or from reserves	(589)	(1,385)	(2,096)	(2,821)
13	1,400 Transfer to Housing Initiatives reserve	590	1,380	2,100	2,820
14	7 NET (SURPLUS) / DEFICIT	1	(5)	4	(1)
	Impact on Reserves :-				
	Projected HRA Balance				
	(1,013) Opening balance	(1,006)	(1,006)	(1,010)	(1,007)
15	(1,006) Closing Balance	(1,006)	(1,010)	(1,007)	(1,008)
	Projected Housing Initiatives Reserve Balance				
	(17,112) Opening balance	(17,105)	(17,104)	(17,109)	(17,105)
	1,400 Contribution to reserve	590	1,380	2,100	2,820
	(1,393) Proposed application of reserve to projects	(589)	(1,385)	(2,096)	(2,821)
16	(17,105) Closing Balance	(17,104)	(17,109)	(17,105)	(17,107)

FOUR YEAR REVENUE BUDGET FINANCIAL PROJECTION

Notes

- 1 The gross income budget is taken from the 2024/25 budget at Annex 5.
- 2 be staying the same as per the LHA rates for Dover and Shared Ownership rents will be increasing by RPI plus 0.5 for 2025/26 (3.2% for 2025/26)
- 3 Right to Buy sales have a negative impact on rent income. Based on current levels this has been assumed to reduce rent income by 0.1% per annum.
- 4 Additional income forecast as a result of the proposed increases in stock from the Housing Development projects.
- 5 Tenant and Leasehold service charges are a cost recovery exercise for the previous year so will increase with the inflation costs previously.
- 6 The gross expenditure budget is taken from the 2024/25 budget at Annex 5.
- 7 It is assumed that repairs & maintenance expenditure will increase in line with inflation with a provision in 2025/26 for the renewal of the repairs contract.
- 8 It is assumed that supervision & management expenditure will increase in line with inflation.
- 9 Inflationary increases on other expenditure areas.
- 10 Other charges are taken from the 2024/25 budget at Annex 5. These include capital works, which increase in line with inflation, and interest payable & receivable.
- 11 Increase of capital spend on planned works on DDC Council housing stock.
- 12 Net increase/decrease in the HRA Balance before transfers to/from reserves
- 13 Transfer to/from Housing Initiatives Reserve.
- 14 Forecast (surplus) / deficit.
- 15 Forecast HRA closing balance
- 16 Forecast Housing Initiatives Reserve Balance.

ANNEX 5B

REVENUE WORKS PROGRAMME	ACTUAL 2023/24 £000's	ORIGINAL BUDGET 2024/25 £000's	AMENDED BUDGET 2024/25 £000's	PROPOSED BUDGET 2025/26 £000'S
Term Maintenance	2,684	3,138	3,021	2,435
External Decorations	481	500	500	350
Drainage Works	18	10	10	25
Communal TV Aerials Works	7	10	10	5
Estates Paths, Pavings, Floor Resurfacing	112	0	0	0
Electrical Safety Inspections & Works	123	140	140	340
Health and Safety Water Inspections & Works	70	60	60	63
Void Properties	1,782	1,000	1,000	1,500
Heating Servicing & Inspections	790	680	725	845
Lift Maintenance & Inspections	59	20	30	71
Disabled Hoists & Lifts	21	15	30	42
Fire Alarm Servicing & Inspections	78	60	60	83
Door Entry	24	35	35	30
Tenant Compensation	56	75	75	50
Tenants Compact - Dover / Deal / Sandwich & Rural	14	20	20	20
Environmental Improvements	2	0	0	0
Window Repairs	0	0	117	0
Damp and Mould Maintenance	319	250	250	150
Stock Condition Survey	0	-	-	80
TOTAL REVENUE WORKS PROGRAMME	6,640	6,013	6,083	6,089

CAPITAL WORKS PROGRAMME	ACTUAL 2023/24 £000's	BUDGET 2024/25 £000's	AMENDED BUDGET 2024/25 £000'S	PROPOSED BUDGET 2025/26 £000'S
Reroofing	1,447	1,335	1,335	1000
Replacement Doors and Windows	283	214	214	150
Door Entry System Installations	22	32	32	30
Fire Precaution Works	180	107	107	300
Heating Renewals	1,339	641	641	450
Thermal Insulation	35	-	-	0
Asbestos Inspection & Works Programme	384	320	320	320
Structural Repairs	448	320	320	200
Electrical Rewiring Programme	10	27	27	20
Kitchen Replacement Programme	608	641	641	400
Lift Refurbishment	-	96	96	30
Bathroom Replacement Programme	433	641	641	350
Adaptations for Disabled Persons	617	374	374	325
Restorative & Carbon Neutral Programme	-	500	-	500
Integrated Reception Systems Upgrade	12	21	21	10
Estate Paving	71	107	107	100
Internal Block Flooring	-	85	85	50
Going Digital	-	100	100	100
Major Works Voids	167	427	427	350
Stock Condition Survey Works				2,000
Capital Works Programme Total	6,056	5,988	5,488	6,685
Financed By:				
Capital Receipts	-	-		
Major Repairs Reserve	3,055	3,086	3,086	3,056
Direct Revenue Financing (HRA)	3,001	2,902	2,402	3,629
Total Financed By (Capital Works)	6,056	5,988	5,488	6,685
FULL PROGRAMME TOTAL	12,696	12,001	11,571	12,774

MEDIUM TERM CAPITAL PROGRAMME - including 2025/26 MTFP proposals							
Projects included in the programme	2024/25 QTR 2	PROPOSED BUDGET					
	Total £000	Previous years £000	Estimate 2024/25 £000	Estimate 2025/26 £000	Estimate 2026/27 £000	Future Years £000	Total £000
Committed HRA Projects							
Development Projects:-							
HRA Property Purchases	1,500	N/A	1,500	0	0	0	1,500
Poulton Close	6,418	52	2,828	3,289	249	0	6,418
Poulton Close- site preparation	480	25	601	0	0	0	626
Grove Rd, Preston	3,150	5	350	2,795	0	0	3,150
Military Rd, Dover	2,150	91	1,042	1,017	0	0	2,150
Mongeham Rd, Deal	1,890	68	1,822	0	0	0	1,890
83-87 Folkestone Rd - completed	983	845	138	0	0	0	983
Local Authority Housing Fund - Round 1 completed	4,269	1,723	2,546	0	0	0	4,269
Local Authority Housing Fund - Round 2	1,709	473	1,236	0	0	0	1,709
Local Authority Housing Fund - Round 3	1,191	0	1,191	0	0	0	1,191
Willowbank, Sandwich	5,570	13	539	170	4,848	0	5,570
Self Build Plots - capital works	121	62	59	0	0	0	121
Easole Street, Nonnington	1,000	0	100	900	0	0	1,000
Sandwich Road Sholden	1,803	0	1,803	0	0	0	1,803
Wingfield Place, Deal - completed	13,474	0	13,474	0	0	0	13,474
Wallers Field, Deal	1,434	0	334		1,100	0	1,434
HRA Improvement works	5,388		5,388		0	0	5,388
Total of committed HRA Development Projects	52,530	3,356	34,951	8,172	6,197	0	52,676
Grand total of committed Capital Projects	52,530	3,356	34,951	8,172	6,197	0	52,676
Proposed Projects							
HRA:-							
HRA Property Purchases	3,000		0	1,500	1,500	0	3,000
Proposed Housing Development	2,000		0	2,000	0	0	2,000
District Development Sites	29,113		2,967	13,000	13,000	0	28,967
Major Developments	10,000		420	5,640	3,940	0	10,000
Section 106 Purchases	5,901		2,881	3,020	0	0	5,901
HRA Improvement works - TBA	0		0	6,685	0	0	6,685
New bids - HRA	0	0	0	0	0	0	0
Total of Proposed Capital Projects	50,014	0	6,268	31,845	18,440	0	56,553
Grand Total	102,544	3,356	41,219	40,017	24,637	0	109,229
Financed by:							
Capital projects financed in previous financial years	3,940	3,356	0	0	0	0	3,356
Capital receipts - Excess Right to Buy Receipts (HRA)	25,173	n/a	1,414	1,645	125	0	3,184
Capital receipts - Shared Ownership sales		n/a	1,362	2,153	323	0	3,838
Direct Revenue Financing:-							
HRA	3,715	n/a	2,301	0	0	0	2,301
HRA - NEW BIDS 25/26		n/a	0	3,629	0	0	3,629
Section 106 Funding	0	n/a	3,697	3,048	0	0	6,745
Grants:-							
Homes England-Housing Support Fund (HRA)	6,104		5,132	972	0	0	6,104
Brownfield Land Release Grant (HRA)	455	n/a	455	0	0	0	455
Local Authority Housing Fund - Round 1 (HRA)	307	n/a	307	0	0	0	307
Local Authority Housing Fund - Round 2 (HRA)	367	n/a	367	0	0	0	367
Local Authority Housing Fund - Round 3 (HRA)	1,191	n/a	1,191	0	0	0	1,191
Other reserves:-							
- Special projects	59		59	0	0	0	59
- Major Repairs Reserve (Depreciation - HRA)	1,673	n/a	3,087	0	0	0	3,087
- Major Repairs Reserve (Depreciation - HRA)		n/a	0	3,056	0	0	3,056
							0
PWLB borrowing - Property Acquisition (HRA)	60,144	n/a	21,847	25,514	24,189	0	71,550
Unsupported borrowing		n/a	0	0	0	0	0
Total	103,128	3,356	41,219	40,017	24,637	0	109,230

MEDIUM TERM CAPITAL PROGRAMME - including 2025/26 MTFP proposals							
Projects included in the programme	2024/25	PROPOSED BUDGET					
	QTR 2	Previous years	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	Future Years	Total
	£000	£000	£000	£000	£000	£000	£000
Committed General Fund Projects							
Dover Beacon Project							
Bench St Land Assembly - land purchase	2,595	2,595	0	0	0	0	2,595
Bench St Land Assembly - other associated costs	98	98	0	0	0	0	98
Bench St demolition	900	425	475	0	0	0	900
Dover Beacon - Project Enabling	16,208	1,174	6,850	8,184	0	0	16,208
Future High Streets Fund - Capital Works	3,134	250	2,883	0	0	0	3,134
Sub-total	22,935	4,543	10,209	8,184	0	0	22,935
Other Regeneration Projects							
Dover Fastrack Project (BRT)	25,820	17,271	8,549	0	0	0	25,820
Aylesham Regeneration Project	3,150	2,395	755	0	0	0	3,150
Discovery Park - Grant no.2 (100% grant funded)	2,722	0	0	2,722	0	0	2,722
Building Foundations for Growth Grant - unallocated funding	21	0	0	21	0	0	21
Sub-total	31,713	19,666	9,303	2,743	0	0	31,713
Other projects							
Purchase of Refuse & Recycling Vehicles	4,500	3,954	0	0	546	0	4,500
UK Shared Prosperity Fund - Capital	176	23	153	0	0	0	176
Deal Pier - Capital Works	1,438	1,314	124	0	0	0	1,438
Tides LC refurbishment	1,120	948	172	0	0	0	1,120
Old Dover Leisure Centre demolition	550	430	20	100	0	0	550
Dover Discovery Centre refurbishment	700	0	275	275	150	0	700
St Margarets Bay sea defences (100% grant funded)	125	112	13	0	0	0	125
Parks & Open Spaces - Grounds Maintenance Equipment Replacement	465	117	348	0	0	0	465
Tides Leisure Centre replacement	1,020	589	431	0	0	0	1,020
Deal Beach Management Study 2023	80	35	45	0	0	0	80
Deal Beach Mgmt Plan 2023-2026	449	0	225	225	0	0	449
Crematorium Project	40	0	40	0	0	0	40
Dover Museum roof repairs	100	0	0	100	0	0	100
Maison Dieu major restoration works(Dover Town Hall) - Delivery Phase	14,748	7,729	7,120	0	0	0	14,848
Sandwich Guildhall Forecourt improvement works	1,250	1,206	44	0	0	0	1,250
Rural England Prosperity Fund	400	13	387	0	0	0	400
Disabled Facilities Grants:-							
Mandatory Disabled Facilities Grants	1,378	n/a	1,501	0	0	0	1,501
Renovation/PSH Loans	441	n/a	441	0	0	0	441
Empty Homes Loans	200	n/a	200	0	0	0	200
Sub total	29,180	16,469	11,539	700	696	0	29,403
Total of Committed General Fund Projects	83,828	40,678	31,050	11,626	696	0	84,051
Proposed Projects							
General Fund:-							
St Margarets Bay coast protection works (grant funded)	25	0	25	0	0	0	25
Dolphin House - balconies	200	0	200	0	0	0	200
Future High St bid match funding	1,700	0	1,388	0	312	0	1,700
Tides Replacement	3,980	0	3,980	0	0	0	3,980
Regeneration Projects	2,776	0	2,776	0	0	0	2,776
8 Bench St	175	0	175	0	0	0	175
Deal Pier Structural Repairs	1,000	0	1,000	0	0	0	1,000
Crematorium Project	210	0	210	0	0	0	210
CCTV and OOH systems Upgrade and Refresh	165	0	45	60	60	0	165
Kingsdown Beach Huts	130	0	130	0	0	0	130
New bids - General Fund							
Disabled Facilities Grants	0	0	0	1,362	0	0	1,362
Tides Leisure Centre	0	0	0	1,500	0	0	1,500
Tides Leisure Centre - Borrowing	0	0	0	14,500	0	0	14,500
Total of Proposed Capital Projects	10,361	0	9,929	17,422	372	0	27,723
Grand Total	94,189	40,678	40,979	29,048	1,068	0	111,774

MEDIUM TERM CAPITAL PROGRAMME - including 2025/26 MTFP proposals							
	2024/25 QTR 2	PROPOSED BUDGET					
Projects included in the programme	Total £000	Previous years £000	Estimate 2024/25 £000	Estimate 2025/26 £000	Estimate 2026/27 £000	Future Years £000	Total £000
Financed by:							
Capital projects financed in previous financial years	40,678	40,678	0	0	0	0	40,678
Capital receipts - General Fund	9,522	n/a	8,615	535	372	0	9,522
Capital receipts - General Fund 25/26	0	n/a	0	1,500	0	0	1,500
Capital receipts - PSH / Empty Homes Loan receipts	641	n/a	641	0	0	0	641
Direct Revenue Financing:-							
General Fund	440	n/a	440	0	0	0	440
National Lottery Heritage Funding (Maison Dieu-delivery)	1,491	n/a	1,491	0	0	0	1,491
Grants:-							
DLUHC-Better Care Fund via KCC (Disabled Facilities Grant)	1,378	n/a	1,409	0	0	0	1,409
DLUHC-Better Care Fund via KCC (Disabled Facilities Grant)	0	n/a	0	1,362	0	0	1,362
Environment Agency (St Margarets Bay coast protection works)	38	n/a	38	0	0	0	38
MHCLG Building Foundations for Growth Grant (Discovery Park)	2,743	n/a	0	2,743	0	0	2,743
MHCLG Grant (Future High Streets Funding)	2,946	n/a	2,946	0	0	0	2,946
Homes England (BRT)	6,480	n/a	6,480	0	0	0	6,480
Rural England Prosperity Fund Grant	387	n/a	387	0	0	0	387
UK Shared Prosperity Fund Grant	153	n/a	153	0	0	0	153
Levelling Up Fund Grant	15,446	n/a	7,262	8,184	0	0	15,446
Environment Agency (Deal Beach Management Study 2023)	45	n/a	45	0	0	0	45
Environment Agency (Deal Beach Management Plan 2026)	449	n/a	225	225	0	0	449
Other reserves:-							
- Special projects	8,306	n/a	8,406	0	0	0	8,406
- SEEDA-Dover Regeneration	150	n/a	0	0	150	0	150
- KCC & Dover Growth Fund	1,000	n/a	1,000	0	0	0	1,000
- Parks & Open Spaces Reserve	348	n/a	348	0	0	0	348
- Periodic Operations	0	n/a	92				92
PWLB borrowing - other	1,000	n/a	1,000	14,500	0	0	15,500
PWLB borrowing - Refuse & Recycling Vehicles	546	n/a	0	0	546	0	546
Total	94,189	40,678	40,979	29,048	1,068	0	111,774

SPECIAL REVENUE PROJECTS - including 25/26 MTFP proposals

SPECIAL REVENUE PROJECTS	Capital / Revenue	Total Approved Budget £000	Prior Years Exp £000	Estimate 2024/25 £000	Estimate 2025/26 £000	Estimate 2026/27 £000	Future years £000	Total Revised Budget £000
Committed Special Revenue Projects								
Corporate Assets Repairs & Maintenance	R	41	41	0	0	0	0	41
Parks - General Repairs (walls, fences, lakes, structures etc)	R	166	166	0	0	0	0	166
Dover District Transportation Study	R	352	328	24	0	0	0	352
Food Waste Promotion	R	47	19	28	0	0	0	47
LDF Plan	R	322	321	1	0	0	0	322
Property Strategy-external support	R	191	185	6	0	0	0	191
Resurfacing Car Parks & DDC owned access roads	R	240	240	0	0	0	0	240
Dover Regeneration - enabling costs	R	440	299	141	0	0	0	440
Butts - access bridge works	R	75	17	33	25	0	0	75
Property Renovations grant scheme	R	271	271	0	0	0	0	271
Beach Huts - refurbishments	R	50	36	14	0	0	0	50
Old St James Church works	R	190	175	15	0	0	0	190
Dover District Leisure Centre - completion works	R	100	71	29	0	0	0	100
Sandwich Dredging & Desilting Works 2021	R	25	5	20	0	0	0	25
Dover Place Plan	R	50	10	40	0	0	0	50
Dover Strategic Parking Strategy	R	20	0	20	0	0	0	20
Kearsney Park - remedial works	R	150	2	148	0	0	0	150
UK Shared Prosperity Fund	R/C	844	287	557	0	0	0	844
Russell Gardens Pond & Bridge Repairs	R	500	109	191	200	0	0	500
Public conveniences refurbishments	C/R	50	21	29	0	0	0	50
Self Build Plot	R	46	46	0	0	0	0	46
Museum Storage Facility Moves	R	43	7	36	0	0	0	43
Roman Painted House bridge repairs	R	120	18	102	0	0	0	120
Museum Essential Repairs	R	360	0	60	200	100	0	360
Garden Waste Containerisation Project	R	253	253	0	0	0	0	253
Sheridan Rd - Refurbishment Works	R	100	0	100	0	0	0	100
High Risk Tree Works-Crabble Athletic Ground	R	70	0	70	0	0	0	70
Aylesham Village Shop Front Grant Scheme	R	100	0	100	0	0	0	100
Local Cycling and Walking Implementation Plan (LCWIP)	R	30	0	30	0	0	0	30
Western Heights - HE Grant	R	298	0	99	99	99	0	298
Play Area - Bulwarks, Sandwich	R	58	0	58	0	0	0	58
Play Area - Markewood, Walmer	R	88	0	88	0	0	0	88
Play Area - Travers Road, Deal	R	34	0	34	0	0	0	34
Roman Painted House - Works	R	150	0	150	0	0	0	150
Roman Painted House - Dover Collections Reboxing	R	15	0	15	0	0	0	15
Council Catering Kitchen at DDC's Whitfield Offices	R	48	0	0	48	0	0	48
Connaught Park Tennis Court Refurbishment	R	63	0	63	0	0	0	63
CCTV Dedicated Power	R	15	0	15	0	0	0	15
Deal Pier - Lower Deck Repairs	R	61	0	61	0	0	0	61
Dover Museum Cinema	R	35	0	35	0	0	0	35
Kearsney Abbey - Play Area & Roof Screen	R	135	0	0	135	0	0	135
Paths & Car Park resurfacing	R	65	0	45	20	0	0	65
Current Tides Leisure Centre - Operational Grant	R	150	0	150	0	0	0	150
PlayZones - MUGA's	R	940	0	940	0	0	0	940
Project feasibility costs - Stembrook site	R	150	7	143	0	0	0	150
Project feasibility costs - Elvington site	R	77	67	10	0	0	0	77
Project feasibility costs - Bench St Westside - Dover Town Centre Regen	R	80	0	80	0	0	0	80
Project feasibility costs - Camden Crescent - Dover Town Centre Regen	R	80	0	80	0	0	0	80
Project feasibility costs	R	55	55	0	0	0	0	55
Cost of Living Grants Scheme	R	70	0	70	0	0	0	70
Sub total - committed projects		7,914	3,056	3,931	727	199	0	7,914
Capital projects in capital programme financed from reserve:								
Provision allocated to capital programme to finance capital projects - WIP & Proposed	C	8,406	n/a	8,406	0	0	0	8,406
Total committed projects		16,320	3,056	12,337	727	199	0	16,320

SPECIAL REVENUE PROJECTS	Capital / Revenue	Total Approved Budget £000	Prior Years Exp £000	Estimate 2024/25 £000	Estimate 2025/26 £000	Estimate 2026/27 £000	Future years £000	Total Revised Budget £000
Proposed Projects								
Special Revenue Contingency - Amend this provision to £100k WEF 24/25	R/C	100	0	100	0	0	0	100
Closed churchyard repairs	R	50	0	50	0	0	0	50
Aylesham Leisure allocation	R	200	0	200	0	0	0	200
Climate change initiatives	R	305	0	305	0	0	0	305
Project Feasibility Studies	R	50	0	50	0	0	0	50
Victoria Park	R	40	0	40	0	0	0	40
Organisational Development	R	600	0	600	0	0	0	600
Heritage Asset Safeguarding works	R	40	0	40	0	0	0	40
Dover District Design Code	R	40	0	40	0	0	0	40
Conservation Area Appraisal	R	20	0	20	0	0	0	20
Corporate Assets Repairs & Maintenance	R	67	0	50	0	17	0	67
Football pitch renovation - Reduce to £25k WEF 24/25	R	25	0	25	0	0	0	25
Public Convenience refurbishment	R	25	0	25	0	0	0	25
Levelling Up Fund - Capacity Funding	R	130	0	130	0	0	0	130
Current Tides Leisure Centre - Operational Grant	R	50	0	50	0	0	0	50
Grounds Maintenance Team - Facilities & Equipment security improvements	R	150	0	150	0	0	0	150
Garage Stock Works	R	150	0	150	0	0	0	150
Development of a New Playing Pitch and Outdoor Sports Facility Strategy	R	35	0	35	0	0	0	35
Parking Services Safety Equipment Improvement	R	18	0	18	0	0	0	18
Homeless projects	R	0	0	0	1,000	0	0	1,000
Roman Painted House - Emergency Repairs	R	0	0	0	150	0	0	150
CCTV	R	0	0	0	90	0	0	90
Roof Repairs - Crabble Pavillion	R	0	0	0	87	0	0	87
Whitfield Offices Fire Alarm	R	0	0	0	80	0	0	80
DDC Museums & Venue Security - CCTV System	R	0	0	0	75	0	0	75
Reactive and emergency tree works	R	0	0	0	70	0	0	70
Cost of Living Grants Scheme & Community Grants Scheme	R	0	0	0	70	0	0	70
Whitfield Urban Expansion Delivery	R	0	0	0	50	0	0	50
Accessible Platform to Beach	R	0	0	0	50	0	0	50
Gypsy & Traveller Accommodation Assessment	R	0	0	0	40	0	0	40
Display Cases for Museum	R	0	0	0	30	0	0	30
Food Waste Project	R	0	0	0	20	0	0	20
Garden Waste Containerisation Project	R	0	0	0	98	0	0	98
Cash Counting Machine	R	0	0	0	19	0	0	19
Digital Visitor Permits	R	0	0	0	13	0	0	13
Sub total - proposed projects		2,095	0	2,078	1,942	17	0	4,037
GRAND TOTAL		18,415	3,056	14,416	2,669	216	0	20,357
Special Projects Financing								
Special Projects financed in previous years		3,056	3,056	0	0	0	0	3,056
Special Project Reserve		12,711	0	11,886	658	167	0	12,711
SEEDA-Dover Regen Reserve		132	0	132	0	0	0	132
HCA-Dover Regen Reserve		7	0	7	0	0	0	7
KCC & Dover Growth Fund Reserve		3	0	3	0	0	0	3
Parks & Open Spaces Reserve		5	0	5	0	0	0	5
Periodic Operations Reserve		85	0	65	118	0	0	183
Dover Regeneration Reserve		100	0	100	0	0	0	100
Corporate Assets Revenue Budget		59	0	59	0	0	0	59
Moved from Capital Funding		15	0	15	0	0	0	15
Insurance Claim Funds		13	0	13	0	0	0	13
S106		376	0	376	0	0	0	376
External contributions		1,854	0	1,755	50	50	0	1,854
Special Project Reserve (new bids)		0	0	0	1,844	0	0	1,844
TOTAL		18,415	3,056	14,416	2,669	216	0	20,357

Remaining balance in Special Projects reserve	
Balance at 1 April 2024	16,829
Allocation to projects in 23/24	-11,886
Allocation from General Fund for 24/25	620
Transfers from other reserves	986
Balance at 31 March 2025	6,549
Proposed allocation to projects in 25/26 & future years	(824)
Proposed allocation to new projects in 25/26 & future years	(1,844)
Allocation from General Fund for 25/26	620
Balance after future years allocations	4,501

DIGITAL REVENUE PROJECTS	Total Approved Budget £000	Prior Years Exp £000	Estimate 2024/25 £000	Estimate 2025/26 £000	Estimate 2026/27 £000	Total Revised Budget £000
<u>Infrastructure Investment - Approved Projects</u>						
Mobile Phone Replacement Programme	34	10	24	0	0	34
Consolidated Income System and Integrations	102	0	102	0	0	85
Firewall for Dover Museum	5	0	5	0	0	5
Website Redesign	100	0	100	0	0	100
CRM	300	0	300	0	0	300
Network Switches	70	0	70	0	0	70
IDOX System Upgrades - Public Access and ArcSDE	8	0	8	0	0	8
IDOX System Upgrades - other	12	0	12	0	0	12
True Compliance	50	0	50	0	0	50
DocuSign	64	0	32	32	0	64
HR System (cost split with Thanet and Canterbury)	150	0	150	0	0	150
Total - approved projects	895	10	853	32	0	878
<u>Infrastructure Investment - Committed Projects</u>						
Image Database	5		5	0	0	5
Electoral Software	40		40	0	0	40
Press Campaign Software	1		1	0	0	1
Storage Area Network	44		44	0	0	44
Civica Recharges	84		84	0	0	84
Ad-hoc unknown projects	53		53	0	0	53
Total - committed projects	227	0	227	0	0	227
<u>Infrastructure Investment - New Bids 2025/26</u>						
New Door Access System - Whitfield Offices	50		0	50	0	50
Flexi/TOIL System	25		0	25	0	25
Digital Archive System	30		0	30	0	30
Replace Legacy Systems to Cloud	70		0	70	0	70
Migrate Legacy Infrastructure to MS Azure	40		0	40	0	40
IDOX System Upgrades	30		0	30	0	30
Technology One Development	25		0	25	0	25
Ad-hoc Unknown Projects	70		0	70	0	70
Total - new bids	340	0	0	340	0	340
GRAND TOTAL	1,462	10	1,080	372	0	1,462
<u>Digital Projects Financing</u>						
Projects financed in previous years		10				10
Digital & ICT Reserve			758	276	0	1,034
Port Health Funding			107	31	0	138
HRA Funding			215	65	0	280
TOTAL		10	1,080	372	0	1,462

Remaining Balance in Digital & ICT Reserve	£000
Balance at 1 April 2024	1,568
Allocation to Revenue projects in 24/25	(758)
Allocation from General Fund for 24/25	0
Allocation from Special Project Reserve for 24/25	0
Balance at 31 March 2024	810
Proposed allocation to Revenue projects in 25/26 & future years	(276)
Allocation from General Fund for 25/26	0
Allocation from Special Project Reserve for 25/26	0
Balance after future years allocations	534

* Notes

ICT services moved in-house with effect from 1st April 2023.

During 2024/25, all services and software maintenance contracts are being reviewed and analysed.

Ongoing expenditure will depend on the findings built up throughout the financial year 2024/25, and what priorities are established.

Estimated costs for new bids have been allocated to 2025/26. Projections beyond next year are difficult to ascertain at the time of collating the MTFP.

Capital Receipts Summary as at 29/01/25

Capital Receipt Category	2023/24 Opening Balance £000	Receipts in year £000	Allocated to Projects £000	2024/25 Opening Balance £000	Anticipated future income £000	MTCP Project Funding £000	New Bids 2025/26 MTFP £000	Available funding £000
Ring Fenced for 1:4:1 Affordable Housing	(3,722)	(178)	548	(3,352)	(1,800)	1,414	1,645	(2,093)
Ring fenced for Private Sector Housing	(446)	(240)	45	(641)	0	640	50	49
Ring fenced for Dover Regeneration	0	0	0	0	0	0	0	0
Ring fenced for Aylesham contractual commitments	(230)	0	0	(230)	0	230	0	0
Ring fenced for DFGs	(331)	(32)	363	0	(1,409)	1,409	1,609	1,609
Ring fenced for Shared Ownership & Private Sales	(70)	(1,618)	210	(1,478)	(2,074)	1,362	323	(1,867)
Un-ringfenced capital receipts	(10,930)	(3,992)	2,156	(12,766)	(650)	8,615	2,035	(2,766)
Total	(15,728)	(6,060)	3,322	(18,466)	(5,933)	13,670	5,662	(5,068)

GRANTS TO CONCESSIONARY RENTALS 2025-26

2024/25	2025/26	Change		
£	£	%		
50	50	0%	Sandwich Tennis Club	Lease Of Tennis Courts In Sandown Road, Sandwich
75	75	0%	Aylesham Parish Council	Lease Of 1.82 Acres At Market Square, Aylesham
225	225	0%	Dover Bowling Club	Lease Of Pavilion In Maison Dieu Gardens, Dover
355	355	0%	Victoria Park Bowling Club	Rent Of Pavilion, Victoria Park, Deal
325	325	0%	Deal & Walmer Angling Club	Lease Of Angling Cabin On Deal Pier
450	450	0%	Capel-Le-Ferne Parish Council	Lease Of Land In Lancaster Avenue For Use Of Playing Field
1,225	1,225	0%	Dover Rugby Football Club	Rent Of Crabble Pavilion, River (One Half Of The 7 Months @50% Of £4,200)
1,750	1,750	0%	Dover Rugby Football Club	Rent Of Crabble Pavilion, River (We Pay The Remaining 5 Months @ 100% Of £4,200)
2,500	2,500	0%	Dover Athletic Football Club	Orange Telephone Mast 50% Of Rental Fee (Dover Ath Keep All Income As Part Of Our Support For Them - Grant Reflects Payment To Code Instead Of Their Payment Of Our Half In Original Deal)
8,000	8,000	0%	Dover Athletic Football Club	Lease Of Ground At Crabble Athletic, River
11,800	11,800	0%	Dover Citizen's Advice Bureau	Rent Of Ground now includes 1st Floor Dover Area Office
3,250	3,250	0%	Cross Links	9 Sheridan road
30,005	30,005			In most cases, the above shows a 50% grant or more reduction in the rental charges for DDC properties or income generating sites

2024/25	2025/26	Change		
£	£	%		
117,440	0	-100.00%	Your Leisure	Grant removed as Tides closing / Your Leisure not running Tides
1,500	1,500	0.00%	Pegasus Playscheme	Provision of a playscheme for children with disabilities
1,500	1,500	0.00%	Age Concern	Provision of area office services.
3,000	3,000	0.00%	Kent County Council	Contribution to Sports Partnership
4,500	4,500	0.00%	Gazen Salts Nature Reserve	To assist in managing and maintaining the reserve
20,688	21,340	3.15%	Sandwich Town Cricket Club	To assist the Club in defraying its expenditure in managing, maintaining and improving the Recreation Grounds at The Butts & Gazen Salts. A cumulative RPI increase of 29.3% applied from 2021/22.
10,000	10,000	0.00%	Dover Outreach Centre	Grant towards the Winter Shelter costs.
15,600	15,600	0.00%	Dover Rugby Club	For ground maintenance at Crabble Athletic Ground, covered by saving made in the Landscape maintenance contract.
1,000	1,000	0.00%	Victoria Bowls	Contribution to running expenses of the Club
1,000	1,000	0.00%	Dover Bowling Club	Grant towards grounds maintenance at Dover Bowling Green. Covered by savings within the grounds maintenance budget. Reducing scale as per agreement letter dated 01 April 2017.
111,850	111,850	0.00%	Dover Citizen's Advice Bureau	£101,850k CAB Core Funding grant inc £10.5k from HRA, plus £8,500 for full service charge contribution and £1,500 Other potential services.
22,500	22,500	0.00%	Neighbourhood Forums	Grant to support voluntary and community organisations. *Any variances will most likely be caused by extra money available due to money raised through the Dover Lotto
5,000	5,000	0.00%	Deal Town Council	Astor Theatre grant
3,500	3,500	0.00%	Actions with Communities in Rural Kent	Contribution to rural housing
319,078	202,290			