

Public Document Pack



Democratic Services
White Cliffs Business Park
Dover
Kent CT16 3PJ

Telephone: (01304) 821199
Fax: (01304) 872452
DX: 6312
Minicom: (01304) 820115
Website: www.dover.gov.uk
e-mail: democraticservices@dover.gov.uk

26 January 2017

Dear Councillor

NOTICE IS HEREBY GIVEN THAT a meeting of the **CABINET** will be held at these offices (Council Chamber) on Monday 6 February 2017 at 11.00 am when the following business will be transacted.

Members of the public who require further information are asked to contact Kate Batty-Smith on (01304) 872303 or by e-mail at kate.batty-smith@dover.gov.uk.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kate Batty-Smith', written over a white background.

Chief Executive

Cabinet Membership:

P A Watkins	Leader of the Council
M D Conolly	Deputy Leader of the Council
T J Bartlett	Portfolio Holder for Property Management and Public Protection
P M Beresford	Portfolio Holder for Housing, Health and Wellbeing
N J Collor	Portfolio Holder for Access and Licensing
N S Kenton	Portfolio Holder for Environment, Waste and Planning
K E Morris	Portfolio Holder for Skills, Training, Tourism, Voluntary Services and Community Safety

AGENDA

1 **APOLOGIES**

To receive any apologies for absence.

2 **DECLARATIONS OF INTEREST** (Page 5)

To receive any declarations of interest from Members in respect of business to be transacted on the agenda.

3 **RECORD OF DECISIONS** (Pages 6 - 18)

The Decisions of the meeting of the Cabinet held on 9 January 2017 numbered CAB 113 to CAB 128 (inclusive) are attached.

4 **NOTICE OF FORTHCOMING KEY DECISIONS** (Pages 19 - 22)

The Notice of Forthcoming Key Decisions is included in the agenda to enable the Cabinet to identify future agenda items of public interest that should be subject to pre-scrutiny.

ISSUES ARISING FROM OVERVIEW AND SCRUTINY OR OTHER COMMITTEES

To consider any issues arising from Overview and Scrutiny or other Committees not specifically detailed elsewhere on the agenda.

5 **YOUTH SERVICES IN THE DOVER DISTRICT** (Page 23)

To consider the recommendations of the Scrutiny (Community and Regeneration) Committee (to follow).

6 **DOVER SOUP KITCHEN** (Page 24)

To consider the recommendations of the Scrutiny (Policy and Performance) Committee (to follow).

7 **ADOPTION OF THE NELSON STREET, DEAL CONSERVATION AREA CHARACTER APPRAISAL** (Pages 25 - 26)

To consider the recommendations of the Scrutiny (Policy and Performance) Committee (to follow).

8 **INFORMATION SECURITY, RISK AND GOVERNANCE FRAMEWORK AND POLICIES** (Page 27)

To consider the recommendations of the Scrutiny (Policy and Performance) Committee (to follow).

9 **GUIDANCE ON SUSPECT DEVICES, PACKAGES AND CALLS** (Page 28)

To consider the recommendations of the Scrutiny (Policy and Performance) Committee (to follow).

BUDGET AND POLICY FRAMEWORK - KEY DECISIONS

10 **COUNCIL BUDGET 2017/18 AND MEDIUM-TERM FINANCIAL PLAN 2017/18-2020/21** (Pages 29 - 147)

To consider the report of the Director of Finance, Housing and Community (to follow).

Responsibility: Portfolio Holder for Corporate Resources and Performance

BUDGET AND POLICY FRAMEWORK - NON-KEY DECISIONS

EXECUTIVE - KEY DECISIONS

11 **YOUR LEISURE FUNDING ARRANGEMENTS** (Pages 148 - 161)

To consider the attached report of the Director of Environment and Corporate Assets.

Responsibility: Portfolio Holder for Property Management and Public Protection

EXECUTIVE - NON-KEY DECISIONS

12 **PERFORMANCE REPORT - THIRD QUARTER 2016/17** (Pages 162 - 187)

To consider the attached report of the Director of Governance.

Responsibility: Portfolio Holder for Corporate Resources and Performance

13 **EXCLUSION OF THE PRESS AND PUBLIC** (Page 188)

The recommendation is attached.

MATTERS WHICH THE MANAGEMENT TEAM SUGGESTS SHOULD BE CONSIDERED IN PRIVATE AS THE REPORT CONTAINS EXEMPT INFORMATION AS DEFINED WITHIN PART 1 OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AS INDICATED AND IN RESPECT OF WHICH THE PROPER OFFICER CONSIDERS THAT THE PUBLIC INTEREST IN MAINTAINING THE EXEMPTION OUTWEIGHS THE PUBLIC INTEREST IN DISCLOSING THE INFORMATION

EXECUTIVE - KEY DECISIONS

14 **AWARD OF CONTRACT FOR CLEANING PUBLIC CONVENIENCES AND OTHER COUNCIL PROPERTIES** (Pages 189 - 192)

To consider the attached report of the Director of Environment and Corporate Assets.

Responsibility: Portfolio Holder for Property Management and Public Protection

15 **AWARD OF CONTRACT FOR CLEANING OF WHITFIELD OFFICES 2017-2020** (Pages 193 - 196)

To consider the attached report of the Director of Environment and Corporate Assets.

Responsibility: Portfolio Holder for Property Management and Public Protection

- Members of the public are welcome to attend meetings of the Council, its Committees and Sub-Committees. You may remain present throughout them except during the consideration of exempt or confidential information.
- All meetings are held at the Council Offices, Whitfield unless otherwise indicated on the front page of the agenda. There is disabled access via the Council Chamber entrance and a disabled toilet is available in the foyer. In addition, there is a PA system and hearing loop within the Council Chamber.
- Agenda papers are published five clear working days before the meeting. Alternatively, a limited supply of agendas will be available at the meeting, free of charge, and all agendas, reports and minutes can be viewed and downloaded from our website www.dover.gov.uk. Minutes will be published on our website as soon as practicably possible after each meeting. All agenda papers and minutes are available for public inspection for a period of six years from the date of the meeting.
- If you require any further information about the contents of this agenda or your right to gain access to information held by the Council please contact Kate Batty-Smith, Democratic Support Officer, telephone: (01304) 872303 or email: kate.batty-smith@dover.gov.uk for details.

Large print copies of this agenda can be supplied on request.

Declarations of Interest

Disclosable Pecuniary Interest (DPI)

Where a Member has a new or registered DPI in a matter under consideration they must disclose that they have an interest and, unless the Monitoring Officer has agreed in advance that the DPI is a 'Sensitive Interest', explain the nature of that interest at the meeting. The Member must withdraw from the meeting at the commencement of the consideration of any matter in which they have declared a DPI and must not participate in any discussion of, or vote taken on, the matter unless they have been granted a dispensation permitting them to do so. If during the consideration of any item a Member becomes aware that they have a DPI in the matter they should declare the interest immediately and, subject to any dispensations, withdraw from the meeting.

Other Significant Interest (OSI)

Where a Member is declaring an OSI they must also disclose the interest and explain the nature of the interest at the meeting. The Member must withdraw from the meeting at the commencement of the consideration of any matter in which they have declared a OSI and must not participate in any discussion of, or vote taken on, the matter unless they have been granted a dispensation to do so or the meeting is one at which members of the public are permitted to speak for the purpose of making representations, answering questions or giving evidence relating to the matter. In the latter case, the Member may only participate on the same basis as a member of the public and cannot participate in any discussion of, or vote taken on, the matter and must withdraw from the meeting in accordance with the Council's procedure rules.

Voluntary Announcement of Other Interests (VAOI)

Where a Member does not have either a DPI or OSI but is of the opinion that for transparency reasons alone s/he should make an announcement in respect of a matter under consideration, they can make a VAOI. A Member declaring a VAOI may still remain at the meeting and vote on the matter under consideration.

Note to the Code:

Situations in which a Member may wish to make a VAOI include membership of outside bodies that have made representations on agenda items; where a Member knows a person involved, but does not have a close association with that person; or where an item would affect the well-being of a Member, relative, close associate, employer, etc. but not his/her financial position. It should be emphasised that an effect on the financial position of a Member, relative, close associate, employer, etc OR an application made by a Member, relative, close associate, employer, etc would both probably constitute either an OSI or in some cases a DPI.

Record of the decisions of the meeting of the **CABINET** held at the Council Offices, Whitfield on Monday, 9 January 2017 at 11.01 am.

Present:

Chairman: Councillor P A Watkins

Councillors: M D Conolly
T J Bartlett
P M Beresford
N J Collor
N S Kenton
K E Morris

Also Present: Councillor P M Brivio
Councillor S S Chandler
Councillor M R Eddy
Councillor B Gardner
Councillor S J Jones
Councillor P Walker

Officers: Chief Executive
Director of Environment and Corporate Assets
Director of Finance, Housing and Community
Director of Governance
Head of Assets and Building Control
Principal Heritage Officer
Senior Heritage Officer
Democratic Support Officer

The formal decisions of the executive are detailed in the following schedule.

Record of Decisions: Executive Functions

Decision Status	Record of Decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 113 9.1.17 Open Key Decisions No Call-in to apply Yes Implementation Date 17 January 2017	<u>APOLOGIES</u> It was noted that there were no apologies for absence.	None.	To note any apologies for absence.	

Decision Status	Record of Decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 114 9.1.17 Open Key Decisions No Call-in to apply Yes Implementation	<u>DECLARATIONS OF INTEREST</u> It was noted that there were no declarations of interest.	None.	To note any declarations of interest.	

Date 17 January 2017				
--------------------------------	--	--	--	--

Decision Status	Record of Decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 115 9.1.17 Open Key Decisions No Call-in to apply Yes Implementation Date 17 January 2017	<u>RECORD OF DECISIONS</u> It was agreed that the decisions of the meetings of the Cabinet held on 5 and 15 December 2016, as detailed in decision numbers CAB 94 to CAB 112, be approved as correct records and signed by the Chairman.	None.	Cabinet is required to approve the Records of Decisions of the Cabinet meetings held on 5 and 15 December 2016.	

Decision Status	Record of Decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 116 9.1.17 Open Key Decisions No Call-in to apply Yes Implementation	<u>NOTICE OF FORTHCOMING KEY DECISIONS</u> It was agreed that there were no forthcoming Key Decisions identified for pre-Scrutiny at this stage.	None.	Cabinet is requested to identify any Key Decisions that it considers would be beneficial to refer to one of the Scrutiny Committees before the matter comes before Cabinet for	

Date 17 January 2017			formal decision.	
--------------------------------	--	--	------------------	--

Decision Status	Record of Decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 117 9.1.17 Open Key Decisions Yes Call-in to apply Yes Implementation Date 17 January 2017	<u>DOVER LEISURE CENTRE - SPA FEASIBILITY STUDY</u> It was agreed: (a) That the Scrutiny (Policy and Performance) Committee's endorsement of Cabinet decision CAB 111, made at its meeting held on 19 December 2016 (Minute No 124), be acknowledged. (b) That Cabinet decision CAB 111 be reaffirmed.	None.	The Scrutiny (Policy and Performance) Committee, at its meeting held on 19 December 2016, endorsed Cabinet decision CAB 111 of 15 December 2016.	

Decision Status	Record of Decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 118 9.1.17 Open Key Decisions Yes Call-in to apply Yes Implementation	<u>DOVER LEISURE CENTRE - BUILDING CONTRACTOR PROCUREMENT</u> It was agreed: (a) That the Scrutiny (Policy and Performance) Committee's endorsement of Cabinet decision CAB 112, made at its meeting held on 19 December 2016 (Minute No 125), be acknowledged. (b) That Cabinet decision CAB 112 be reaffirmed.	None.	The Scrutiny (Policy and Performance) Committee, at its meeting held on 19 December 2016, endorsed Cabinet decision CAB 112 of 15 December 2016.	

Date 17 January 2017				
--------------------------------	--	--	--	--

Decision Status	Record of Decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 119 9.1.17 Open Key Decisions Yes Call-in to apply Yes Implementation Date 17 January 2017	<u>RECYCLING REWARD SCHEME</u> It was agreed: (a) That the Scrutiny (Policy and Performance) Committee's endorsement of Cabinet decision CAB 104, made at its meeting held on 13 December 2016 (Minute No 112), be acknowledged. (b) That, whilst understanding the rationale behind the Scrutiny (Policy and Performance) Committee's recommendations (b) to (d), these be rejected since the Council has a duty to comply with the criteria under which the funding from the Department for Communities and Local Government was applied for and granted. However, the Council will continue to seek out opportunities to develop closer partnership working, particularly with the town and parish councils, to encourage any local initiatives which increase participation in the Council's recycling services. (c) That Cabinet decision CAB 104 be reaffirmed.	None.	The Scrutiny (Policy and Performance) Committee, at its meeting held on 13 December 2016, endorsed Cabinet decision CAB 104 of 5 December 2016 and made additional recommendations.	

Decision Status	Record of Decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 120 9.1.17	<u>DRAFT WATERLOO CRESCENT CONSERVATION AREA CHARACTER APPRAISAL</u>	None.	The Scrutiny (Policy and	

<p>Open</p> <p>Key Decisions Yes</p> <p>Call-in to apply Yes</p> <p>Implementation Date 17 January 2017</p>	<p>It was agreed:</p> <p>(a) That the Scrutiny (Policy and Performance) Committee's endorsement of Cabinet decision CAB 105, made at its meeting held on 13 December 2016 (Minute No 116), be acknowledged.</p> <p>(b) That Cabinet decision CAB 105 be reaffirmed.</p>		<p>Performance) Committee, at its meeting held on 13 December 2016, endorsed Cabinet decision CAB 105 of 5 December 2016.</p>	
--	---	--	---	--

Decision Status	Record of Decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
<p>CAB 121 91.17 Open</p> <p>Key Decisions Yes</p> <p>Call-in to apply Yes</p> <p>Implementation Date 17 January 2017</p>	<p><u>PROVISION OF ACCESS EQUIPMENT AND SERVICES FOR NEW WINDOWS AND EXTERNAL DECORATION AT CANADIAN ESTATE, DOVER</u></p> <p>It was agreed:</p> <p>(a) That the Scrutiny (Policy and Performance) Committee's endorsement of Cabinet decision CAB 107, made at its meeting held on 13 December 2016 (Minute No 114), be acknowledged.</p> <p>(b) That Cabinet decision CAB 107 be reaffirmed.</p>	<p>None.</p>	<p>The Scrutiny (Policy and Performance) Committee, at its meeting held on 13 December 2016, endorsed Cabinet decision CAB 107 of 5 December 2016.</p>	

Decision Status	Record of Decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
-----------------	--------------------	--	----------------------	---

<p>CAB 122 9.1.17 Open</p> <p>Key Decisions No</p> <p>Call-in to apply Yes</p> <p>Implementation Date 17 January 2017</p> <p>12</p>	<p><u>ENFORCEMENT AND MONITORING OF PLANNING CONDITIONS</u></p> <p>It was agreed:</p> <p>(a) That the Scrutiny (Community and Regeneration) Committee's recommendation (a), made at its meeting held on 14 December 2016 (Minute No 69), be approved since the need to review the Planning Enforcement Plan (including a consideration of the planning conditions being imposed and how these are enforced) is acknowledged. The Portfolio Holder for Environment, Waste and Planning, the Chairman of the Planning Committee and the Planning Committee Spokesperson should be included in the review process, and be given clear terms of reference for this exercise.</p> <p>(b) That the Scrutiny (Community and Regeneration) Committee's recommendations (a) to (d) and (b), made at its meetings held on 12 October and 14 December 2016 respectively (Minute Nos 46 and 69), be considered as part of the review of the Planning Enforcement Plan where appropriate. These recommendations are as follows:</p> <p>(a) That the Head of Regeneration and Development be requested to provide the Committee with the following information:</p> <p>(i) The percentage of applications dealt with in-house and the percentage using private sector contractors.</p> <p>(ii) The number of trainees in the Planning Department.</p> <p>(iii) A copy of the manpower plan for the Planning Department.</p> <p>(b) That a system be created to ensure that every planning condition is implemented correctly as per the permission</p>	<p>None.</p>	<p>At its request the Scrutiny (Community and Regeneration) Committee, at its meetings held on 12 October and 14 December 2016, received briefings on planning enforcement issues in the District and made recommendations to Cabinet.</p>	
--	--	--------------	--	--

13	<p>granted.</p> <p>(c) That a system of monitoring, with key indicators, be created in respect of all planning conditions.</p> <p>(d) That, in the event of a standard planning condition in respect of road surfaces being developed, a copy of the condition be circulated to Members for information (recommendations of 12 October 2016).</p> <p>(b) That an outline of the systems in place for planning enforcement be provided to the Scrutiny (Community and Regeneration) Committee (recommendation of 14 December 2016).</p> <p>(c) That the Director of Governance be charged with reviewing the remits and areas of activity of both Scrutiny Committees as part of the ongoing review of the Council's Constitution.</p> <p>(d) That training for all Members on Planning enforcement matters be expedited.</p>			
----	--	--	--	--

Decision Status	Record of Decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 123 9.1.17 Open Key Decisions Yes Call-in to apply Yes	<u>ADOPTION OF NELSON STREET, DEAL CONSERVATION AREA CHARACTER APPRAISAL</u> It was agreed: (a) That the proposed responses to the representations received and the resulting modifications to the Nelson Street, Deal Conservation Area Character Appraisal, as set out in Appendix 1 to the report, be	None.	At its meeting held on 5 September 2016, Cabinet approved a draft Conservation Area Character Appraisal for Nelson Street, Deal for public	

<p>Implementation Date 17 January 2017</p> <p>14</p>	<p>approved.</p> <p>(b) That the Nelson Street, Deal Conservation Area Character Appraisal as a material consideration for planning purposes, as set out in Appendix 2 to the report, be adopted.</p> <p>(c) That further work be undertaken to extend the Conservation Area boundary and to introduce an Article 4 Direction in response to the recommendations in the Nelson Street, Deal Conservation Area Character Appraisal.</p> <p>(d) That the Head of Regeneration and Development, in consultation with the Portfolio Holder for Environment, Waste and Planning, be authorised to make any necessary editorial changes to the Nelson Street, Deal Conservation Area Appraisal to assist with clarity, consistency, explanation and presentation.</p>		<p>consultation which has now been completed (CAB 41). Once adopted, the Character Appraisal will be a material consideration for planning purposes.</p> <p>Under the Planning (Listed Buildings and Conservation Areas) Act 1990 there is a requirement for local planning authorities to review their conservation areas and publish proposals for their preservation and enhancement, including the production of character appraisals.</p>	
---	---	--	--	--

Decision Status	Record of Decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 124	<u>FEES AND CHARGES 2017/18</u>	None.	The Council's	

<p>9.1.17 Open</p> <p>Key Decisions Yes</p> <p>Call-in to apply Yes</p> <p>Implementation Date 17 January 2017</p> <p>15</p>	<p>It was agreed:</p> <p>(a) That the fees and charges for 2017/18, as set out in Appendices 2 and 5.3 to the report, be approved.</p> <p>(b) That any fees and charges will be adjusted by the Service Director and Portfolio Holder to comply with any subsequently received government guidelines (when they are received) without being the subject of a further report unless they are materially different from current charges or have a material impact on the level of income.</p> <p>(c) That the general principle that fees are set at an appropriate inclusive level, irrespective of VAT status, and that the VAT element within the overall fee level is then determined, be approved.</p> <p>(d) That the fees and charges approved by the Licensing and Regulatory Committees, as set out in Appendices 3, 4, 5.1 and 5.2 to the report, be noted.</p> <p>(e) That the Director of Governance be authorised to vary the CON29 Land Charges to take account of the prevailing VAT requirements.</p>		<p>Constitution stipulates that the Council's fees and charges should be reviewed annually. Cabinet is now required to set the level of these for 2017/18.</p>	
---	---	--	--	--

Decision Status	Record of Decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
<p>CAB 125 9.1.17 Open</p> <p>Key Decisions No</p> <p>Call-in to apply</p>	<p><u>INFORMATION SECURITY, RISK AND GOVERNANCE FRAMEWORK AND POLICIES</u></p> <p>It was agreed:</p> <p>(a) That the Information Security and Governance Framework and the associated suite of Information Governance Policies at Appendix 3 to the report be approved for implementation from 9</p>	<p>None.</p>	<p>In order to improve the management and security of information held and used by Canterbury City and Dover and Thanet District</p>	

<p>Yes</p> <p>Implementation Date 17 January 2017</p>	<p>January 2017.</p> <p>(b) That the Director of Governance be authorised to make any future minor changes or amendments to the Framework and associated policies, providing that these changes do not change the substance of any of the policies.</p> <p>(c) That the Director of Governance be appointed as the Senior Information and Risk Officer for the Council, and be authorised to discharge the functions and responsibilities of that role, and the Head of Corporate Services be appointed as his deputy.</p>		<p>Councils, the East Kent Corporate Information Governance Group was formed to develop an Information Security and Governance Framework and an associated suite of Information Governance Policies for adoption across the three authorities.</p>	
--	--	--	--	--

<p>→</p> <p>Decision Status</p>	<p>Record of Decision</p>	<p>Alternative options considered and rejected (if any)</p>	<p>Reasons for Decision</p>	<p>Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)</p>
<p>CAB 126 9.1.17 Open</p> <p>Key Decisions Yes</p> <p>Call-in to apply Yes</p> <p>Implementation Date 17 January 2017</p>	<p><u>GUIDANCE ON SUSPECT DEVICES, PACKAGES AND CALLS</u></p> <p>It was agreed that the Guidance on Suspect Devices, Packages and Calls be adopted as a Health and Safety Policy of the Council.</p>	<p>None.</p>	<p>The Council has a responsibility to manage and minimise any risk caused by terrorist or similar attacks by putting sensible and proportionate measures in place. Once approved, the guidance will become part of the Council's Health and Safety policies.</p>	

--	--	--	--	--

Decision Status	Record of Decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 127 9.1.17 Open Key Decisions No Call-in to apply Yes Implementation Date Immediate	<u>EXCLUSION OF THE PRESS AND PUBLIC</u> That, in accordance with the provision of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the press and the public be excluded during consideration of the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Local Government Act 1972.	None.		

Decision Status	Record of Decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 128 9.1.17 Exempt Key Decisions No Call-in to apply Yes Implementation	<u>COMPENSATION PAYMENT</u> It was agreed: (a) That the findings set out in the report be noted. (b) That the payment of compensation, for the consideration set out at paragraph 4.1 of the report, be approved.	None.	Cabinet is requested to approve a payment as compensation for failings relating to the Council's inspection of building works to ensure compliance with Building Regulations.	

Date 17 January 2017				
--------------------------------	--	--	--	--

The meeting ended at 11.43 am



Notice of Forthcoming Key Decisions

[This updated version of the Notice supersedes all other versions issued in previous months]

Publication Date: 6 January 2017

Notice of Forthcoming Key Decisions which will be made on behalf of the Council

Key Decisions 2016/17	Item	Date of meeting at which decision will be taken by Cabinet (unless specified otherwise)
1	Preparation of the Dover District Council Draft Community Infrastructure Levy Charging Schedule	3 December 2012 and dates to be confirmed
2	Neighbourhood Plans	June 2013 and ongoing (see entry)
3	Gypsy, Traveller and Travelling Showpeople Development Plan	Date to be confirmed
4	Dover Town Centre Regeneration: To consider progress on the Compulsory Purchase Order and any issues arising which may go beyond the scope of the resolutions incorporated in Minute CAB 87	8 September 2014/24 April 2015/7 March 2016 and ongoing
5	Approval of the award of a contract for the electrical re-wiring of Council-owned properties	This entry has been withdrawn
6	Revised Hackney Carriage and Private Hire Licensing Policy	1 February 2016 and 4 July 2016
7	To consider: a) the result of consultation on the extension of the Kingsdown Conservation Area boundary and b) the introduction of an Article 4 Direction	a) 29 February 2016 b) 5 September 2016
8	To seek approval for the implementation of the Indoor Sports Facility Strategy and support the work being undertaken to replace Dover Leisure Centre.	7 March and 4 July 2016
9	Approval of Housing Adaptations Policy	9 May 2016
10	To seek Cabinet approval for public consultation on draft Nelson Street, Deal Conservation Area Appraisal	5 September 2016 and 9 January 2017
11	Future provision of Grounds Maintenance Services	9 May 2016
12	Extension to fitness suite at Tides Leisure Centre, Deal	Project delayed pending appointment of new operator for Tides Leisure Centre
13	Parking Strategy Review	9 May and 5 September 2016
14	Approval of Fuel Poverty Strategy for Kent	5 September 2016
15	Review of Aylesham Village Expansion Development Agreement	7 November 2016
16	Approval to develop detailed plans for replacement of Dover Leisure Centre	25 July/20 September and 15 December 2016 (special Cabinet meetings) and ongoing
17	Project approval for the refurbishment of Norman Tailyour House	5 September 2016

Key Decisions 2016/17	Item	Date of meeting at which decision will be taken by Cabinet (unless specified otherwise)
18	To agree the Council's requirements for the submission of financial viability assessments	Date to be confirmed (Developer Contributions Executive Committee)
19	Authority Monitoring Report	1 March 2017
20	Statutory Brownfield Register	To be confirmed
21	Review of Tenancy Strategy and Tenancy Policy	February-April 2017
22	Approval of draft Waterloo Crescent, Dover Conservation Area Appraisal for public consultation	5 December 2016 and date to be confirmed
23	To seek approval for the introduction of fixed penalty notices and the level to be set for fly-tipping offences under Section 33 of the Environmental Protection Act 1990	7 November 2016
24	Approval for the continuation of 'Energy Deal', the Collective Energy Switching Scheme	7 November 2016
25	To implement a recycling reward scheme	5 December 2016
26	Council Tax Reduction Scheme	21 November 2016
27	To approve the cost and contractual arrangements with regard to access to Canadian Estate properties for installation of replacement uPVC windows and redecoration	5 December 2016
28	Agreement on levels of Fees and Charges for 2017/18	9 January 2017
29	Recommendation to Council of the draft 2017/18 Budget and Medium-Term Financial Plan 2017/18-2020/21 and approval by Cabinet of various delegations within the Budget	6 February and 1 March 2017
30	Thanet District Council Preferred Options Local Plan	1 March 2017
31	Canterbury City Council Local Plan (Proposed Main Modifications)	1 March 2017
32	To approve the award of a contract for the preparation of a planning application and an application for Scheduled Monument Consent for a Commonwealth War Memorial at Western Heights, Dover	Date to be confirmed
33	Appropriation of Assets	6 February or 1 March 2017
34	Award of 3-year contract for cleaning services (including public toilets)	6 February 2017
35	Award of 3-year contract for cleaning services for Council's Whitfield offices	6 February 2017
36	Review of Local Plan	1 March 2017
37	Property Acquisitions	Ongoing (decisions to be taken by Portfolio Holder for Corporate Resources and Performance)
38	Approval for public consultation on draft South Barracks Conservation Area Appraisal	8 May 2017 and date to be confirmed

- Note: (1) Key Decisions which are shaded have already been taken and do not appear in this updated version of the Notice of Forthcoming Key Decisions.
- (2) The Council's Corporate Management Team reserves the right to vary the dates set for consultation deadline(s) and for the submission of reports to Cabinet and Council in respect of Key Decisions included within this version of the notice. Members of the public can find out whether any alterations have been made by looking at the Council's website (www.dover.gov.uk).

ISSUES ARISING FROM OVERVIEW AND SCRUTINY OR OTHER COMMITTEES

YOUTH SERVICES IN THE DOVER DISTRICT

Responsibility: Portfolio Holder for Skills, Training, Tourism, Voluntary Services and Community Safety

Report of: Not applicable

Decision Route

Scrutiny (Community and Regeneration) Committee	18 January 2017	Minute No 79
Cabinet	6 February 2017	

Scrutiny (Community and Regeneration) Committee Recommendation

The Scrutiny (Community and Regeneration) Committee, at its meeting held on 18 January 2017, received a briefing from the KCC Cabinet Member and made the following recommendation:

That the Portfolio Holder for Skills, Training, Tourism, Voluntary Services and Community Safety engage with the Kent County Council-commissioned provider, Pie Factory, in respect of the delivery of youth services in the Dover District.

ISSUES ARISING FROM OVERVIEW AND SCRUTINY OR OTHER COMMITTEES

DOVER SOUP KITCHEN

Responsibility: Portfolio Holder for Property Management and Public Protection

Report of: Not applicable

Decision Route

Scrutiny (Policy and Performance) Committee	17 January 2017	Minute No 136
Cabinet	6 February 2017	

Scrutiny (Policy and Performance) Committee Recommendations

The Scrutiny (Policy and Performance) Committee, at its meeting held on 17 January 2017, made the following recommendations to Cabinet:

- (a) That the Scrutiny (Policy and Performance) Committee be provided with the details of the scoring exercise used to determine Adrian Street as the most suitable site for the Dover Soup Kitchen.
- (b) That the Scrutiny (Policy and Performance) Committee be provided with the reasons why Maison Dieu Car Park was not considered a suitable site for the Dover Soup Kitchen.
- (c) That the Portfolio Holder for Property Management and Public Protection, Councillor T J Bartlett, be requested to facilitate dialogue on finding a permanent solution for Dover Soup Kitchen and that Councillor P Walker be involved in any such dialogue.
- (d) That in future District Councillors should be consulted at an early stage on matters such as this involving their wards.

ISSUES ARISING FROM OVERVIEW AND SCRUTINY OR OTHER COMMITTEES

ADOPTION OF THE NELSON STREET, DEAL CONSERVATION AREA CHARACTER APPRAISAL

Responsibility: Portfolio Holder for Environment, Waste and Planning

Report of: Chief Executive

Decision Route

Cabinet	9 January 2017	CAB 123
Scrutiny (Policy and Performance) Committee	17 January 2017	Minute No 139
Cabinet	6 February 2017	

Scrutiny (Policy and Performance) Committee Recommendations

The Scrutiny (Policy and Performance) Committee, at its meeting held on 17 January 2017, endorsed Cabinet decision CAB 123 and made an additional recommendation (highlighted in bold) as follows:

- (a) That the proposed responses to the representations received and the resulting modifications to the Nelson Street, Deal Conservation Area Character Appraisal, as set out in Appendix 1 to the report, be approved.
- (b) That the Nelson Street, Deal Conservation Area Character Appraisal as a material consideration for planning purposes, as set out in Appendix 2 to the report, be adopted.
- (c) That further work be undertaken to extend the Conservation Area boundary and to introduce an Article 4 Direction in response to the recommendations in the Nelson Street, Deal Conservation Area Character Appraisal.
- (d) That the Head of Regeneration and Development, in consultation with the Portfolio Holder for Environment, Waste and Planning, be authorised to make any necessary editorial changes to the Nelson Street, Deal Conservation Area Appraisal to assist with clarity, consistency, explanation and presentation.

- (d) **That the Scrutiny (Policy and Performance) Committee be provided at the end of the process with an overall cost for the Nelson Street, Deal Conservation Area Character Appraisal.**

ISSUES ARISING FROM OVERVIEW AND SCRUTINY OR OTHER COMMITTEES

INFORMATION SECURITY, RISK AND GOVERNANCE FRAMEWORK AND POLICIES

Responsibility: Portfolio Holder for Corporate Resources and Performance

Report of: Director of Governance

Decision Route

Cabinet	9 January 2017	CAB 125
Scrutiny (Policy and Performance) Committee	17 January 2017	Minute No 140
Cabinet	6 February 2017	

Scrutiny (Policy and Performance) Committee Recommendations

The Scrutiny (Policy and Performance) Committee, at its meeting held on 17 January 2017, endorsed Cabinet decision CAB 125 as follows:

- (a) That the Information Security and Governance Framework and the associated suite of Information Governance Policies at Appendix 3 to the report be approved for implementation from 9 January 2017.
- (b) That the Director of Governance be authorised to make any future minor changes or amendments to the Framework and associated policies, providing that these changes do not change the substance of any of the policies.
- (c) That the Director of Governance be appointed as the Senior Information and Risk Officer for the Council, and be authorised to discharge the functions and responsibilities of that role, and the Head of Corporate Services be appointed as his deputy.

ISSUES ARISING FROM OVERVIEW AND SCRUTINY OR OTHER COMMITTEES

GUIDANCE ON SUSPECT DEVICES, PACKAGES AND CALLS

Responsibility: Portfolio Holder for Corporate Resources and Performance

Report of: Director of Governance

Decision Route

Cabinet	9 January 2017	CAB 126
Scrutiny (Policy and Performance) Committee	17 January 2017	Minute No 141
Cabinet	6 February 2017	

Scrutiny (Policy and Performance) Committee Recommendations

The Scrutiny (Policy and Performance) Committee, at its meeting held on 17 January 2017, endorsed Cabinet decision CAB 126 as follows:

That the Guidance on Suspect Devices, Packages and Calls be adopted as a Health and Safety Policy of the Council.

Subject:	COUNCIL BUDGET 2017/18 AND MEDIUM-TERM FINANCIAL PLAN 2017/18–2020/21
Meeting and Date:	Cabinet – 6 February 2017 Scrutiny (Policy and Performance) Committee – 14 February 2017
Report of:	Mike Davis, Director of Finance, Housing and Community
Portfolio Holder:	Councillor Michael Conolly, Portfolio Holder for Corporate Resources and Performance
Decision Type:	Key Decision
Classification:	Unrestricted

Purpose of the report: To progress approval of the 2017/18 budget and the Medium-Term Financial Plan (MTFP) for 2017/18–2020/21

Recommendation: It is recommended that Cabinet:

- Consider the draft General Fund Revenue Budget, the Capital and Special Projects 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 Community of any changes they require to be incorporated in the final version;
- Note that the Council Tax Resolution and Treasury Management Strategy will be added to the MTFP and other minor adjustments made before being presented to Council in March.

1. Summary

- 1.1 This report has been produced to seek Cabinet approval to develop the 2017/18 budget and MTFP for 2017/18 – 2020/21 on the basis detailed in Appendix 1. The report will also be considered by Scrutiny (Policy and Performance) on 14th February.
- 1.2 If agreed by Cabinet, the document will be amended and finalised before being presented back to Cabinet, and then to Council in March, together with the specific recommendations for Cabinet and Council and the resolution to set the Council Tax. At this stage the resolution to set the Council Tax cannot be included because the precepts from Towns and Parishes, Kent County Council (KCC), Kent Police Authority and Kent and Medway Towns Fire Authority have not all been received.

2. Introduction and Background

- 2.1 As part of its financial management process the Council is required to consider the MTFP and its implications for the Council's service objectives and financial management. The Director of Finance, Housing and Community (as Section 151 Officer) is required to comment on the robustness of the budget and the adequacy of the reserves. These requirements are addressed in the attached Budget and Medium Term Financial Plan report (Appendix 1).
- 2.2 The MTFP contains a number of recommendations. These are shown at the end of the sections within the MTFP and consolidated in Annex 14.

General Fund Budget

- 2.3 The Council is required to approve a General Fund revenue budget having regard to net expenditure requirements, Government funding, available internal reserves and the yield from Council Tax and the localisation of Business Rates.
- 2.4 The Council has discretion over allocation of resources to service priorities and its use of reserves, and can determine its Council Tax within the constraints as set by Government (the Council has no influence over the level of Government funding) but must have due regard to the capacity to set viable budgets in ensuing years.
- 2.5 The 2017/18 settlement from Government is currently under consultation and the figures in Appendix 1 are based on the provisional settlement provided in December 2016. It is not anticipated that there will be significant changes to the settlement figures in the final version of the report.
- 2.6 The figures for Business Rates are draft at this stage, based on the draft 2017 valuation list, and using estimates made before the final list was published or the draft 2017/18 NDR1 return was available. There is a high level of uncertainty with these figures due to the impact of the 2017 revaluation, changes to small business rates relief, the impact of existing and potential appeals, etc. These figures will be reviewed further after the completion of the NDR1 return and the MTFP will be revised if necessary.

Capital Programme

- 2.7 The Council has limited capital resources, but within these resources it has discretion over which projects to support. The Medium Term Capital Programme shows that resources have been applied to the regeneration projects in support of the Council's corporate objectives.

Housing Revenue Account (HRA)

- 2.8 The Council has to ensure that the HRA remains viable.
- 2.9 The DCLG has directed that Councils reduce rents by 1% per annum (in cash terms) from 2015/16 levels for each of the next 4 years and this is included in the budget and MTFP.

Future Budgets

- 2.10 The MTFP is a planning document, so approval of the budget for 2017/18 and adoption of the MTFP does not commit the Council to the forecast budgets for 2018/19 to 2020/21. These are for planning purposes and are likely to be adjusted in the light of new information or changes in the Council's circumstances.

3. Identification of Options

- 3.1 Cabinet cannot change the financing received from government. They can increase Council Tax, subject to the referendum conditions, and they can change budget allocations. Cabinet then recommend their budget to Council.
- 3.2 The Council is required to set a budget, and so declining to do so is not an option. Council could choose to amend Cabinet's budget recommendations, but is subject to the same constraints concerning government funding and Council Tax. Council can change the allocation of resources between services, and that option remains open to the Council during the financial year.

4. Resource Implications

- 4.1 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.

5. **Corporate Implications**

5.1 Comment from the Section 151 Officer: No further comments to add.

5.2 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.

5.3 Comment from the Equalities Officer: This report does not specifically highlight any equalities implications however, in discharging their responsibilities 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>

6. **Appendices**

Appendix 1 – DRAFT Budget for 2017/18 and Medium Term Financial Plan 2017/18
-2020/21

7. **Background Papers**

2017/18 budget working papers.

Contact Officers: Helen Lamb (Extn 2063) & Mike Davis (Extn 2107)



**DRAFT
Budget 2017/18
and
Medium Term
Financial Plan
2017/18 – 2020/21**

CONTENTS

Executive Summary

General Fund Revenue Accounts

Housing and the Housing Revenue Account (HRA)

Welfare Reform

Asset Management Plan

Capital and Special Revenue Projects

Treasury Management and the Prudential Code

Key Assumptions & Ready Reckoner

Significant Budget Risks

Related Strategies and Plans

Joint Plans with Partners

Annexes

1	General Fund Revenue Budget Summary
1A	General Fund Net Expenditure & Financing Requirements
1B	Illustrative NDR forecasting
2A	General Fund Service Expenditure by Cost Type
2B	General Fund Key Figures – Expenditure
2C	General Fund Key Figures - Income
3	Key Variances in General Fund Revenue Budgets
4	Three Year General Fund Revenue Budget Projection
5A – 5D	Service Summaries and Budgets
6	Projection of General Fund Reserves
7 – 7B	HRA Budget, Variances and Housing Initiatives
8A	Capital Programme
8B	Capital Receipts
8C	Housing Revenue Account Schemes
8D	Projects financed from the Special Projects Reserve
8E	Priority Bids Summary
8F	Future Capital Proposals Not Currently Financed
9	Treasury Management Strategy Statement - To be included in the final circulation of the report
10A	Council Tax Resolution - To be included in the final circulation of the report
10B	Town Council & Parish Precepts - To be included in the final circulation of the report
10C	Precepts & the NDR Multiplier - To be included in the final circulation of the report
11	Grants to Other Organisations
12	Income and Expenditure Account - To be included in the final circulation of the report
13	Movement in Reserves Statement - To be included in the final circulation of the report
14	Summary of Recommendations (DRAFT) - To be finalised in the final circulation of the report

EXECUTIVE SUMMARY

OVERALL POSITION

1. This section provides a summary of the main points of the budget and Medium Term Financial Plan 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 four 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 planning process and in conjunction with other plans and strategies, in particular with the Corporate Plan and the Asset Management Plan. The MTFP before Members today covers the period 2017/18 – 2020/21.
4. Year 1 (2017/18) is the formally approved budget for the coming year. Years 2 - 4 of the MTFP (2018/19 – 2020/21) are included as “indicative budgets” for planning purposes. These will be rolled forward and amended in subsequent MTFPs and so approval of the overall plan 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.
6. It is the view of the Director of Finance, Housing & Community (Section 151 Officer) that the budget has been prepared in an appropriate and prudent manner and that based upon the information available at the time of producing this report¹ the estimates are robust and the resources are adequate for the Council's spending plans in 2017/18.
7. However, current funding streams, in particular Business rates, are volatile, difficult to predict and generally outside of the Council's control. Monitoring of the position will continue throughout the year and changes reported to Members through the quarterly budget monitoring reports. On-going changes in the local government finance settlement for 2017/18² and future years mean that this year's budget is more complex and future projections are subject to a greater margin of error.
8. In addition, changes to housing finance and proposals contained in the Housing and Planning Bill create more challenges and uncertainty for the Housing Revenue Account (HRA).

¹ The funding position shown in this budget is based on the draft settlement received from Government in December 2016 and the NDR estimates produced based on the information available to date.

² The 2017/18 draft settlement is still subject to consultation at the time of writing.

BUDGET HEADLINES

GENERAL FUND

- General Fund budget for 2017/18 is balanced;
- Prudent General Fund balances maintained in 2017/18 at £2.68m;
- Council Tax increase of £4.95;
- Overall expenditure levels slightly reduced;
- Pressure comes from reduced funding streams;
- Government funding streams:
 - Revenue Support Grant 41.6% reduction in 2017/18, and forecast to be virtually nil by 2019/20;
 - The reduction in RSG accounts for the bulk of the on-going pressures;
 - New Homes Bonus cut from 6 years to 5 from 2017/18, and to 4 years from 2018/19 onwards, with an estimated loss to the Council of approximately £400k per annum;
 - The Business Rates (BR)³ regime remains complex, volatile and is beyond simple explanation. For Dover, a large proportion of the Council's BR income is generated from a small number of properties.

THE HOUSING REVENUE ACCOUNT

- 2017/18 budget balanced;
- Significant HRA balances maintained for 2017/18;
- Rents are now set by Government, and have been reduced by 1% in 2017/18;
- Rent reductions of 1% per annum for a further 2 years are projected;
- By year 4 of the rent decrease annual rent income is projected to have fallen by £2.4m per annum compared to the 2015/16 MTFP forecast;
- The aggregate loss of rent income over the 4 year period is projected to be £6.9m;
- The introduction of a requirement to sell higher value housing assets has been delayed and the implementation timetable is currently uncertain. The impact could potentially be significant.
- The Council's ability to service the £80m debt, that the Government required it to incur, needs to be protected, and this should continue to be a priority;
- When more detail on the implementation of the Housing and Planning Bill is available, the implications will be reported to Members as appropriate.

THE CAPITAL PROGRAMME

- The current capital programme is funded, subject to the borrowing arrangements for Dover Leisure Centre and the Property Investment Strategy;
- The major projects in the programme are;
 - Property Investment Strategy;
 - Replacement of Dover Leisure Centre;
 - Refurbishment of Dover Town Hall.

³ Business Rates (BR) and Non Domestic Rates (NDR) are terms which are now used interchangeably by Government and Local Government.

TREASURY MANAGEMENT STRATEGY STATEMENT

9. The Treasury Management Strategy Statement, including the Prudential Indicators and Minimum Revenue Provision Statement will be included in the March circulation of the MTFP.

KEY ASSUMPTIONS AND SIGNIFICANT BUDGET RISKS

10. 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 set out within the MTFP in order to ensure that Members are aware of the basis of the budget.
11. Periodic budget monitoring reports will continue to be produced and circulated to all Members, so that adverse variances can be identified and remedial action initiated as early as possible.

RELATED STRATEGIES AND PLANS AND JOINT PLANS WITH PARTNERS

12. Members' attention is drawn to the chart of related plans and strategies and details of joint plans with partners:
 - Related strategies and plans – Members are asked to consider the MTFP in relation to the other key plans and strategies, in particular the Corporate Plan.
 - Joint plans with partners – delivery of the Corporate Plan cannot take place without partnership working. The more significant partnerships and joint plans are provided later in the report.

LOCAL GOVERNANCE

13. Finally, local authority governance is in a state of flux. The Cities and Local Government Devolution Act 2016 has introduced the possibility of a Combined Authority and / or re-configuring local government arrangements and structures. Such changes could have significant or fundamental impacts on the assumptions underpinning the MTFP but cannot be modelled at this time.

THE GENERAL FUND REVENUE ACCOUNTS

INTRODUCTION

14. 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 Enterprise Zone Relief, Revenue Support Grant (RSG, received from government), and New Homes Bonus (NHB, also received from government).

FINANCIAL OBJECTIVES

15. The main financial objectives for the GF Revenue Account⁴ 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 around 10% of the net budget requirement or £1.5m, and a preferred level at or above £2m);
 - Use earmarked reserves to finance one-off items;
 - Support the Council's corporate priorities and agreed service standards; and
 - Undertake appropriate consultation.

BUDGET DISCIPLINE

16. Corporate Management Team, in consultation with Members, have reviewed their service areas in order to support delivery of efficient and effective services within the budgets available.
17. In order 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 Employment Management process. The Employment Management process provides a peer review and Chief Executive sign-off for all recruitment, so that all options are explored and tested before any recruitment is permitted.
18. The Council also operates a rolling efficiency and service review process, "Delivering Effective Services (DES)". The DES team's priority is to review digital opportunities for services to deliver efficiencies, savings, smarter working and improved customer experiences. In addition the DES team test the cost effectiveness and consider alternative delivery options for services under review.
19. A key element of financial management is the treatment of unspent budgets. The Council has sought to promote a culture whereby budget managers have 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 Director of Finance, Housing and Community.

⁴ The Revenue Account funds day to day recurrent expenditure. There are separate financing arrangements for capital expenditure where the benefit of the expenditure lasts for more than one year.

THE GENERAL FUND BUDGET SUMMARY

20. The Council's GF revenue budget for 2017/18 is shown in Annex 1. The budget is funded, and the GF balance is forecast to be £2.68m. The net budget requirement for the Council's own purposes, after transfers to/from earmarked reserves is £13.99m.

	2016/17 Original Budget £m	2017/18 Original Budget £m
Budget Requirement:		
Gross Revenue Expenditure	68.487	69.164
Gross Revenue Income	(53.734)	(54.778)
Underlying Budget Requirement	14.753	14.386
Earmarked Reserve adjustments ⁵	(0.763)	(0.632)
Net Budget Requirement	13.990	13,747

The underlying Budget Requirement has reduced slightly between the financial years illustrating that the Council has absorbed the impact of inflationary increases. Therefore there are no major variances on overall service expenditure to explain⁶, detailed variances are set out in detail in Annex 3 and explained below.

GENERAL FUND KEY ELEMENTS

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

Staff Salaries

22. Independent advice on the cost of living increase is received to form the basis of negotiations for the 2017/18 pay settlement and is factored into the budget.

Vacancy Allowance and Organisational Savings

23. The vacancy allowance (savings from staff turnover) has been set at £150k.
24. The budget also includes a target saving of £74k to allow for a review of staff resources to identify appropriate savings within the authority.
25. It is proposed to continue the updated Employment Management process to maintain the link between approved service standards and the approval of posts to be filled.

Pension Fund

26. 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 last triennial valuation (the "2016 valuation") of the KCC pension fund started in April 2016, and was implemented from April 2017.
27. 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

⁵ Earmarked reserves are used to offset agreed expenditure within services in accordance with the protocols detailed in Annex 6.

⁶ Changes in service provision, for example Grounds Maintenance, have changed the type of expenditure but have not impacted the overall total.

deficit. The actuarial report advised that due to lower discount rates the current contributions required to meet the cost of pensions being earned today should increase from 14.6% to 15.5%.

28. The 2016 valuation also estimated a decrease in the pension fund deficit for Dover. Dover is paying this deficit off over the next 17 years as agreed with the actuary. As a result the fixed sum to finance the deficit was decreased from £1.98m to £1.89m (for all staff, including HRA) in 2017/18.
29. 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. There has also been an impact due to the creation of EKS and EKH, and the transfer of staff on a fully funded basis. However, this would only become a "real" effect if EKS and EKH were to move away from the Council into wholly separate and independent organisations.

General Inflation

30. Setting a guideline level of inflation risks "over budgeting". Instead, all managers are asked to consider the specific quantity and price of services they will actually need in the coming year and to reduce expenditure where possible.
31. The other significant area of potential inflation pressures relates to major term contracts. In 2017/18 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 a 3% increase in the cost of major term contracts has been assumed. Each 1% variance in contract inflation leads to approximately £80k variance in costs.

Contingency Provision

32. Contingency provision of £100k has been included to meet any unexpected expenditure commitments, if they cannot be contained within other budgets. In addition, as part of the budget setting process managers and directors were 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.

Grants to Organisations

33. The Council makes a number of grants to organisations for services across the district, including contributions to the Citizens Advice Bureau and Your Leisure; these are detailed in Annex 11.

Shared Services

34. East Kent Services manage revenues & benefits, customer services, ICT and Human Resources functions on behalf of Dover, Canterbury and Thanet Councils. Management fees under the EKS arrangements for Dover are forecast to be reduced by £200k from the 2016/17 original budget level for the planning period.
35. The Council has awarded a 10-year contract to carry out recycling and waste collections, the processing of recyclate collected and street cleansing operations to

Veolia Environmental Services (UK), which commenced in January 2011. The contract has been awarded in partnership with Shepway District Council and Kent County Council (as the disposal authority). Dover is the lead on this partnership and manages the client team who oversee the contract from the Dover District Council offices on behalf of the three authorities.

36. In addition an internal audit partnership, hosted by Dover, is in place working with Dover, Shepway, Canterbury and Thanet (including East Kent Services) Councils and East Kent Housing.

Interest on Investments

37. The overall interest rates achieved in 2017/18 will depend on the combination of the LIBID 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.
38. With uncertainty and instability possible in the financial markets following the Brexit decision, alongside the related reduction in base rate to 0.25% and reduction in deposit rates for six months' duration as low as 0.4% with some institutions, it is considered our best option to focus on security by keeping our funds with familiar banks and building societies and other local authorities, rather than diversifying into less familiar institutions, as any additional risk to achieve marginally better rates of return at such low rates is considered imprudent.
39. The MTFP assumes that the Council's investments overall will earn an average of 0.50% on its investments in 2017/18 and future years (split approximately 75/25 between General Fund and HRA pro rata to estimated cash balances).
40. Members should note that the localisation of Business Rates places a significant potential risk on DDC's cash flow. If there is a significant reduction in Business Rates collection through revaluation, demolition or major business failure in the district, this would reduce the funds available for investment and therefore reduce the interest earned.

Regeneration and Property Investment

41. On 30 November 2016 Council approved the Property Investment Strategy. This approved investing up to £200m in commercial and residential property, either directly or through a property company, in order to increase economic regeneration and generate returns.
42. The budget assumes a level of £500k income to be delivered through this initiative in 2017/18.

Other Income Streams and Fees and Charges Made by DDC

43. 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;
 - Sensible price points – it is more sensible to increase by sensible 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; and
 - Overall income the service generates.
44. The only Fees and Charges that are not included in this process are for car parking which are the subject of a separate report.
45. The main sources of income and relevant issues are summarised below.
- **Development Management**

The original budget for Development Management fee income in 2016/17 was £605k incorporating £550k for planning application fees and £55k for pre-application fees. Planning application fee income is currently standing at £391k. Whilst it is always difficult to predict Development Management fee income, it is anticipated that that the planning application fee income should rise to £575k by the end of the financial year. There has also been an improvement in the level of pre-application advice with a circa £2k increase anticipated by the end of year. The budget for 2017/18 has increased to £655k to reflect the Fees and Charges report estimates.
 - **Building Control**

The Building Control (BRFE) income is largely dependent upon construction activity. Assumptions about the level of activity combined with the economic forecasts led to a budget of £275k being set for 2016/17. The year to date receipts are in line with the forecast budget. Trends suggest increasing construction activity locally if not nationally and there will be a modest increase in fees and charges. Hence the budget for 2017/18 has been set at £285k.
 - **Licensing**

This includes Alcohol, Public Entertainment, Taxis, Gambling and other miscellaneous licences. The original budget for 2016/17 was set at £248k, the 2016/17 forecast has been increased slightly to £253k as a result of higher veterinary fee income and income received from private hire vehicles. The 2017/18 budget has been decreased slightly to £246k most significantly due to scrap metal dealer licences (these licences last for a three year period and will not now be due until 2020/21) and also due to the anticipated reduction in income from private hire vehicle licences as reflected in the Fees and Charges report estimates.
 - **Land Charges**

The original 2016/17 budget of £180,000 has been increased to £240,000 throughout the year. The 2017/18 budget has been set at £220,000 due to the increasing demand over previous years, but also to take account of the negative impact adding VAT to the charges may have.

The Government is changing the delivery method of some search information. This would involve moving part of the work to HM Land Registry. The primary legislation was made in 2015 and consultation has taken place and results of this published. The secondary legislation is not in place at the end of 2016.

- Car Parking

Overall, the Council makes a small surplus from car parking and associated activities. The 2016/17 gross income (before costs) for parking fees and penalty charge notices is currently forecast to be slightly above the original budget of £2.2m at £2.3m. The income for 2017/18 is anticipated to at the same level as the current budget for 2016/17.

The Council expects to make a small surplus from on-street parking (forecast to be £59k in 2016/17 and £62k in 2017/18). In accordance with Section 55 of the Road Traffic Act 1984 (and subsequent updates), the surplus from on-street parking will be set aside to carry out permitted activities as specified in the Road Traffic Act. Any surplus over £100k would be remitted to KCC. In 2016/17 it is anticipated that £46k of the surplus will be spent.

- Green Waste Subscription Service

The Green Waste subscription service original budget for 2016/17 was set at £200k. The 2016/17 forecast has been increased to £223.5k to reflect the actual level of take up in the year. The 2017/18 budget has been set at £223k based on an estimate of approximately 5,500 subscribers.

46. In total the major fees and charges generate approximately £3.69m gross towards the General Fund budget.

FINANCING THE BUDGET

47. The net requirement is financed mainly by Government grant and Council Tax. The total financing for 2017/18 is:

2017/18 General Fund Revenue Financing	£000	%
Non-Domestic Rates Income – baseline	3,460	
Non-Domestic Rates Income - growth, S31 grant, less levy, etc.	177	
NNDR Collection Fund Deficit – relating to prior years' appeals/appeals erosion of income	(837)	
Revenue Support Grant	1,027	
Enterprise Zone Relief Grant	1,165	
Renewable Energy Retained	45	
Total Government Grant	5,037	36.7
Council Tax	6,600	48.0
Collection Fund Surplus (Council Tax)	236	1.7
New Homes Bonus	1,874	13.6
Total Financing	13,747	100.0

48. The year on year changes in financing are :

Financing of Net Requirement	2016/17 Original Budget	2017/18 Original Budget	Year on year change
	£m	£m	%
Revenue Support Grant	(1.758)	(1.027)	-42%
Business Rates Retained	(3.621)	(3.638)	0%
Enterprise Zone Relief - in year	(1.024)	(1.200)	17%
Council tax	(6.251)	(6.600)	6%
New Homes Bonus	(1.899)	(1.874)	-1%
Underlying Financing⁷	(14.553)	(14.338)	-1%
Collection Fund Distribution			
NDR	0.724	0.837	
Council Tax	(0.145)	(0.236)	
Enterprise Zone Relief - prior year	(0.016)	(0.010)	
Total Financing	(13.990)	(13.747)	

49. Annex 4 shows the overview of the forecasts for 2018/19 - 2020/21. The following sections provide further explanation of the Council's main funding streams.

Revenue Support Grant

50. RSG (from Government) has been reduced by significant amounts every year since 2012/13. In order to provide certainty for the future settlements the council (in common with all but 10 other English Councils) accepted the Government's offer of a 4 year settlement and 2017/18 is the second year.
51. The settlements are shown in the table below. RSG is expected to fall away to (virtually) nil by 2019/20. The reductions in RSG account for the bulk of the Council's future savings requirement.

Revenue Support Grant Settlement	Grant £000	Reduction £000	Reduction %	Cumulative £000	Cumulative %
2012/13 ⁸	5,112				
2013/14 ⁹	4,699	413	8.1	413	8.1
2014/15	3,698	1,001	21.3	1,414	27.7
2015/16	2,529	1,169	31.6	2,583	50.5
2016/17	1,758	771	30.5	3,354	65.6
2017/18	1,027	731	41.6	4,085	79.9
2018/19 Proposed	568	459	44.7	4544	88.9
2019/20 Proposed	57	511	90.0	5055	98.9

⁷ The underlying financing reflects the financing types received on an annual basis. The remaining financing items are one-off and so can vary significantly between years.

⁸ Split for 2012/13 based on proportion of RSG:NNDR for 2013/14 before Council Tax Support Funding, with an adjustment to add to the 2012/13 RSG the level of CTS funding of £1,218k awarded in 13/14 for comparability across the years.

⁹ Council Tax Support Funding added by Govt. to RSG from 2013/14 onwards, replacing subsidy for council tax benefit previously shown in service costs. This effectively covers reduced income from Council Tax due to discounts being applied against tax base/council tax bills instead of being awarded as Benefit. CTS Funding not disclosed separately by Government from 14/15 onwards.

52. The table above shows RSG in cash terms. If the % reductions were adjusted for inflation, they would be higher.
53. For financial planning purposes it has been assumed that RSG will become “negative” in 2020/21 and a reduction in funding of a further £250k has been assumed in the MTFP. It is not clear how this negative RSG would be achieved, although clawing back of Business Rates through adjusted tariffs re-set by Government is a possible mechanism.

Business Rates (BR)

54. Income from BR is volatile. The BR system itself, determined by Government, is hugely complex, unpredictable and opaque with periodic revaluations, transition periods, appeals and frequently changed BR relief schemes.
55. This has been overlaid with an extremely complex system of tariffs and top-ups, safety nets, levies and BR pools. The dynamic nature of the system, the elements of which can all be moving in different directions at the same time, can produce perverse outcomes, and makes it very difficult to develop a stable and robust budget.
56. For Dover there is the additional complication of an Enterprise Zone with its reliefs and grants.
57. As a result the system cannot be readily explained, therefore this MTFP restricts itself to a simple overview, an outline of the main factors and the overall forecast income levels. A fuller summary of the basic mechanisms of the BR retention system was provided to Members in the MTFP in March 2013.

Business Rates Overview

58. The BR to be paid by businesses are determined by the Valuation Office Agency (VOA), who set the rateable value (RV) of commercial premises, and by central government, who set the multiplier (rate in the pound) that is to be applied to the rateable value. The VOA shares only limited information on its work, and local authorities are not permitted a role in defending valuations subject to appeal, nor do they have access to much of the information from the VOA.
59. Local authorities therefore have no role in setting the BR, and are mainly responsible just for the collection of the due amount, and promoting economic regeneration to grow the tax base.
60. The Government's policy of localisation of BR focuses on how the income generated from BR is to be shared between central and local government. Businesses have seen no difference in the way they pay BR or the way the tax rate continues to be set by Government, and the rateable values will continue to be determined by the VOA.
61. However the financing of local government is radically altered by the arrangements for sharing the income generated by BR. The system includes:
 - Tariffs and top-ups;
 - Safety-nets and levies;
 - Pooling BR with other Kent districts;

- A number of uncertainties including:
 - Projections of future BR levels (NDR1 and NDR3);
 - Appeals by businesses against their rateable values;
 - Accounting arrangements and determining the 2016/17 performance and the 2017/18 budget;
 - The impact of the BR revaluation for 2017;
 - The impact of reliefs, including the extension of the Small Business Rates Relief by altering thresholds;
 - Setting the multiplier.
- Future issues and changes include:
 - The 100% localisation of BR from 2020;
 - Slow progress by the VOA in settling outstanding BR appeals;
 - Unexpected and significant class reductions in BR by the VOA (primarily £2.3m refund to the NHS for doctors surgeries in Dover and appeals by NHS hospitals to be treated as charities);
 - The continuous on-going eroding effect on the tax base in the appeals being settled by the VOA;
 - Obtaining strategic information from the VOA.

62. In addition to the complexity of explaining the above factors for any one financial year, the new system makes it extremely difficult to explain how finances have changed between financial years, especially in comparison to the periods before 2013/14, compounded by the impact of the 2017 revaluation, which makes 2017/18 figures complex to calculate and hard to meaningfully compare to 2016/17.

63. However, at its most basic, the new system results in 50% of BR collected by a council being paid direct to government, with 40% retained by the Council, 9% going to KCC and 1% to Kent Fire and Rescue. This is described as “50% retention”.

64. The table below provides a simple indicative example based on 2016/17 data.

Attribution of BR Income (Indicative)	£m
Net rate yield	(34.5)
Less	
50% to Government	17.2
9% to KCC and 1% to Fire	3.4
Balance	(13.9)
Less tariff to Government	10.6
Balance retained by DDC	3.2

65. 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. 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 at Discovery Park, successful appeals by doctors surgeries, etc, etc) the council has to continue to pay the tariff, and bear the loss itself, as well as bearing the costs of the appeals refunds, which may stretch back over many years and may even pre-date the current system.

66. The system is also asymmetric. If the amount collected grows, then the Council has to pay a levy on the growth, at 50%. So, if BR reduces by £1m, DDC would itself bear a loss of £200k. If BR grows by £1m, DDC would retain an additional £100k.
67. The total BR collected by DDC for 2016/17 is c. £34.5m, so with a fixed tariff to pay, a proportionately small movement in this large number will have a very significant effect upon the Council's budget, and growth is rewarded at only half the rate that reductions are penalised, until a safety net kicks in after the council has borne a reduction of c. £260k.
68. The remainder of this section addresses the 5 most important aspects of BR as they impact Dover:
- The 2017 Revaluation
 - Appeals
 - Small Business Rates Relief
 - Accounting Treatment
 - "Real" Growth

The 2017 Revaluation

69. Revaluation is meant to happen every 5 years. The 2017 revaluation is the first since 2010.
70. Government intends the revaluation to be fiscally neutral – as the RV changes so the multiplier is changed to ensure the overall national total of BR does not change, and government also amends the tariffs and top-ups to moderate the impacts, both good and bad, on individual councils.
71. For Dover, the revaluation in 2017/18 leads to an estimated increase in gross rates (before reliefs etc) of £9.7m, from £43.2m (per NNDR1 2016/17) to £52.9m for 2017/18 (incl. growth). However, the 2017/18 figure is subject to higher reliefs for small businesses and the need for additional appeals provisions, leaving the net rate yield (for sharing) increasing by only £3.7m, from £34.5m (per NNDR1 2016/17) to £38.2m for 2017/18 (incl. growth). DDC's share is 40%, but the tariff deductible from its share has been increased by £2m, leaving an increase in rates income (excl. EZ relief and retained rates from renewable energy) of only £32k (this takes into account compensating s31 grants).
72. Following the 2017 revaluation, the tariff increase of £2m reduces DDC's share of the higher tax base by £2m. Government has reserved the right to amend the tariff further for 2017/18 and subsequent years, depending on the final outcome for 2016/17. This adds to the level of uncertainty and is also a potential mechanism by which the government can apply "negative" RSG settlements in the future.
73. DDC is in a relatively unusual position in that its BR income is very heavily concentrated in its largest sites, with 38% of its BR income from just two sites.

Dover's Rateable Values	Rateable Value ¹⁰ £000	%
Channel Tunnel	35,000	32
Discovery Park	6,115	6
Sub Total	41,115	38
Remainder	69,610	62
Total	110,725	100

(The next largest site is just 2% of the total.)

74. The values above come from the 2017 revaluation. In general, the RV of properties in the district showed minimal increases or even reductions, but the total RV for the district increased by £21.8m. Of this, £19.6m was due to an increase for the Channel Tunnel from £15.4m (2010) to £35.0m (2017). This makes the council unduly reliant on the Channel Tunnel valuation, which must be subject to uncertainty, as the existing £15.4m for 2010 remains under appeal, and prior appeals have been won by Channel Tunnel.
75. Although RV growth would appear to be a good thing, the current system means that this is not necessarily the case. The government have used it to increase the Council's tariff (and therefore BR income target) and if the VOA then fails to defend appeals successfully, the council is left with a higher target and a reduced tax base.

Appeals

76. There is a sizeable appeals backlog and fresh appeals continue to arise, maintaining a continuing level of uncertainty over BR income. VOA have had to resource the 2017 revaluation and it is not surprising that the backlog still remains high (c. £27m – this is the total of properties where there is some element of appeal. It is not the total under appeal. That is not revealed under the current system). There have been some surprising appeal outcomes which question the robustness of original valuations. It is therefore important that the VOA maintain their rigour and do not concede appeals in order to clear the backlog.
77. In the backlog there are some significant appeals. Most / all NHS trusts have appealed on the basis that "hospitals are charities" and should receive charitable relief. This will be at a cost to the local authorities who are defending this as a "class action". In effect, two arms of government are locked in a dispute that could be resolved by the sponsoring departments, should they chose to do so.
78. Recent successful appeals against rateable values include GPs' surgeries, Discovery Park (incl. Pfizer), Tesco, Cable Connection to Thanet Wind Farm, De Bradelei Wharf (alongside ownership changes) and Motis Ireland's freight and truck stop reductions. These have an on-going impact on business rates income alongside the further impact of smaller appeals. Further outstanding appeals will add to this where successful, and the impact is cumulative over the years. Additionally, UK Border Agency is entitled to 100% empty property relief on its Immigration Removal Centre while empty.
79. The appeals process only applies downwards pressure. No one seeks an increase, and there are many agencies offering to submit appeals on behalf of businesses on a

¹⁰ Note – These figures are based on 2017 valuations. Rateable Value is not the same as the Business Rates paid. RV is multiplied by a government set multiplier (49.7p in 2016/17 decreasing to 47.9p in 2017/18 for the standard multiplier), to determine the amount payable, and this may be subject to BR allowances.

no-win/no-fee basis. The continuing erosion of the BR tax base due to appeals amounts to c. £600k pa. Establishing the correct appeals provision has a significant impact on the collection fund and on the level and timing of resources available to the Council. The information upon which such major provisions must be made is often insufficient.

80. A new appeals system is to apply to the 2017 revaluation. It is not clear how this will work in practice, and whether it will speed up the whole process, but there are many appeals dating back to 2010 which still have to be cleared first.

Small Business Rates Relief

81. Additional reliefs are being made available to small businesses by government, for which districts are only partly compensated. The combined effect of the changes in RV and the extension of SBRR have the potential to significantly increase the number of qualifying businesses. The take-up rate and the overall effects of these changes are extremely difficult to forecast accurately.

Accounting Treatment

82. The accounting treatment for BR further complicates the position.
83. Good or bad BR performance are recognised in the following year, however the compensating safety net payment is received, and recognised in the accounts, in the year of poor performance.
84. As a result of these timing differences, good performance will, in the accounts for that year, appear as poor performance and vice versa.
85. In addition, regulations require that only the proportionate share of EZ grant relating to the amount of relief declared on the NNDR111 for a particular year can be recognised as grant received in that year. Any adjustment for actual relief awarded is recognised as additional grant income in the immediately following year.
86. As a result it is not possible to present Members with simple accounting information that shows the underlying performance for the year.
87. Now that Discovery Park occupancy has climbed and levelled out in a way that can more easily be estimated, such adjustments continue to be made, as required by statute, but are expected to cause less fluctuation in the year's result for 2016/17 and 2017/18.

Real Growth

88. It is important that we do not lose sight of the real growth in bricks and mortar that is being delivered.
89. In the Dover District there has been growth in business rates from developments in the district during 2016/17 (Maritime Skills Academy, Fowlmead, Discovery Park, progress on DTIZ, new petrol station at Whitfield, new restaurant on Beach Street,

¹¹ NNDR1 is a DCLG form which all authorities are required to complete, predicting the coming years BR income, reliefs etc. It is a key element in the system of localised BR, and generally payments from Government in the year are based on the NNDR1, even if actual performance is known to be significantly different.

Deal, etc) and further growth is anticipated in 2017/18 This level of growth is needed to offset the continuing RV erosion from appeals.

90. Forecasting delivery of future growth in the district is very difficult. There is a clear trend of real growth. However establishing a reasonable value for the new buildings and a start date for the BR income stream is subject to a significant margin of error and this feeds into the MTFP.

Other Factors

91. Other factors to be taken into account in considering BR include:

- In 2020 the system is due for a re-set. This could mean that the benefits of increased growth in the tax base that DDC has generated will be lost or reduced.
- In 2020 the system is also due to move from 50% retention to 100% retention. It is unclear how this will work. There is some early indication that the district's share will remain at 40%, but County will receive a bigger share (currently 9% for KCC) alongside some additional transfer of responsibilities from Central Government. However delivery of this change will be technically complex. Few specific details are available and until they are resolved the implementation remains uncertain.
- Businesses within the Discovery Park Enterprise Zone receive Business Rates relief (typically the first £55k of their BR each year, for up to five years). Government compensates DDC for its loss of BR income with a separate EZ Relief Grant. Regulations govern when the EZ Relief can be recognised. Eventually, as EZ discount ceases to be given after 31st March 2018 (and therefore grant to DDC representing 40% of the total diminishes), the BR income itself will increase by an equivalent amount (because the discount has ceased). However, the additional BR income generated will only earn Dover 20% of the total value (versus 40% when it was given as grant to cover the discount) because Dover's 40% share above its baseline will attract a 50% levy.
- The continued payment and funding of EZ relief, which has a significant impact on the budget, depends upon the level of EZ relief claimed at Discovery Park which, in turn, depends upon the extent to which occupancy at DP remains focused on smaller firms and units.
- The final date for qualifying for EZ Relief is 31st March 2018, and therefore, in subsequent years, EZ relief will start to reduce as the maximum 5-year claim period per business runs out.
- BR systems include programmes that assist in modelling and forecasting future BR income. The software suppliers have commented that they have not received information from government in good time on changes to the BR regime and the revaluations. As a result they are facing challenges to get all the required programmes and reports produced. The council relies on the accuracy of these programmes.
- Districts can enter into pooling arrangements with other local authorities to reduce the levy rate imposed by Government on BR growth from its current 50% rate to nearer 10%. DDC joined the Kent pool for 2015/16, but has decided to stay outside of the pool for 2016/17 and 2017/18 due to the expected profile of

its BR income and uncertainties over the pool's performance for 2016/17 and subsequent years, with at least two authorities projecting individual "safety net" situations (rather than "levy") for 2016/17 based on their original NNDR1 figures.

92. The table below summarises the volatility of DDC's BR income since the implementation of the business rates retention scheme.

NNDR/Business Rates (exc. EZ Grant)	DDC Share of Income £000	Reduction/ (Increase) £000	Reduction/ (Increase) %	Cumulative Change £000	Cumulative Change %
2012/13 ¹²	3,348				
2013/14	2,994	354	10.6	354	10.6
2014/15	4,682	(1,688)	(56.4)	(1,344)	(40.1)
2015/16	4,296	386	8.2	(948)	(28.3)
2016/17 Orig Budget	2,897	1,399	32.6	451	13.5
2017/18 Estimated	2,800	97	3.3	548	16.4
2018/19 Estimated	4,091	(1,291)	(46.1)	(743)	(22.2)

93. The latest estimates for retention of Non-Domestic Rates income for future years are shown in Annex 4.

COUNCIL TAX

94. A Council Tax increase of 2.87% for DDC purposes has been assumed for the 2017/18 budget which, if approved, will produce a Band D Council Tax of £177.39. This will result in an increase of £4.95 per year on a Band D property, which is within the Government's revised capping requirements, limiting increases to 1.99% or £5, and will generate total Council tax income of £6.6m.
95. For planning purposes a Council Tax increase of £4.95 per annum has also been assumed for future years.
96. The precepts from Kent County Council, The Police & Crime Commissioner for Kent, Kent Fire and Rescue Authority and Towns and Parishes have not all yet been received and will be included in the Council Tax resolution in the March circulation of the MTFP.

COMPARISON WITH OTHER DISTRICTS' 2016/17 BAND D COUNCIL TAX

97. DDC has one of the lowest Council Tax rates in Kent. A comparison with the East Kent authorities' 2016/17 Council Tax rates is shown below. This shows the percentage that their 2016/17 Council Tax level exceeds 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	172.44		
Canterbury City Council	194.32	13%	£793k
Shepway District Council	232.56	35%	£2.2m
Thanet District Council	214.92	25%	£1.5m

¹² Split for 2012/13 based on proportion of RSG: NNDR for 2013/14 excl. Council Tax Support Funding.

NEW HOMES BONUS

98. New Homes Bonus (NHB) was funded by the DCLG 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. Reductions in NHB results in offsetting savings being required.
99. The grant awarded to Dover since the start of the scheme is detailed below:

Year of Scheme	Financial Year	Annual Grant £000	Cumulative Grant £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 (Estimated)	2018/19	415	1,433	4
9 (Estimated)	2019/20	415	1,575	4
10 (Estimated)	2020/21	415	1,662	4

100. The Government has implemented changes to the scheme from 2017/18 resulting in a reduction in the number of years grant in payment from 6 years in 2016/17 to 5 years in 2017/18 and further reducing to 4 years in 2018/19. In addition Government has introduced a minimum growth level of 0.4%, below which no NHB will be paid.
101. The growth delivered by DDC for the 2017/18 NHB calculations was sufficient to receive NHB of £415k. The impact of reduction in the scheme from 6 to 5 years has been offset by the higher level of growth in 2016/17 so the net impact of the change is only a reduction in grant of £34k, to £1,865k.
102. For the purposes of the MTFP it has been assumed that NHB will continue to be achieved at the 2017/18 rate and so will equate to £1.43m in 2018/19 and £1.57m in 2019/20.
103. To mitigate the pressures on the revenue budget the proportion that was transferred to reserves in 2016/17 (£287k) will no longer be transferred.

COLLECTION FUNDS

104. The Collection Funds (CF) are statutory funds. They sit entirely outside of the General Fund and the Council budget.
105. The Council manages Collection Funds for Council Tax and Business Rates. Every year the CF is credited with the income from CT and BR (c. £59.3m and £34.5m respectively).
106. The CF is also 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.

107. This surplus or deficit is borne by the preceptors and will be deducted from the following year's precept. This is a continuous rolling process. It is forecast that by the end of 2016/17 the combined accumulated deficit on the CF is 0.5% of the total annual income. DDC's share of this is £684k which has been included in the budget. It is forecast that by 2017/18 the CF will not have a deficit.

GENERAL FUND RESERVES AND BALANCES

108. The uncertainty and volatility that has been introduced into the major income streams for Business Rates and NHB suggest that maintaining or increasing reserves would be prudent.
109. The proposed General Fund balance in 2017/18 of £2.68m is above the Council's £2m "minimum preferred level". £2.68m represents 19% of the Council's budget requirement or just over 2 months net expenditure. It is prudent but not excessive.
110. The forecasts for future years show that to maintain a balanced General Fund budget for the planning period, savings or income generation of circa £1m in 2018/19 and £700k in future years need to be identified. This is the normal pattern of MTFP projections since future cost pressures are generally identified in advance of potential savings. It is considered that at this time there are sufficient other earmarked reserves, should they be needed, to support the Council in the short term whilst action is taken to address the forecast deficits.
111. The Council's earmarked reserves, and protocols for their use, are set out in Annex 6. Without these earmarked reserves the Council not 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 future plans.
112. Further supporting information on the GF budget is provided in the following Annexes:
- Annex 1 contains the budget summary for the General Fund;
 - Annex 1A summarises the net expenditure and financing requirements;
 - Annex 1B is a summary version of the NDR forecasting model;
 - Annex 2A shows the net service expenditure analysed by categories of expenditure and income;
 - Annex 2B shows the key expenditure figures and patterns for the General Fund;
 - Annex 2C shows the key income figures and patterns for the General Fund;
 - Annex 3 provides a detailed variance analysis between the original budget for 2015/16 and the proposed budget for 2016/17;
 - Annex 4 provides the General Fund Revenue Budget projection for the period to 2017/18;
 - Annexes 5A – 5D contain summaries of the services managed by each Director and the associated budgets; and
 - Annex 6 contains details of the General Fund balance and earmarked reserves.

Recommendations from this Section

113. It is recommended that Cabinet:

- Continue the practice of delegating authority to the Director of Finance, Housing and Community to approve revenue budget carry forwards within the guidelines set out; and
- Approve the grants to organisations detailed at Annex 11.

114. It is recommended that Council:

- Approve the General Fund Revenue Budget for 2017/18 and the projected outturn for 2016/17;
- Approve the policies and protocols regarding the General Fund balances and earmarked reserves, and transfers between reserves as set out in Annex 6.

HOUSING AND THE HOUSING REVENUE ACCOUNT

OVERVIEW

115. 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.
116. The second concerns housing development and investment, and includes developments by the HRA, Registered Providers (RPs) and by the private sector.

FINANCIAL OBJECTIVES

117. 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;
 - Maximise the recovery of rental incomes;
 - Minimise the number of void properties and minimise the level of rent arrears and debt write offs; and
 - 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 consistent with the HRA Business Plan;
 - Transfer the HRA balances in excess of the agreed adequate level to the Housing Initiatives Reserve to be used for investment in the procurement of additional properties;
 - 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 the procurement of additional properties.
118. At the time of writing, the HRA has 4,348 dwellings, made up of 2,740 houses and 1,608 flats.
119. East Kent Housing is responsible for the management & maintenance of the Council's housing stock.

2017/18 DRAFT BUDGET AND MEDIUM TERM FORECAST

120. The HRA's financial position, detailed at Annex 7, can be summarised as follows:
- HRA balance at 31/03/16 £1.013m;
 - Projected deficit for 2016/17 £12k (after transfer of £3m to Housing Initiatives Reserve);
 - Projected HRA balance at 31/03/17 £1,001k;
 - Forecast surplus for 2017/18 38k (after transfer of £2.5m to Housing Initiatives Reserve);
 - Forecast HRA balance at 31/03/18 £1,039k.

121. The future year projections show a reducing income stream from rents due to the Government requirement to reduce rents by 1% per annum for the period 2017/18 – 2019/20 and also from the impact of increased Right to Buy levels. Alongside the rent reductions the HRA is also facing general inflationary pressures on its expenditure. These pressures are significantly reducing the funding available to transfer to the HIR in future years. The forecast shows that to maintain a balanced budget for the planning period, until 2020/21, the transfers to the HIR need to be reduced from £2.5m in 2017/18 to £1.4m in 2020/21.
122. Annex 7 provides a draft HRA budget summary & Annex 7A provides an explanation of the main variations from the original 2016/17 budget to the 2016/17 projected outturn and from the 2016/17 projected outturn to the 2017/18 proposed budget. Annex 7B details the 4 year forecast position for the HRA.
123. The capital spend on existing council owned stock will be in accordance with the agreed plan supplied by EKH and to be signed off by s151 officer and EKH.

BACKGROUND

124. With effect from 1st April 2012 the government replaced the existing 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 DDC borrowing the required sum from the 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.
125. Government’s social housing strategy would now appear to be to favour home ownership where ever possible over social housing, through the delivery of affordable housing for purchase, the promotion of more right to buy for local authorities, and the extension of right to buy to Housing Associations.
126. Government have now directed that:
- Local authority housing rents should reduce by 1% in cash terms for 4 years from 2016/17. With an assumed inflation rate at 2%, this means a 12% reduction against Dover’s planned rental income. On a rent roll of £20m, that is a shortfall of £2.4m by year 4 or £6.9m against previous projections. By year 4 the reduction offsets the annual surplus that was being accrued.
 - The Housing and Planning Bill, includes provisions for the introduction of a scheme whereby Councils will pay the Secretary of State a sum equivalent to the Secretary of State’s forecast of the capital receipts that the authority will make from the sale of vacant higher value HRA houses in the coming year. These funds will be used to compensate the Housing Associations for losses they will make on RTB sales. Councils are still waiting for details of how the scheme will be applied including a definition of “higher value”. Therefore it is not currently possible to assess the financial impact on the HRA although it has the potential to be significant
 - The Housing Associations will be expected to replace the sold properties, but it is not clear if that will be in the area where they were sold.
127. The HRA budget is balanced for 2017/18, and the Council still has significant balances in its Housing Investment Reserve, but once the implementation of the

measures in the Housing and Planning Bill are understood, then the Council will need to consider how, with falling rents and a reducing housing stock, it can:

- Continue to balance the HRA in future years;
- Maintain investment in existing stock;
- Invest in new stock;
- Service the remaining HRA debt, about £80m.

128. The current stock investment plan is informed by a survey carried out in 2009. There is a need to update this information so that a new long term investment strategy can be developed. East Kent Housing has procured a new survey which should be completed by June 2017.

Rent Setting

129. Council house rents used to be set using a complex model based on a formula provided by the Department of Communities and Local Government (DCLG). This was intended to achieve “rent convergence” and the model took into account a number of factors such as:

- Relative property values;
- Local earning levels; and
- Number of bedrooms.

130. In recent years rents have been uplifted by the Consumer Price Index (CPI) +1%. Starting from 2016/17 the Government has directed that housing rents should reduce by 1% in cash terms each year for 4 years. This will result in a forecast shortfall in rental income of £2.4m per annum by year 4 and £6.9m cumulatively against previous projections.

Rent Levels

131. The average decrease has been explained above. Rent levels are calculated on an individual property basis using rent formulas previously prescribed by DCLG.

132. 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 2016/17 average weekly rent across all properties is £85.78;
- The 2017/18 average weekly rent is forecast to be £84.96;
- The decrease in the average weekly rent is £0.82 or 0.95%; and
- Three bedroom houses have rents (for 2017/18) ranging from £85.66 per week to £115.51 per week with an average of £92.78.

133. Determination of rent levels is an executive function that had been delegated to the Head of Strategic Housing in consultation with the Portfolio Holder responsible for Housing on the basis of the model described above.

Capital Receipts

134. Dover has entered into an agreement with Government to retain receipts above the anticipated 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.

135. As of the end November 2016 there have been 27 RTB sales in the financial year and Dover had retained 'excess receipts' in year in excess of £1m (estimated). This has to be used within 3 years of receipt, or else it must be repaid to DCLG, and, if applied to a capital scheme, it cannot comprise more than 30% of the scheme costs.
136. In order to comply with these rules and avoid claw back by the DCLG, this funding is normally applied to housing projects, before any other sources are used.

Service Charges

137. 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 to tenants are made in addition to their weekly rent. Service charges and charges for insurance are made to leaseholders in addition to the ground rent charged.

HOUSING DEVELOPMENT AND INVESTMENT

138. Housing development and investment within the district is taking place on a number of fronts, of which the most significant are:
- HRA Investment
 - Housing Initiatives Reserve (HIR)
 - 1:4:1 Right to Buy Replacement
 - Acquisition and new build
 - Investment in existing stock
 - Registered Providers Investment
 - Private Sector Housing
 - Reducing the number of empty homes
 - Bringing unused properties back into use
 - Commercial housing developments
 - Homelessness strategy
 - Homelessness prevention
 - Rent deposit guarantee schemes
139. These are discussed in more detail below.

HRA INVESTMENT

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

140. The HIR is funded by the transfer of balances from the HRA whilst maintaining a £1m balance in the HRA. The HIR was established to fund a programme of new house building/acquisition. By the end of 2016/17 HIR funding will have assisted in the addition of 5 new houses and 17 flats to the HRA stock. Further projects included in

the proposed capital program for 2017/18 could provide another 35 units although this is subject to a number of factors including planning requirements and viability.

141. The Housing and Planning Bill proposes measures that affect the HRA including the forced sale of higher value vacant properties (with the payment of the resulting receipts to government). The impact cannot be forecast at this stage.
142. Other than the capital bids included in this report the programme of new build/acquisition has been suspended until the measures in the Housing and Planning Bill are understood, Members may be asked to review the financial priorities of the HRA, with a view to making provision for the repayment of the HRA's £80m of debt while the resources are available, rather than investing in new stock.
143. After allowing for the 2017/18 capital bids the balance in the HIR is projected to be around £8m of which circa £4.5m would be required for "matched" funding against circa £1.9m of excess right to buy receipts retained under the governments 1:4:1 replacement scheme. If the excess right to buy receipts are not used within 3 years of their retention they are repayable to government with interest.
144. The four year HRA forecast projects an on-going ability to contribute to the HIR, however this is at an annually reducing rate due to the required reduction in rent income. The plans for use of the HIR will be reviewed following the assessment of the Housing and Planning Bill due to the need to consider allocating funds to repay the £80m debt based on a decreasing asset base.

Investment in Existing Stock

145. The HRA budget and projects take account of the need to invest in existing stock before establishing a surplus for the HIR. Investments provided for in the HRA plan include:
 - "Decent homes plus" achieved and continuing investment in kitchens, bathrooms, re-wiring, double glazing, energy efficiency improvements, alarm and door entry systems, etc.
 - Remodelling of Norman Tailour House to provide self-contained flats;
 - Refurbishment of 91, 93 and 95 Folkestone Road;
 - Development of affordable housing in Whitfield.
146. As referred to at 111 above, updated information on the condition of the housing stock should be available early in 2017 and will enable the Council to determine its priorities for on-going investment in the existing stock.

Registered Providers Investment

147. Registered Providers of social housing continue to play a key role in delivering new affordable homes within the district and the Council will work in partnership with providers to try and maximize delivery.
148. Securing the provision of affordable homes through the application of the Council's affordable housing planning policy is an important delivery mechanism and key sites currently being progressed with the involvement of Registered Providers include Timperely Place, Deal as well as further phases at Aylesham.

Private Sector Housing

149. The Council has a good track record of bringing empty homes back into use. This has generated additional New Homes Bonus and Council Tax receipts. Our current target is to bring 40 long term empty homes (empty more than 6 months) back into use per annum. In 2015/16 a total of 48 empty homes were brought back into use. KCC “No Use Empty” loans totaling over £600,000 were made available to property owners during this year which helped deliver property improvements with an overall value of £778,000. 16 properties have been brought back into use so far this year but with schemes currently in progress we are hopeful that we will reach our target of 40.

Commercial housing developments

150. A number of commercial housing developments are also underway in the district. These generate additional Council Tax and New Homes Bonus. They can also make a contribution to the provision of new affordable homes and the Council continues to maintain its objective of trying to secure the delivery of 30% of homes on such developments as affordable housing. However, it is recognized that affordable housing provision, especially rented housing, can undermine the viability of developments where property/land values are low and the development costs are high. Where the normal approach to on-site provision of affordable housing may prevent a scheme from coming forward, the Council may need to take a flexible approach in relation to the quantum of affordable housing and tenure and the possible provision of commuted sums or land that will enable affordable homes to be provided on an alternative site.
151. Current and anticipated significant commercial housing developments in the district include:
- Aylesham
 - Whitfield
 - Preston
 - Hammil Brickworks
 - Connaught Barracks
 - Land between Sholden and Deal
 - Station Road, Walmer
152. The number of housing completion in the District for the Authority Monitoring Report (AMR) period (1st April 2015 – 31st March 2016) reached a 15-year high in terms of the net additions to dwelling stock which amounted to 726 new homes. This included 648 new build homes as Dover District Council’s strategy to improve the range and quality of housing starts to deliver, with work underway on many of the sites identified for the district’s strategic housing allocations.
153. Dover District saw the fourth highest number of new homes built in Kent in 2015-16, after Dartford, Tonbridge & Malling, and Ashford. There were 185 new affordable homes, up from 110 in 2014-15. This is a very encouraging sign of the recovery in the housing market and will assist with additional Council Tax and New Homes Bonus revenue.

Homelessness Strategy

154. The Council continues to see an increase in the number of homeless households requiring assistance and this combined with an increasing difficulty in securing alternative housing in the private rented sector has resulted in an increased use of temporary accommodation including Bed & Breakfast. The cost of providing B&B is funded from a combination of housing benefit and a top up payment from the homelessness prevention grant received from government.
155. It is important that we try to contain the use of B&B as much as possible. The Council is currently working with a private sector provider of temporary accommodation who provide a better quality alternative to B&B at a lower cost as well as continuing to explore the potential for suitable property acquisitions and provision of modular housing.
156. Helping households access the private rented sector as becoming more difficult and we continue to provide assistance through rent deposit guarantee scheme which was recently amended to ensure its financial sustainability.

Recommendations from this Section

157. It is recommended that Council:
 - Approve the 2016/17 Projected Outturn and the 2017/18 HRA budget at Annex 7.
 - Delegate to the Director of Finance, Housing and Community, in consultation with the portfolio holder for Performance and Resources, the setting of the level of the on-going HRA minimum balance, the transfer of balances to the HIR, the use of prudential borrowing, and adjustment of the resources of the HIR accordingly.
 - Delegate to Cabinet the approval of individual projects to be financed by the HIR.
 - Delegate to the Director of Finance, Housing and Community, in consultation with the portfolio holder for Performance and Resources, approval of offers, tenders or bids for the purchase of properties on the open market or at auction, in order to respond to market opportunities.

WELFARE REFORM

INTRODUCTION

158. The key elements of welfare reform are:
- Council Tax Reduction Scheme (CTRS),
 - Benefits Cap,
 - Universal Credit (UC).
 - Capping of social housing rents at LHA rates

Council Tax Reduction Scheme

159. Dover District Council, working with Canterbury City Council, Thanet District Council, Kent County Council (KCC) and EK Services, has implemented a local CTRS where working age claimants will have to pay 10% of the Council Tax bill for their properties. This level is significantly lower than the rest of Kent where, typically, claimants have to pay over 20% of their Council Tax bill.
160. The previous CTRS was agreed with KCC for 3 years, and subsequently extended for an additional year until 2016/17. Following Kent-wide consultative work and a 12-week public consultation in summer 2016 the CTRS for 2017/18 was approved.
161. The 2017/18 scheme has been modified to reduce the level of expenditure within the scheme by an estimated £497k (of which the reduction retained by the Council will be an estimated £54k). In order to fund the scheme the following changes have been implemented:
- That the current minimum contribution towards their Council Tax made by recipients of Council Tax Support is increased from 6.0% to 10.0%;
 - That the maximum savings that a council tax payer liable to pay council tax can have and still claim Council Tax Support is reduced from £16,000 to £6,000;
 - That a minimum income is used within the calculation for self-employed Council Tax Support claimants after 12 months of self-employment;
 - That the maximum level of Council Tax Support is restricted to the equivalent of a Band D property charge;
 - That only the first two children in a family will be included in the calculation for children born after April 2017. (Some exceptions will apply);
 - That the Family Premium is not included in the calculation of Council Tax Support for all new working age council tax payers;
 - That the period for which a late claim can be backdated is reduced to one month;
 - That the period for which a council tax payer can be absent from Great Britain and still claim Council Tax Support is reduced to 4 weeks (with some exclusions for certain occupations);
 - That the element of the work related component of Employment and Support Allowance is not included in the Council tax Support calculation;
 - That a fund be introduced to assist claimants experiencing exceptional hardship.

Benefit Cap

162. When introduced, the intention of the Benefit Cap was to prevent anyone in receipt of benefit receiving an income that is greater than the national average wage of circa £26k for families. From November 2016 the Benefit Cap was reduced to £20k (£23k in London). Local authorities remain responsible for administering the cap for claimants in receipt of Housing Benefit until that claim is migrated to Universal Credit.
163. If the total amount of benefits in payment (including Housing Benefit) exceeds the cap then the excess is deducted from Housing Benefit by the local authority. When the claim transfers to Universal Credit the Department for Work and Pensions (DWP) will be responsible for applying the cap.
164. DWP identified approximately 164 households within the Dover district affected by the £20k cap. As of January 2017 there are currently 115 households affected by the cap (30 are council tenants, 21 are housing association, 6 are homeless provision (RSL) and 57 are in private rented accommodation). The average loss for these households based on the first two months of data is around £3,100 but this can vary significantly with a minimum weekly loss of less than £10pw and a maximum of up to £190pw.

Social Sector Size Criteria (SSSC)

165. SSSC applies to Housing Benefit claimants in social housing. Those claimants deemed to have one bedroom more than they require have their Housing Benefit reduced by 14%. For claimants with 2 or more excess bedrooms the reduction is 25%. As of January 2017 in the Dover district there are 493 households that are known to be under-occupying, 429 by one bedroom, and 64 by two or more bedrooms. This results in an average weekly loss in Housing Benefit of £12.92 for one bedroom and £24.87 for two or more bedrooms.
166. EK Services continue to work with East Kent Housing to identify affected tenants and proactively support property moves and transfers where possible and appropriate. The Council can also use Discretionary Housing Payments (DHP) to mitigate the impact of the SSSC. As the funding for DHP is finite, it is generally used as a short term measure where the tenant's circumstances will become viable in the near future, for example, when a down-size is imminent, or if someone is about to re-join the household, thus eliminating the SSSC.

Universal Credit (UC)

167. UC continues to be rolled out nationally. The latest planning assumption is that the Dover district will transition to the full UC service in May 2017 and that all residual legacy benefit caseloads will move onto UC by 2022.
168. EKS's Benefit Fraud team transferred to the DWP in December 2015. The initial launch of UC took place in January 2016. According to DWP as of December 2016 there are 471 recipients of UC of which 185 are employed and 287 are unemployed.
169. The key elements of UC are:
 - "Digital as appropriate" – it is assumed that 80% of claims will be on-line, and that there will be minimal personal contact or intervention;
 - In the majority of cases, benefit will be paid on a monthly basis, direct to the claimant's bank account, rather than to landlords, as is currently the case with

Housing Benefit. This is to re-acustom claimants to the pattern of salary payments when they return to work;

- The change in payment patterns will require East Kent Housing to focus on maintaining rent collection rates;
- For those in work, the system will require monthly data transfers from their employers to the HMRC, and then from HMRC to DWP systems, in order to adjust benefit for changes in income;
- Claims from homes within a “House in Multiple Occupation” (HMO) are currently checked to property records by DDC to ensure the total number of claims from the HMO is consistent with (or does not exceed) the number of homes it contains, and so reduce the risk of fraud. It is not yet clear how this check will be replicated by the DWP as they do not have access to our property database.

Capping of Social Housing Rents

170. In the Comprehensive Spending Review in November 2015, the Government outlined plans to extend Local Housing Allowance to social landlords. Local Housing Allowance (LHA) is the method by which local authorities identify how much housing benefit a claimant is entitled to, that supports them in paying the rent/accommodation charge and eligible service charge. Currently social housing providers are excluded from LHA.
171. The new rules will apply to affected individuals who sign their tenancy from April 2016 onwards; although the LHA rate of Housing Benefit entitlement will not apply until 2019.
172. Most Council tenants will not be affected as the rent they currently pay is below the LHA rate however, single person households below the age of 35 who are in receipt of housing benefit and who became tenants after April 2016, will be affected as they will only be entitled to benefit payable at the shared accommodation rate which is currently £59.09 pw. Some tenants of sheltered housing are also likely to be affected because of the relatively high level of HB eligible service charges that are payable. The government has recognised that the changes may have a detrimental impact on the providers of supported housing and is currently consulting on an alternative funding system which will offset the rent loss caused by capping rent. The system proposed involves a separate fund from government resources which is administered locally but the precise detail of how this will work hasn't been established.

Other notable reforms

173. There have been a number of other reforms and changes to Housing Benefit that have taken place in 2016/17 which have also been replicated in the CTRS scheme for 2017/18 to ensure alignment for clarity and administrative purposes. These are:
- That only the first two children in a family will be included in the calculation for children born after April 2017;
 - That the Family Premium has been removed from the HB calculation;
 - That the period a claim can be backdated has been reduced to one month;
 - That the period for which a claimant can be absent from Great Britain and still claim HB is reduced to 4 weeks (exclusions for certain occupations);
 - That the element of the work related component of Employment and Support Allowance is not included in the HB calculation.

174. Benefits and payments remain subject to the 4 year freeze that was put in place in April 2014.

Proposed changes from 2017

175. From April 2017 it is proposed that there will no longer be automatic entitlement to Housing Benefit (or the housing element of Universal Credit) for 18 - 21 year olds who are unemployed. The regulations have yet to be published as of January 2017.
176. The tax credit taper will be increased from 41% to 48% from April 2017. This is the rate at which a person's or household's tax credit award is reduced.
177. The family element in Child Tax Credit of £545 per year will be abolished from April 2017 for new claims. People who were receiving the family element will continue to receive it until there is a relevant change of circumstances.
178. From April 2017 support for children in Child Tax Credit and Universal Credit will be limited to 2 children for new claims. A family will only be entitled to an individual element for more than two children if they were claiming for more than two children/qualifying young persons who were born before 6 April 2017. New births after that date will not qualify for an individual element (certain exceptions will apply).

ASSET MANAGEMENT PLAN (AMP)

179. The AMP is used as a management tool to assist in ensuring that the Council's property assets meet the objectives set out in the Council's Corporate Property Strategy. It covers:
- Revenue maintenance requirements;
 - Capital works programmes;
 - Data on performance of significant corporate assets; and
 - Properties identified for disposal.
180. Expenditure on repairs and maintenance forms a direct link with the revenue budget, which contains the resources to meet the programme of repairs and maintenance. Standards of maintenance, and therefore of required expenditure, are to some extent subjective. The Director of Environment & Corporate 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 targets only essential maintenance.
181. There is an estimated backlog of planned maintenance required to "Operational Assets" in the region of £2.25m. The majority of the expenditure relates to the Tides Leisure Centre which because of its age requires significant expenditure on both the external envelope of the wet side buildings and the complete renewal of worn out and inefficient plant. Provision has been made in the MTFP for the necessary refurbishment/replacement works.
182. In 2013/14 an Urgent Works earmarked reserve was established and this is held to fund urgent works on corporate assets if required.

Summary

The key points for Members to note are:

- There are 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 Director of Environment and Corporate Assets is reviewing opportunities for realising capital receipts from surplus assets to support financing of the capital programme.

CAPITAL PROGRAMME & SPECIAL REVENUE PROGRAMME

Purpose of the Capital Programme

183. The primary objectives are to:
- Maintain an achievable, affordable capital programme;
 - 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; and
 - Maximise available resources by actively seeking external funding and disposing of surplus assets.

Definition of Capital

184. Capital expenditure is expenditure which increases the capital value, performance, use or life of an asset. It can be financed by a number of means including:
- Capital receipts;
 - Capital grants;
 - Revenue resources;
 - Prudential Borrowing (see Prudential Code below); and
 - Leasing.
185. With the exception of revenue resources and the use of external leasing, none of the sources above can be applied to meet revenue requirements.

Content of the Capital Programme

186. Members are referred to the draft Medium Term Capital Programme (MTCP) at Annex 8A. This is a dynamic programme and a formal bidding process is operated every year to identify and plan future projects.
187. However, the speed of developments in relation to major projects such as DTIZ, Aylesham, etc. has shown that if formal approval is required for every minor change in the programme, this will generate delays. In order to manage this it is proposed that the current practice, as set out below, is continued:
- The programme be continuously updated to reflect the latest position;
 - The latest programme will be included in the budget monitoring report (or a summary of changes will be provided) circulated to Members during the year;
 - The latest version of the programme will be displayed on the intranet and internet;
 - 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; and
 - 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.

188. 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 Director of Finance, Housing & Community.
189. 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 Director of Finance, Housing & Community in consultation with the Portfolio Holder responsible for Finance.
190. In addition, a contingency has been included on the MTCP and Special Revenue Programme in order 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 Director of Finance, Housing & Community in consultation with the Portfolio Holder responsible for Finance.
191. 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.
192. The structure of the programme is reflected in the format of Annex 8A and is explained below:
- Committed General Fund Projects
These are live General Fund 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 General Fund 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.
 - HRA Programme
Proposed level of expenditure and allocation of funding for HRA Capital projects, as detailed at Annex 8C.
 - 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;
 - Removal of projects financed by specific grants, or within the HRA, will not generate additional resources for other projects in the General Fund programme.

Proposed Deleted Projects

193. In order to reflect changing circumstances for projects and to finance new Capital projects it will sometimes be necessary to delete existing projects on the programme. These will be reported in the budget monitoring report circulated to Members during

the year. The following projects are proposed to be deleted from the current programmes:-

- Dover Priory car park (DDC contribution) - £500k – Reserve funded;
- Small Works Adaptation Grants - £45k – Capital Receipt funded;
- Burial Records on line - £9.3k – Capital Receipt funded;
- Woolcomber St car park works - £15k – Special Revenue Reserve funded.

194. It is proposed to allocate the £501.5k Leisure Centre Contingency to the refurbishment of the Tides Leisure Centre; funded from Capital receipts.
195. It is also proposed to reduce the £60k allocation for tennis court improvements at Connaught Park to £30.5k; funded from Special Revenue reserve.
196. The £210k allocation for resurfacing car parks is to be amended to include works to DDC owned access roads; funded from reserves.

Content of the Special Revenue Projects Programme

197. The Special Revenue Projects Programme (Annex 8D) 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 could not 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.

Financing of the Capital and Special Revenue Projects Programmes

198. 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 Director of Finance, Housing and Community, in consultation with the portfolio holder responsible for Finance, and that capital receipts from particular sources will not be hypothecated to specific projects. Instead they will be treated as one overall stream to finance Capital and Special Revenue projects within both the General Fund and HRA according to the priority of the projects and the availability of financing.
199. 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.
200. In addition to financing of capital expenditure, the Council also has to 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, Annex 9.

Prudential Code

201. 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. At the outset of the Prudential regime this Council decided that it would generally be imprudent to undertake borrowing which is not supported by revenue grant from the Government for financing the capital programme. The Council keeps this policy under review and may, at a future date, undertake new borrowing if it is affordable.

Capital Receipts

202. In 2004/05 the Government introduced the pooling of housing capital receipts, from Right-to-Buy sales, for distribution to authorities where there is greatest need. From 1 April 2012 new Right-to-Buy regulations apply. The main change from previous regulation is that receipts in excess of those allowed for under the Housing Finance Reform Debt Settlement may be retained by an authority for 1:4:1 replacement of Affordable Housing.
203. Right-to-Buy (RTB) sales in 2016/17 have been consistent with levels in 2015/16 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.
204. The Council generally retains 100% of non-HRA capital receipts and non-RTB HRA capital receipts, subject to capital allowance regulations.
205. Annex 8B details the level of capital receipts held, expected (based on contractual arrangements) committed to projects proposed to be used for new projects. The balance of receipts after these anticipated receipts and commitments is shown as £5.7m.

Additional Projects and Future Year Requirements

206. Annex 8F includes details of projects that have been identified requiring future expenditure. These projects are outlined to provide details of forthcoming pressures on capital and reserve resources. As financing becomes available through relevant grants or disposal of assets etc., these will be reviewed for inclusion in the Capital and Special Revenue Programmes based on the corporate priorities.

Summary

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 or 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 Director of Finance, Housing & Community in consultation with the Portfolio Holder responsible for Finance under delegated powers;

- The Capital Programme is partly financed from HRA Right-to-Buy sales. The level of sales increased in 2015/16 and the level of sales appears to be similar for 2016/17. The level of receipts available for general capital purposes remains limited.
- The detailed financing of the Capital and Special Revenue Projects Programmes is delegated to the Director of Finance, Housing and Community in consultation with the portfolio holder responsible for Finance;
- There is no provision for making capital grants to other organisations, other than those grants already approved; and
- The lack of headroom in the capital programme for additional projects is a significant constraint and large projects will need to be funded from external borrowing where revenue savings can be identified to offset the borrowing costs (such as the Leisure Centre and Property Investment Strategy projects).

RECOMMENDATIONS FROM THIS SECTION

207. It is recommended that Cabinet:

Continue the practice of delegated authority to the Director of Finance, Housing and Community, in consultation with the Portfolio Holder responsible for Finance, to:-

- Apply capital receipts, revenue resources, grants, s106 monies, etc. to finance the approved Capital and Special Revenue Projects Programmes;
- Authorise new projects up to £50k that are included in the Capital and Special Revenue Programmes;
- Approve the allocation of funds from the Capital and Special Revenue Contingencies to projects;
- Authorise virements between Regeneration projects;
- Apply Growth Point reserves to Regeneration projects.

208. It is recommended that Council:

- Approve the Capital and Special Revenue Projects Programmes;
- Approve that capital resources required to finance new projects are secured before new projects commence.

TREASURY MANAGEMENT AND THE PRUDENTIAL CODE

209. 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.
210. The new capital system promotes a Council framework to ensure:
- (a) That the authority maintains a balanced budget;
 - (b) That the impact of capital investment decisions is reflected in the revenue budget; and
 - (c) That performance measurement is implemented in managing and controlling the impact of capital investment decisions.
211. Annex 9 will be updated for the second circulation of the budget and MTFP and will set out estimates for each of the relevant Prudential Indicators in each of the financial years 2017/18 to 2017/18, and include the latest estimates for 2016/17 aligned with the revised forecast budget. Approval will be sought for the proposed indicators for 2017/18 – 2020/21. The indicators have been grouped into the five categories defined within CIPFA's Prudential Code.
212. 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.

TREASURY MANAGEMENT

213. The Council's Treasury Strategy complies with the requirements of the CIPFA Code of Practice on Treasury Management, which was adopted by the Council on 2 September 2002 and the CIPFA Code of Practice on Treasury Management (revised November 2009) that was adopted by this Council on 2 March 2011.
214. Approval of the strategy is a Council decision.

RECOMMENDATIONS FROM THIS SECTION

215. It is recommended that Cabinet:
- Delegate to the Director of Finance, Housing and Community, in consultation with the portfolio holder responsible for Finance, the amendment of the level and period of investment in property funds.
216. It is recommended that Council:
- Approve the Treasury Management Strategy, including the Prudential Indicators and Minimum Revenue Provision statement

KEY ASSUMPTIONS & READY RECKONER

Background

217. In order 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

218. Salary inflation will be based on the results of the Collective Bargaining process. Contract inflation for 2017/18 is based on the details of the specific contracts, the state of the market for the specific services and any other relevant factors. Contract inflation is assumed to be 3% for future years. Inflation on all other expenditure will aim to be limited to the current budget level; however a small allowance of 2% has been forecast to allow some limited growth.

Staff Numbers

219. The 2017/18 budget includes 255 full time equivalent posts directly employed for DDC plus a further 33 employed by DDC as part of the East Kent Audit Partnership (working for Canterbury, Thanet, Shepway and Dover and recharged accordingly) and East Kent HR (working for Canterbury, Thanet and Dover and recharged accordingly) allocated across services as detailed in Annexes 5A-5D.

Triennial Valuation of the Pension Fund by the Fund Actuaries

220. The triennial valuation took effect from April 2016. It has been assumed that the DDC backfunding contribution will increase by £74k per annum (3.9%) above the 2017/18 level of £1.89m for the planning period.

Interest Rates

221. It is assumed that DDC will earn an average of 0.5% on its investments in 2017/18 and future years.

Revenue Support Grant

222. The current draft settlement provides figures for 2017/18 – 2019/20. Future years are forecast to reduce by 44.6% and then 90.1% in 2019/20 when the value of the grant will be £57k.

Business Rates Retention

223. The current draft settlement covers 2017/18 – 2019/20 and proposes an increase in NDR inflation of 2.04% for 2017/18, 3.22%% for 2018/19, and 3.56%% for 2019/20.

Council Tax

224. Council tax increases have been assumed at £4.95 for 2017/18 and for the remainder of the planning period.

Second Homes Monies

225. Second Homes income from KCC has been removed from 2017/18 and thereafter.

New Homes Bonus

226. New Homes Bonus is a scheme that provides incentives and rewards for councils and communities who support delivery of new homes in their area. Government has reduced the grant paid to Local Authorities as detailed in the General Fund section. For planning purposes it is assumed that the grant will reduce by £450k in 2018/19.

Capital Projects

227. There are no material revenue pressures expected from current capital projects as they go live.

Ready Reckoner

- Payroll - 1% increase costs the General Fund approximately £80k;
- Council tax - 1% raises £66k;
- RSG – 1% change equals £10k;
- NDR – 1% growth in BR income equals £70k (DDC's share, including gross-up for S31 Grant);
- Investment Income - 1% equals £420k (split approx 75/25 GF/HRA);
- Contract inflation – 1% equals £80k;
- Business Rates Tariff - Every £100k reduction below the NDR baseline results in £40k reduced income for DDC to a maximum of the safety net value of £252k;
- Business Rates Levy – Every £100k received above the NDR baseline results in £20k additional income, before levy reductions from pooling.

SIGNIFICANT BUDGET RISKS

228. Budgets, by their nature, involve an element of forecasting which entails uncertainty and hence risk. The schedule below highlights the main budget risks identified.

Ref	Description	Impact	Likelihood	Mitigation	Sensitivity	Residual Impact	Residual Likelihood
1	Council Tax Base / Collection Rates – reduced collection rates could impact on the resources available to the Council.	H	M	<p>Realistic performance targets for collection of Council Tax have been set to reflect the system of local Council Tax Support now in place.</p> <p>EKS undertake regular monitoring of collection rates, trends on non payments and bad debt analysis.</p> <p>The collection rate for new payers is being monitored very closely and collection is in line with projections. Reasonable arrangements to pay are put in place by staff where appropriate.</p> <p>An increase from 6% to 10% of the amount payable by working age people under the Council Tax Support scheme has been approved by Cabinet for 2017/18, along with additional fine-tuning of the scheme, as outlined in the relevant report.</p>	1% reduction in the total collection rate costs £66k.	M	M
2	<p>NDR Localisation</p> <ul style="list-style-type: none"> • The localisation of Business Rates transfers some of the impact of growth or reduction in the tax base and collection rates to the billing authority. • The increase in the district's total RV in 2017/18 includes a significant increase for the Channel Tunnel of £19.6m. (£15.4m on 2010 RV list to £35m on 2017 RV list). 	H	H	<p>The NDR1 return to DCLG takes into account the likely scenario for the future year's business rates and that adequate provision has been made for the impact of BR appeals.</p> <p>Regular monitoring of the position is undertaken in conjunction with East Kent Services.</p>	<p>Impact of appeals on income not possible to accurately quantify across all businesses.</p> <p>For 2017/18 an additional level of appeals provision has been included in the budget</p>	H	H

Ref	Description	Impact	Likelihood	Mitigation	Sensitivity	Residual Impact	Residual Likelihood
	<p>Previously, Channel Tunnel have won appeals against their 2005 and 2010 valuations</p> <ul style="list-style-type: none"> • Dover receives 40% of business rates income, but after deduction of a tariff of £12.6m in 2017/18 (10.6m in 2016/17). Government has reserved the right to increase the tariff further depending on the final outcome for 2016/17. • This reduces Dover's share to a baseline of £3.5m approx. of BR income • If there is a shortfall of income, Dover bears the first £260k before receiving a safety net payment to limit its loss of funding. • If there is growth above the baseline, Dover receives its 40% share, but after a 50% levy reducing the amount retained to 20% of any growth. • There is a pooling mechanism that reduces the levy payable on growth from 50% to, say, 10% approx., but the saving from pooling is not entirely retained by Dover, but governed by the pool's sharing mechanism. • The future sustainability of the scheme is questionable and the outcomes are sometimes perverse. 			<p>While the district has benefitted from an increase in gross rates in 2017/18, this is mainly due to the 2017 revaluation. Higher reliefs to small businesses, increased appeals allowances, and a £2m increase in DDC's tariff reduce its share of the BR income to a similar level to the 2016/17 estimate.</p> <p>The Council was in a Kent BR pool with KCC and 10 districts in 2015/16 but has withdrawn from the pool in 2016/17 and 2017/18 due to volatility and uncertainty over its likely BR income pending resolution of significant appeals. The ongoing eroding effect of appeals on income and the timing of significant growth, which is not expected until 2018/19 (DTIZ), limits "growth" above the baseline, and therefore the significance of levies payable to Government.</p>	<p>to mitigate against this risk.</p> <p>Impact of BR income being below the baseline is up to £260k loss of funding until the safety net kicks in.</p> <p>Impact of being outside the Kent pool on reducing levy payable, is loss of £12k direct saving per £100k of growth and a further £12k that would have gone into a Kent/Dover LEP for agreed projects</p>		

Ref	Description	Impact	Likelihood	Mitigation	Sensitivity	Residual Impact	Residual Likelihood
				While pooling reduces the levy rate, which is beneficial, if Dover's BR income falls beneath its baseline, the pool would have to fund any safety net payment, making Dover a drain on the pool. If Dover exceeds its baseline and has to pay a levy, it will pay it at a higher rate than under the pooling arrangements			
2A	<p>A class action by NHS trusts/foundations regarding applications for mandatory relief for their premises is underway, to treat them as if they are charities, and is currently being contested by local authorities nationally. It is not thought that this will be successful, but no allowance is built into the MTFP should the NHS Trusts succeed in their claim, which would entitle them to 80% mandatory relief.</p> <p>They could then apply for a further 20% discretionary relief, potentially reducing their bills to £nil.</p> <p>If they are successful, the impact could be significant in terms of back-dated refunds and reduction in ongoing rates payable.</p>	M	M	<p>The impact of mandatory charitable relief at 80% on NHS Trust accounts is approximately £250k p.a. but, with backdating of claims to 2010, this could result in a one-off cost of £1,072k in 2017/18.</p> <p>The additional 20% relief would only be given if required under the local authorities' discretionary relief policy.</p>	£250k p.a. after backdating of claims resolved, based on current 2017 valuations		
3	Neighbourhood Development Plans may be produced by a number of Town or Parish Councils, for which the cost items	H	H	Planning advice is provided to towns and parishes to help ensure a good process is followed which would help to minimise costs.	£20k per annum.	H	H

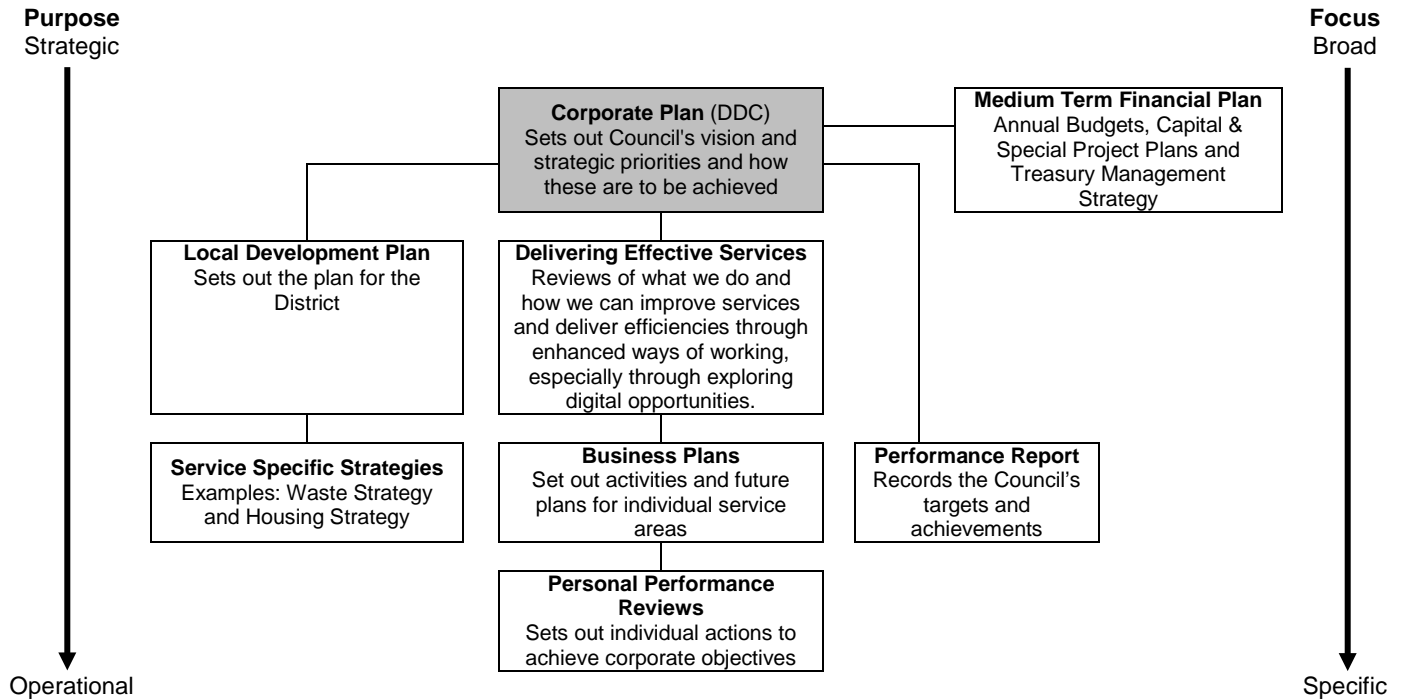
Ref	Description	Impact	Likelihood	Mitigation	Sensitivity	Residual Impact	Residual Likelihood
	such as a referendum and examination is the responsibility of the District Council.			Government grants are currently available to offset the costs to districts however it is not known whether this will continue into future years.			
4	Reduced level of commitment by partners in regeneration projects leading to reduced resources available to complete the projects.	H	M	The Chief Executive and the Head of Inward Investment are in frequent contact with our major partners. Our partners have also invested their own resources in the regeneration projects and have become identified with the projects' success.		H	L
5	Reduced capital receipts from housing and other asset sales leading to reduced resources available to complete projects.	H	M	The reduced receipts could arise from lower sales, lower prices or both. We cannot mitigate against market movements or reduced levels of sales. To some degree lower values may increase the level of interest, but this will also be dependant on interest rate movements.		H	M
6	The level of resources for repairs and maintenance to properties may result in asset deterioration and potential service failure.	H	M	A corporate budget is held for repairs and maintenance of assets enabling the Director of Environment and Corporate Assets to allocate the resources appropriately according to need.		H	M
7	There is a risk that the Government settlement for future years will be less than the forecast included in this plan.	H	M	As with the current settlement, the Council can take part in Kent wide lobbying on the settlement, but has limited ability to influence the settlement.	Every 1% reduction in RSG costs the Council approx. £17k.	H	M
8	Pension Funding – increased deficit, demographic change, reduced asset values and interest rates may lead to additional contribution rates, at future triennial valuations, to meet backfunding requirements.	H	H	Instead of paying a contribution rate based on a % of salaries, DDC pays a fixed sum.	A 1% increase in contribution rates costs the General Fund approximately £80k	H	M

Ref	Description	Impact	Likelihood	Mitigation	Sensitivity	Residual Impact	Residual Likelihood
9	Fees and Charges – some sources of income may be affected by a reduction in overall economic activity.	M	M	Income assumptions are made at a conservative level based on historic performance and other known influencing factors. Active monitoring of income levels is carried out throughout the year.		M	M
10	The budgeted level of vacancy savings may not be achieved.	M	M	The current Employment Stability process challenges the replacement of all vacancies and temporary staff requests. In addition, active monitoring of vacancy savings is carried out throughout the year.	Vacancy savings of £150k are forecast	M	M
12	New Homes Bonus may not be achieved through if levels of new homes completions are not to target.	H	M	The New Homes Bonus assumed in the MTFP is based on the current projections for DDC and includes assumptions for the proposed changes.	2017/18 NHB income of £1.9m included as a key element of the General Fund budget.	M	M
13	The impact of Housing and Planning Bill could be significant	H	H	The essence of the proposals are included in this document. The implications will only be known when the implementation proceeds. The bulk of this is subject to regulation by the Secretary of State.	Unable to forecast at the time of writing.	H	H
14	Economic downturn	M	M	Recent financial market activity may be the precursor of an economic downturn, or simple a re-adjustment. The UK is generally regarded as being well placed economically. Nonetheless, western economies have not yet fully normalised following the previous crash so room for manoeuvre by governments and central banks is limited.	Potential slowing of economic activity could place pressure on income streams and expenditure.	M	M
15	BREXIT	H	H	It is not yet known whether the terms for Brexit will be favourable, adverse or			

Ref	Description	Impact	Likeli- hood	Mitigation	Sensitivity	Residual Impact	Residual Likelihood
				neutral. If negative the impact of BREXIT on the economy could affect bank rates, consumer spending, property prices and other economic areas.			

RELATED STRATEGIES AND PLANS

The relationship between the Council's major plans and strategies is set out below. Members are reminded to consider these plans when approving the allocation of resources as set out in the MTFP.



Notes: The Corporate Plan sets out the vision and strategic priorities of the Council and provides the context for other strategies and plans that we may produce. The outcomes contained in this Plan are cascaded throughout the organisation, with targets to keep us on track. Each service has its own Business Plan, which sets out the service specific activity carried out and plans for delivering the services into the future.

JOINT PLANS WITH PARTNERS

229. Partnership working is an important element in service delivery and achievement of our corporate objectives. The Council's major partnerships are described below.

Partner / Project	Commentary
Dover Town Investment Zone (DTIZ) St. James's	We have signed Development Agreements with Bond City Limited in relation to the DTIZ/St. James's scheme and continue to work with the Homes and Communities Agency (HCA) who have taken on the responsibility for the obligations contained in the earlier SEEDA Funding Agreement. The Council's Development Partner, Bond City Ltd., has also signed a Funding Agreement with Legal and General Investment Management. Planning consent has been agreed for a revised retail/leisure scheme and a successful Compulsory Purchase Order has been progressed following an earlier Public Inquiry. The site has been vested in the Council's ownership and demolition of the remaining properties has been completed and a range of pre-construction works are now in progress and are expected to be substantially complete by the end of 2016. Separate archaeological investigations have also been undertaken across the site. A separate residential element at the corner of Castle Street/Maison Dieu Road been completed on site. The remainder of the scheme, comprising the retail and leisure elements, will now be undertaken as part of a comprehensive scheme. Beyond the site, the former Centurion House has been demolished and temporary car parking has been provided.
Aylesham Regeneration	Phase 1A has now been completed delivering 198 homes (35 affordable). A further 38 plots have been sold from Phase 1B and the full drawdown of this phase – (570 Homes) is due to be completed before the end of the financial year. In addition, the Council has agreed to purchase the 4 retail units for new local businesses to lease.
Connaught Barracks	A Memorandum of Understanding has been entered into with the Homes and Communities Agency (HCA), the current site owners. The HCA has been working with the District Council and liaising with English Heritage to a secure a sustainable solution for the site, which has seen Fort Burgoyne transferred to the Land Restoration Trust, supported by a dowry to enable ongoing maintenance and the development of a sustainable end use to be achieved. Proposals were brought forward in during 2015 to initiate the first part of the housing on the former Officer's Mess site on the western side of the site. Planning consent has been issued and the HCA is expected to market this opportunity in early 2017. The Government also announced on 4 January that the Connaught site will form part of a five site programme of accelerated development which will see direct investment in the demolition and infrastructure which will de-risk the site for smaller builders. It is expected that the HCA will be working with the Council through 2017 to develop an approved Masterplan for the remainder of the site. The Land Restoration Trust is also expected to commence consultations and bring forward proposals on Fort Burgoyne during 2017.

Hadlow College at Betteshanger	A Memorandum of Understanding has been entered into with Hadlow College who now own the site. The Council has continued to work with Hadlow College and the HCA to bring forward and enable a comprehensive development of the former business park and adjacent country park. The Council has worked with Hadlow on the preparation of Grant Funding bids under the Coastal Communities Fund and Heritage Lottery Fund which have recently been approved. In addition to this, The Council has also supported Hadlow College in the preparation of a bid European Funding which is currently in progress. Development commenced on the country park during Autumn 2015 and is due for completion during Spring 2017. Further specific proposals for the country park along with the business park are also expected to be submitted in early 2017 alongside a wider masterplan for the business park.
Western Heights and Farthingloe	A Planning Performance Agreement has been completed with the main land owner in the locality, CGI Limited. Planning Consent has been granted following the completion of prior legal agreements with English Heritage and KCC. The Council's Decision has been the subject of an on-going judicial challenge from the Campaign for Protection for Rural England (CPRE). Despite a successful defence prior to Christmas, the CPRE is continuing to seek leave to appeal. Cabinet has also authorised the necessary land owner agreements which are progressing in parallel. We continue to work with CGI and other bodies and key agencies such as Historic England, the Town Council and others to explore the significant investment interest for this area.
East Kent Spatial Development Company	The Council is a member of the Company, which is being restructured following the proposed withdrawal by the Homes and Communities Agency, to explore and bring forward investment opportunities in the District. Successful investments have been made at Aylesham, Betteshanger along with an impending scheme at Albert Road at Deal.
South East Local Enterprise Partnership (SELEP)	The Council is contributing actively as a member of the SELEP Board and as part of the Kent Federated Model to ensure that the strategic and local interests of East Kent and the District are fully represented. Thus far successful bids have been progressed for the Port of Dover and access arrangements at Albert Road in Deal. Furthermore, the Council is also participating actively as part of the wider Network of Coastal Communities and ensuring that their interests are taken into account as part of the SELEP work streams.
Dover Harbour Board	Following the decision by Government not to privatise the Port of Dover, the Council has engaged with Dover Harbour Board and others as part of the recently established Port of Dover Community Forum. Regeneration remains a key requirement going forward. The Port of Dover is commencing the scheme known as the Western Docks Revival in spring 2015, with the construction of two new junctions on the A20 forming the first phase of activity and due for completion in February 2017. A further Harbour Revision Order is being approved to modernise the Harbour Board's constitution whilst strengthening the links between the Port and community. The Port of Dover has also engaged with DDC and other interested parties on the essential master planning for Dover Waterfront.

Discovery Park Enterprise Zone, Sandwich	The Council is engaging fully in the Enterprise Zone Programme at both a national level, regular liaison with the Department for Communities and Local Government, and as part of the local Enterprise Zone Board. Significant progress has been made at Discovery Park, which is recognised as one of the flagship EZ's, towards the target of 3000 jobs by 2017. Currently, there is a total of around 2400 jobs secured or retained, comprising some 150 companies, with people employed on site or in the pipe-line moving there. The DCLG target is 3,000 jobs by 2017. The foundations for future investment in the site are also being put in place through the submission and resolution to approve a comprehensive site wide Masterplan together with an application for a supermarket, funding further essential infrastructure. DDC has also worked actively with Discovery Park on the successful submission of Grant Funding bids. Planning Consent has been issued for the site wide masterplan, which enables a mixed-use development around the retained buildings. Further detailed planning applications are imminent and have been received during 2016 and a number of new commercial developments are progressing on site which will further boost job numbers. DDC has also participated with Government and others, using Discovery Park as part of a case study route map to assist with opportunity developments where the need arises elsewhere.
Kearsney Parks for People	In 2016 DDC submitted a successful £3.1m bid to the Heritage Lottery Fund/Big Lottery Fund 'Parks for People' programme for a major scheme of restoration and improvement works at Russell Gardens and Kearsney Abbey. Our project manager and design team have been reappointed and are working on detailed designs and we have appointed additional members of staff to extend engagement with park users and the local community. The first phase of clearance work will take place in Russell Gardens during the winter of 2016/17, with the main restoration and improvement work starting in autumn 2017. The project is due to end in 2020.
White Cliffs Countryside Partnership	The White Cliffs Countryside Partnership is a partnership between Dover District Council, Shepway District Council, Kent County Council, Eurotunnel, Natural England and many other local organisations with financial contributions from the Heritage Lottery Fund, which was established in 1989 to help conserve and enhance the special coast and countryside of Dover and Shepway districts, and make it accessible to all. Dover DC is the host authority for the partnership.
'Up on the Downs' Partnership	'Up on the Downs' is a £2.5 million Heritage Lottery funded Landscape Partnership Scheme that aims to make a significant difference to the easily recognisable and iconic landscape of the Dover and Folkestone area by working with our partners and local communities to conserve and celebrate the landscape and heritage of the scheme area. The scheme is scheduled for completion in September 2017; however, Up on the Downs and DDC are working with partner organisations to secure an appropriate legacy for the scheme, including continuing the partnership into the long-term. Dover DC is the host authority for the partnership.

Waste and Recycling	The Council has awarded a 10 year contract to carry out recycling and waste collections, the processing of recyclate collected and street cleansing operations to Veolia Environmental Services (UK), which commenced in January 2011. The contract has been awarded in partnership with Shepway District Council and Kent County Council (as the disposal authority). Dover is the lead on this partnership and manages the client team who oversee the contract from the Dover District Council offices on behalf of the three authorities.
East Kent Housing	EKH has been established as an Arms Length Management Organisation jointly owned by Dover, Canterbury, Shepway and Thanet districts to deliver a range of delegated housing management services.
Choice Based Lettings	A Choice Based Lettings service delivered by Kent Homechoice the organisation set up in partnership with other Kent local authorities and Registered Providers.
Housing PFI	A partnership project between KCC and districts which has secured PFI funding that has already delivered extra care housing schemes across Kent, including two schemes in Dover district.
East Kent Audit Partnership	The partnership is hosted by Dover working with Canterbury, Thanet and Shepway councils and includes providing the internal audit service to East Kent Services and East Kent Housing.
East Kent Services	EKS discharge the administration of council tax, national non domestic rates, the housing benefits scheme, customer services, ICT and Human Resources functions on behalf of Dover, Canterbury and Thanet Councils. The East Kent Services Committee oversees the work of EKS.
South Kent Coast Health and Wellbeing Board	The South Kent Coast Health and Wellbeing Board covers the Dover district (with the exception of some GP practices in Dover district that are part of the Canterbury and Coastal HWBB) and Shepway district (following the boundary of the South Kent Coast Clinical Commissioning Group) and Cllr Paul Watkins is the chair of the Board. The local-level board complements the county-wide Board and will feed local views into the overarching Kent strategy and ensure local issues are determined locally. The aim of the South Kent Coast Health and Wellbeing Board is to ensure a "local" voice and to identify, at the appropriate level, district-wide and neighbourhood-level health needs, priorities and gaps in service provision.
A New Vision for Sandwich	Board membership at Officer and Member level on the 'A New Vision for Sandwich' project board. The Board was formed in September 2016 following the publication of the jointly commissioned KCC and Sandwich Town Council report "Which way for Sandwich?" The Board will deliver a programme of improvements to Sandwich Town Centre, commencing with the Guildhall project.
Sandwich Guildhall Project	Provision of Project Management services for the initiation phase of the first project in the "A New Vision for Sandwich" programme, centred on the Guildhall and the Guildhall forecourt.

GENERAL FUND BUDGET SUMMARY

2015/16 Actual		2016/17 Original Budget	2016/17 Projected Outturn (30 Sep 16)	2017/18 Proposed Budget
£000		£000	£000	£000
	Directorate (Note 1)			
2,222	Chief Executive	2,692	3,116	3,060
2,622	Governance	2,841	2,683	2,648
3,209	Finance, Housing & Community	3,145	3,186	3,150
8,080	Environment & Corporate Assets	8,136	7,828	8,162
381	Special Revenue Projects	621	1,032	75
0	Vacancy Allowance/Delivering Effective Services	(147)	0	(224)
0	Apprenticeships	25	20	0
0	Removal of Employers NI Cap for LGPS Employees	135	0	0
(113)	Council Tax Second Homes	(57)	(57)	0
0	Contingency	92	81	101
0	Target Saving - EKS	(125)	0	(151)
16,401	Directorate Service Costs	17,358	17,889	16,821
(2,929)	Depreciation	(2,535)	(2,535)	(2,535)
702	Pension Adjustments	561	561	674
(14)	Annual Leave Adjustment	0	0	0
67	River Stour Drainage Board	68	68	70
96	Council Tax Support Funding to Towns & Parishes	67	67	39
14,323	Service Costs Before Transfers to / from Reserves	15,519	16,050	15,069
	<u>Contribution to/(from) Reserves:</u>			
1,151	- Special Projects & Events Reserve	(601)	(1,012)	(55)
72	- Periodic Operations Reserve	47	(47)	117
(120)	- Urgent Works Reserve	0	0	0
462	- Dover Regeneration Reserve	188	94	(115)
404	- IT Equipment Reserve	58	58	58
189	- Revenue Grants in Advance Reserve	0	(73)	0
0	- Business Rates & Council Tax Reserve	(1,211)	(1,155)	(837)
16,481	Net Service Expenditure	14,000	13,915	14,237
	<u>Financing Adjustments:</u>			
(250)	Interest Receivable	(247)	(252)	(229)
242	Interest Payable	237	237	237
0	Property Investment Strategy	0	0	(500)
9	Loan Principal Repayments	0	9	9
78	Direct Revenue Financing of Capital	0	0	0
(161)	Soft Loan Adjustments	0	0	0
16,399	Total Budget Requirement	13,990	13,909	13,754
	<u>Financed by:</u>			
4,096	Non-Domestic Rates	3,621	3,609	3,637
1,852	Enterprise Zone Relief & Renewable Energy Retained	1,040	1,108	1,210
200	Collection Fund (Deficit)/Surplus - NDR	(724)	(724)	(837)
2,597	Revenue Support Grant	1,758	1,758	1,027
5,947	Council Tax	6,251	6,251	6,600
69	Council Tax Freeze Compensation	0	0	0
112	Council Tax Collection Fund Surplus	145	145	236
1,581	New Homes Bonus	1,899	1,906	1,874
51	New Burdens	0	0	0
16,505	Total Financing	13,990	14,053	13,747
(106)	General Fund Deficit/(Surplus) for the Year	0	(144)	7
(2,889)	General Fund Balance at Start of Year	(2,992)	(2,995)	(2,689)
0	Transfer to Earmarked Reserves	0	450	0
(2,995)	Leaving Year End Balances of	(2,992)	(2,689)	(2,682)

1) Directorate Service costs adjusted to removed REFCUS, funded DRF costs, soft loans and S106 net expenditure for comparability purposes

BUDGET SUMMARY - FUNDING ANALYSIS

<u>2015/16 Actual</u>		<u>2016/17 Original Budget</u>	<u>2016/17 Projected Outturn (30 Sep 16)</u>	<u>2017/18 Proposed Budget</u>
£000		£000	£000	£000
	Financed by:			
	Business Rates - Share of NDR, S31 Grant, etc:			
3,363	Net Funding Retained up to Baseline	3,391	3,391	3,460
878	Business Rates over Baseline	321	321	243
0	Safety Net Receipt	0	0	0
(210)	Levy Payment	(160)	(160)	(122)
0	DDC Direct Share of Levy Saving through Pooling	0	0	0
65	Section 31 Grant from Govt. (cap grant only)	69	57	56
4,096	Gross NDR Income	3,621	3,609	3,637
	Enterprise Zone Relief & Renewable Energy:			
1,069	Enterprise Zone Relief Retained for Current Year	1,024	1,049	1,155
(57)	Amount of EZ Relief in current year above NDR1 16/17 estimated value, required to be recognised in following year	0	(10)	0
840	Amount of EZ Relief in prior year above NDR 15/16 estimated value, permitted to be recognised in current year	16	57	10
0	Renewable Energy Retained	0	12	45
1,852	Total Enterprise Zone Relief & Renewable Energy	1,040	1,108	1,210
	NDR:			
200	Collection Fund (Deficit)/Surplus - NDR	(724)	(724)	(837)
200	Collection Fund (Deficit)/Surplus - NDR	(724)	(724)	(837)
	RSG:			
2,597	Revenue Support Grant (incl. C. Tax Support Funding)	1,758	1,758	1,027
2,597	RSG per Settlement	1,758	1,758	1,027
5,947	Council Tax	6,251	6,251	6,600
69	Council Tax Freeze Grant 2015/16	0	0	0
112	Collection Fund Surplus - C Tax	145	145	236
1,581	New Homes Bonus	1,899	1,906	1,874
51	New Burdens	0	0	0
16,505	Total Financing	13,990	14,053	13,747

Summary of General Fund Budget & Financing Requirements

	2016/17 Original Budget £m	2017/18 Original Budget £m	Year on year change %
Budget Requirement:			
Gross Revenue Expenditure	68.487	69.164	
Gross Revenue Income	(53.734)	(54.778)	
Underlying Budget Requirement	14.753	14.386	
Earmarked Reserve adjustments	(0.763)	(0.632)	
Net Budget Requirement	13.990	13.754	-2%
Financing Requirement:			
Revenue Support Grant	(1.758)	(1.027)	-42%
Business Rates Retained	(3.621)	(3.638)	0%
Enterprise Zone Relief - in year	(1.024)	(1.200)	17%
Council tax	(6.251)	(6.600)	6%
New Homes Bonus	(1.899)	(1.874)	-1%
Underlying Financing	(14.553)	(14.338)	-1%
One-off Financing:			
Collection Fund Distribution			
NDR	0.724	0.837	
Council Tax	(0.145)	(0.236)	
Enterprise Zone Relief - prior year	(0.016)	(0.010)	
Total Financing	(13.990)	(13.747)	-2%
(Surplus) / Deficit for the year	0.000	0.007	
Transfers to Earmarked Reserves	0.000	0.000	
Opening General Fund Balance	(2.992)	(2.690)	
Closing General Fund Balance	(2.992)	(2.683)	

	A	B	F	I	L	O	R
1	DOVER - NDR MONITORING - SUMMARY						
2			Updated Forecast	Budget Estimate	Budget Estimate	Budget Estimate	Budget Estimate
3			2016/17	2017/18	2018/19	2019/20	2020/21
4	Number of hereditaments		3,946	3,946	3,946	3,946	3,946
5	Aggregate RV		89,836,883	112,950,196	115,566,316	115,564,050	115,006,073
6	Calculated gross rate yield		43,481,051	52,634,791	54,894,000	55,933,000	56,813,000
7							
8	Estimated gross rate yield for full year - before EZ & TP Relief		43,553,848	52,634,791	53,651,000	54,668,000	55,798,000
9	Change in yield for previous years / Additions		-583,161	241,414	1,243,000	1,265,000	1,015,000
10	Less:						
11	Enterprise Zone Relief		2,726,785	2,845,000	2,175,000	1,477,000	754,000
12	Transitional Protection Rates Relief		17,300	4,666,461	0	0	0
13	Mandatory reliefs (current & previous years)		5,285,202	7,944,210	8,098,000	8,252,000	8,423,000
14	Discretionary reliefs (current & previous years)		161,890	185,768	189,000	193,000	197,000
15	Discretionary Reliefs funded from S31 Grant		48,835	0	0	0	0
16	Losses in collection		620,000	500,000	510,000	520,000	531,000
17	Interest on refunds (offset in gross rate yield on NDR3)		0	0	0	0	0
18	Cost of collection		157,828	162,828	166,000	169,000	172,000
19	Deferral Scheme + or - (exclude for now!)		0	0	0	0	0
20	Enterprise Zone BR to be retained		0	0	0	0	0
21	New Development Deal BR to be retained		0	0	0	0	0
22	Renewable Energy Schemes BR to be retained		44,145	45,000	46,000	47,000	48,000
23	Net yield before rate retention adjustments		33,908,702	36,526,938	43,710,000	45,275,000	46,688,000
24							
25	Rate retention adjustments		0	0	0	0	0
26	Estimated provision for loss on future appeals		-293,161	3,023,406	0	0	0
27	Collectible Rates, less cost of collection allowance		34,201,863	33,503,532	43,710,000	45,275,000	46,688,000
28	Add back: Transitional Protection Rates Relief		17,300	4,666,461	0	0	0
29	Net Rate Yield for Sharing		34,219,163	38,169,993	43,710,000	45,275,000	46,688,000
30							
31	Allocation of net rate yield	%					
32	Central share - before EZ and Transition Relief settlement	0.50	17,109,582	19,084,996	21,855,000	22,637,500	23,344,000
33	District/Unitary(0.49)	0.40	13,687,665	15,267,997	17,484,000	18,110,000	18,675,200
34	Kent County Council	0.09	3,079,725	3,435,299	3,933,900	4,074,750	4,201,920
35	Kent Fire and Rescue	0.01	342,192	381,700	437,100	452,750	466,880
36			34,219,163	38,169,993	43,710,000	45,275,000	46,688,000
37							
38	District tariff		10,604,537	12,595,635	12,838,898	10,604,537	10,823,639
39	District Funding (District share above, less tariff)		3,083,128	2,672,362	4,645,102	7,505,463	7,851,561
40	Adjustment for reliefs covered by S31 Grant		556,816	1,031,198	1,051,200	1,071,200	1,093,400
41	<i>Sub-total - Adjusted district share for levy/safety net</i>		<i>3,639,944</i>	<i>3,703,560</i>	<i>5,696,302</i>	<i>8,576,663</i>	<i>8,944,961</i>
42	District Baseline		3,390,769	3,459,995	3,526,819	3,390,769	3,460,826
43	Safety Net level	0.925	0	3,200,495	3,262,308	3,136,461	3,201,264
44	Safety Net payment		0	0	0	0	0
45	Levy payment if applicable	0.5	124,588	121,783	1,084,742	2,592,947	2,742,068
46							
47	District Income from NNDR (excl. CF Surplus):						
48	District funding - rates (as above)		3,083,128	2,672,362	4,645,102	7,505,463	7,851,561
49	District S31 Grant - Actual, incl. for 2% cap on multiplier		610,914	1,087,507	1,131,113	1,188,872	1,213,765
50	Safety net/levy		-124,588	-121,783	-1,084,742	-2,592,947	-2,742,068
51	<i>Sub-total</i>		<i>3,569,455</i>	<i>3,638,087</i>	<i>4,691,473</i>	<i>6,101,388</i>	<i>6,323,258</i>
52	Enterprise Zone Relief - District Share of Grant		1,097,475	1,155,094	882,107	598,862	305,637
53	Renewable Energy retained		44,145	45,000	46,000	47,000	48,000
54	Levy saving while in pool - 30% direct saving returned, less 5% lev		0	0	0	0	0
55							
56	Total Income From NNDR (excl CF surplus)		4,711,074	4,838,181	5,619,581	6,747,249	6,676,895
57							
58							

	A	B	F	I	L	O	R
59							
60							
61	COLLECTION FUND MOVEMENT:						
62	Balance B/Fwd - Surplus/(Deficit)		-3,659,500	-2,093,113	0	0	0
63							
64	In-year performance:						
65	Net yield for sharing before bad debts & appeals		34,546,002	41,693,399	44,220,000	45,795,000	47,219,000
66	Change in appeals provision		293,161	-3,023,406	0	0	0
67	Change in bad debts provision		-620,000	-500,000	-510,000	-520,000	-531,000
68			34,219,163	38,169,993	43,710,000	45,275,000	46,688,000
69	Total distributed:						
70	(Surplus)/deficit (distributed)/contributed per NNDR1		1,809,223	2,093,113	0	0	0
71	NDR shares paid per NNDR1		-34,462,000	-38,169,993	-43,710,000	-45,275,000	-46,688,000
72			-32,652,777	-36,076,880	-43,710,000	-45,275,000	-46,688,000
73							
74	Balance C/Fwd - Surplus/(Deficit)		-2,093,113	0	0	0	0
75							
76	DDC share of Surplus/(Deficit)		-837,245	0	0	0	0
77							
78							
79	Appeals Provision:						
80	Balance B/Fwd		2,820,000	2,526,839	5,550,245	5,550,245	5,550,245
81	Charged to provision		-583,161	0	0	0	0
82	Increase/(Decrease) in provision		290,000	3,023,406	0	0	0
83							
84	Balance C/Fwd		2,526,839	5,550,245	5,550,245	5,550,245	5,550,245

General Fund Service Expenditure by Cost Type

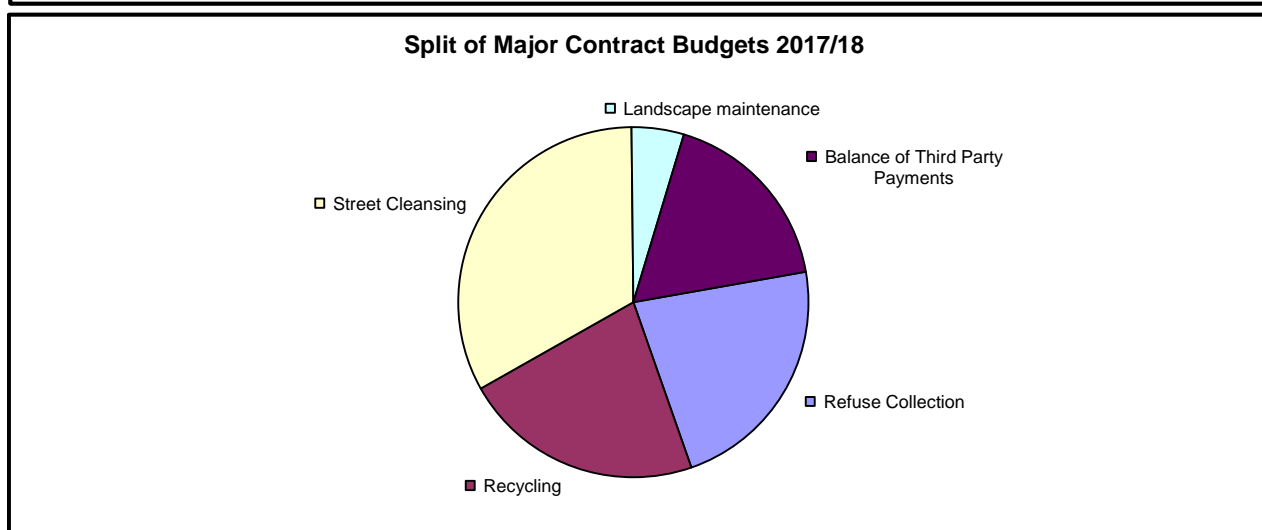
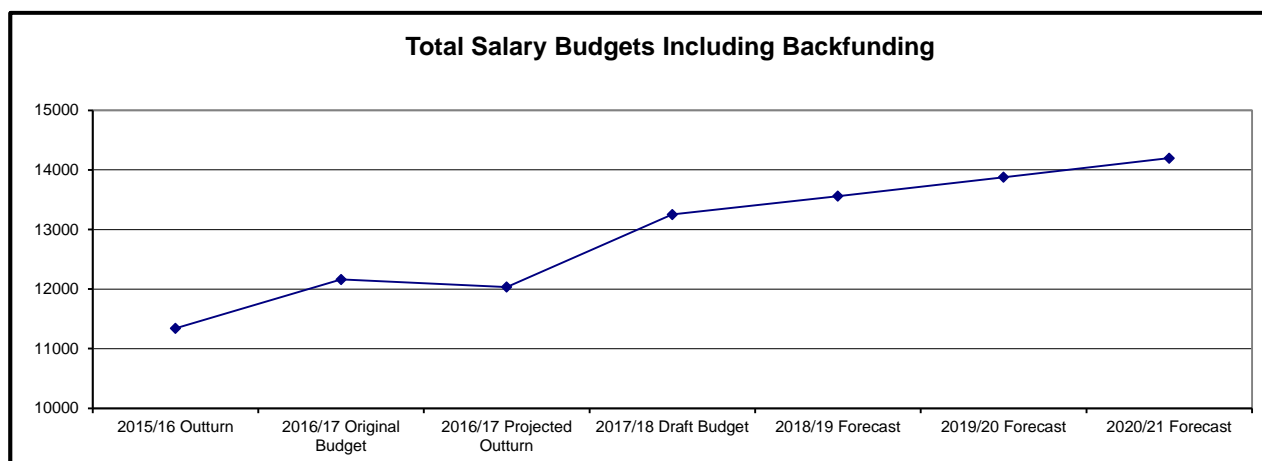
	2016/17 Original Budget	2016/17 Projected Outturn as at 18 Jan 2017	2017/18 Proposed Budget
	£000	£000	£000
Direct Expenditure			
Employees	13,381	13,460	14,582
Premises	1,565	1,631	1,592
Transport	180	193	206
Supplies and services	5,106	6,160	5,658
Third parties	9,228	9,213	8,165
Shared Services	3,048	2,874	2,874
Transfer payments	37,955	37,955	37,538
Total Direct Expenditure	<u>70,463</u>	<u>71,486</u>	<u>70,615</u>
Direct Income			
Government Grants	(39,926)	(39,458)	(38,747)
Sales	(49)	(58)	(48)
Fees and Charges	(7,147)	(7,804)	(6,940)
Other Income	(6,981)	(7,665)	(7,876)
Total Direct Income	<u>(54,103)</u>	<u>(54,985)</u>	<u>(53,611)</u>
Central Support reallocation of costs	(1,520)	(1,661)	(1,846)
Depreciation	2,535	2,535	2,535
Pension Adjustment	(561)	(561)	(673)
Special Revenue Projects	621	1,032	75
Vacancy Allowance & Employment Stability 09/10	(147)	-	(224)
Council Tax Second Homes	(57)	(57)	-
Contingency	92	80	101
Removal of Employers NI Cap for LGPS Employees	135	-	-
Apprenticeships	25	20	-
EKS Savings Target	(125)	-	(151)
Net Service Expenditure	<u>17,358</u>	<u>17,889</u>	<u>16,821</u>

GENERAL FUND KEY FIGURES - EXPENDITURE

	2015/16 Outturn	2016/17 Original Budget	2016/17 Projected Outturn	2017/18 Draft Budget	2018/19 Forecast	2019/20 Forecast	2020/21 Forecast
Key Expenditure Figures:	£000	£000	£000	£000	£000	£000	£000
Employees:							
Basic	7,987	8,636	8,383	9,336	9,522	9,713	9,907
NI	664	698	866	965	984	1,004	1,024
Current year pension	1,113	1,199	1,159	1,399	1,427	1,456	1,485
Backfunding	1,575	1,627	1,627	1,550	1,626	1,702	1,779
	11,339	12,160	12,035	13,250	13,560	13,875	14,195
Major contracts:							
Refuse Collection	1,014	1,023	1,023	1,045	1,076	1,109	1,142
Recycling	998	1,030	1,015	1,035	1,066	1,098	1,131
Street Cleansing	1,517	1,550	1,550	1,541	1,587	1,635	1,684
Total Waste	3,529	3,603	3,588	3,621	3,730	3,842	3,957
Landscape maintenance	797	691	711	225	232	239	246
Balance of Third Party Payments ¹	957	1,245	1,257	819	844	869	895
	5,283	5,539	5,556	4,665	4,805	4,949	5,098

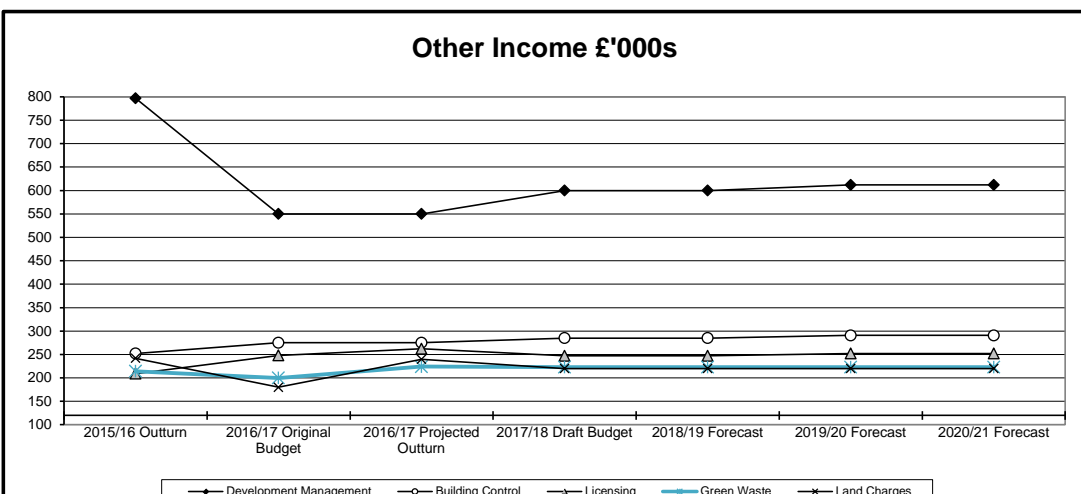
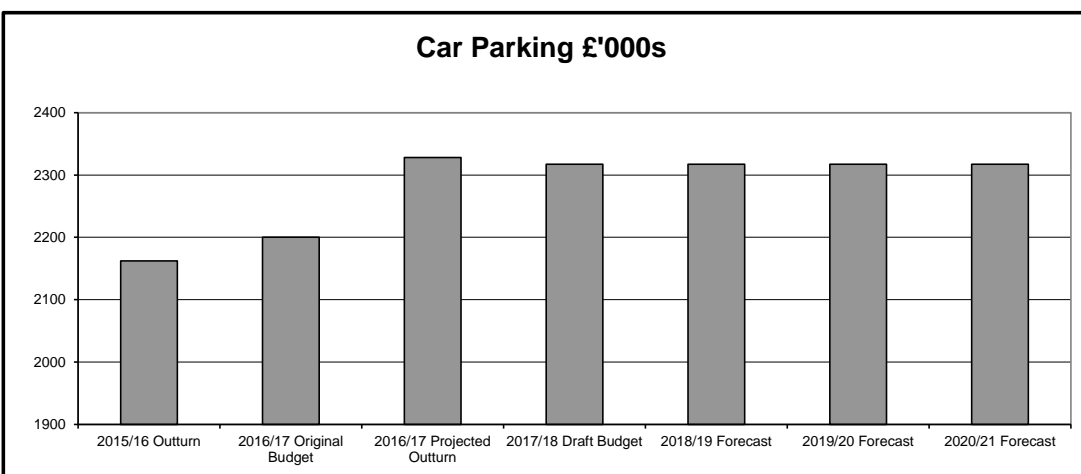
Notes

¹ Excludes EKS Management Fees & WCLP



GENERAL FUND KEY FIGURES - INCOME

	2015/16 Outturn	2016/17 Original Budget	2016/17 Projected Outturn	2017/18 Draft Budget	2018/19 Forecast	2019/20 Forecast	2020/21 Forecast
Key Income Figures:	£000	£000	£000	£000	£000	£000	£000
Car Parking	-2,162	-2,200	-2,328	-2,317	-2,317	-2,317	-2,317
Development Management	-797	-550	-550	-600	-600	-612	-612
Building Control	-252	-275	-275	-285	-285	-291	-291
Licensing	-209	-248	-262	-247	-247	-252	-252
Green Waste	-214	-200	-224	-223	-223	-223	-223
Land Charges	-242	-180	-240	-220	-220	-220	-220
	-3,876	-3,653	-3,879	-3,892	-3,892	-3,915	-3,915
Total Financing:							
Non-Domestic Rates	5,948	4,661	4,717	4,847	3,637	3,637	3,637
Revenue Support Grant	2,597	1,758	1,758	1,027	1,027	1,027	-250
Council Tax	5,947	6,251	6,251	6,600	6,666	6,733	6,800
New Home Bonus	1,581	1,899	1,906	1,874	1,426	1,386	1,386
Other	432	-579	-579	-601	523	523	523
Total Financing	16,505	13,990	14,053	13,747	13,279	13,306	12,096



Major Variances - 17/18 Budget vs. 16/17 Budget

	£000	£000
<u>Movement in Budget Requirement:</u>		
Total Budget Requirement in 2017/18		13,753
Total Budget Requirement in 2016/17		13,990
Reduction in Budget Requirement for 2017/18		<u>(236)</u>

Adverse / (Favorable)

£ £

Major Variances:**Corporate:**

DES Target - net savings expected in 2016/17 mostly within directorates in 2017/18		47
Vacancy savings - increase in corporate target		(50)
Apprenticeships - allowance for additional post		10
Council Tax Second Homes - reduction in KCC Funding		57
Contingency - small increase in voluntary amounts, etc.		9
Council Tax Support Funding to Towns & Parishes reduced		(28)
Interest Receivable - small decrease expected based on current rates		18
Property Investment Strategy income target		(500)
Recharges - net increase in recovery from outside General Fund		(13)
		<u>(450)</u>

Reserve Transfers:

LDF Reserve - increased contribution from 2017/18 for Local Plan & Inspection	35	
Equipment Replacement Reserve - new contribution to fund future replacement ground maintenance equipment	33	
NHB Reserve - no income transferred to reserve in 17/18	(279)	
Business Rates & Council Tax Reserve - use of reserve to cover increased collection fund deficit from 2016/17 to be recognised in 2017/18	(114)	
Business Rates & Council Tax Reserve - use of reserve to cover business rates & RSG funding shortfalls in 16/17 (none yet proposed in 2017/18)	487	
		<u>163</u>
Total Corporate and Reserve Transfers		<u>(287)</u>

Chief Executive:

Development Management Salary increase to reflect revised structure to meet current service demand levels, part funded from PDG reserve		114
Development Mgmt Planning Fee income - additional income expected from fees, enforcement, etc.		(50)
		<u>64</u>

Adverse / (Favorable)

£ £

Major Variances:**Finance, Housing & Community:**

EKS Management Fees savings	(200)
Homelessness - net increase in Emergency Accommodation costs after HB income, furniture storage reduction and recharged amounts	163
Pensions backfunding reduction based on actuarial report	(72)
Benefits Admin Subsidy - reduction in Government subsidies lower in 16/17 than expected, offset by larger than expected decrease for 2017/18	19
Benefits overpayments - recovery of costs reduction	23
Net credit from benefits subsidy system (overpayments-related) - minor increase	(10)
Bad Debts - General Provision increased	20
CCTV - reduced equipment and CCTV links to monitoring office under new contract	(15)
	(13)
Accountancy Salaries - full year restructure savings net of additional professional advice	
	(86)

Environment & Corporate Assets:

Community Services restructure savings	(75)
Property Services restructure - net costs after recharges to capital, HRA, etc.	58
Car Parks - Off Street - net NNDR decreases	(16)
Car Parks - Off Street - increased income, offset by electronic collection costs	(82)
Car Parks - On Street - increased income	(32)
Car Parks - On Street - reduced costs, including P&D equipment and maintenance	(13)
On-street Parking Reserve - increased surplus for transfer in 2016/17	37
Building Control - increased income forecast	(10)
Street Lighting - increased cost of electricity	27
Dover Museum - impact of restructure	24
Dover Museum - full year impact of free admission (£20k lost income less £10k DTC)	10
Dover Museum - NNDR increase following 2017 revaluation	19
Dover Museum - service charge income from CAB, incl. portion towards NNDR above	(13)
New Head of Parks & Open Spaces	70
Parks & Open Spaces - additional sponsorship and related income	(29)
Deal Tennis Centre - revision to accounting for funding (less loan repayments)	(20)
Property Services events - £6k reduced ground lettings & £10k cost for Zeebrugge ceremony	16
Utilities - net decreases across Water, Gas and Electricity (excl. street lighting)	(12)
Business Rates on main offices - saving following 2017 revaluation	(8)
	(50)

Governance:

Members' Training & Allowances	(7)
Electoral Registration - increase in printing and postage due to extra statutory reminders under the Individual Electoral Registration process	19
Local Land Charges - increase in expected income	(40)
	24
Democratic Services New Burdens Grant - funding excluded for costs of IER as uncertain	
Apprenticeship Levy	32
Additional software cost for ESRI mapping to improve website and service use	23
Port Health - decrease in income from Point of Entry certificates - grape imports no longer coming through the port	20
Hackney Car & Private Hire - triennial "unmet demand consultation" costs	14
	84

	<u>Adverse / (Favorable)</u>	
	£	£
<u>Major Variances:</u>		
		(275)
Total Major Variances		(275)
Minor Variances (numerous small variances) - net adverse		38
Total Variances		<u><u>(236)</u></u>
 <u>Changes in Funding:</u>		
<u>Business Rates:</u>		
Additional Funding from Baseline Movement		(69)
Decrease in Growth above Baseline		78
Decrease in Levy, if no pooling (50% x Growth)		(39)
Additional S31 Grant for Cap only (no cap in 16/17, hence reduction)		13
Renewably energy retained		(45)
Collection Fund - Increase in deficit covered by reserve use above		114
		<u>51</u>
<u>Enterprise Zone Relief Grant:</u>		
Enterprise Zone Relief Grant - Increase in EZ Relief (after offset of prior year elements)		(125)
		<u></u>
<u>Other:</u>		
Revenue Support Grant - Reduction		731
Council Tax - Increase in tax base & rate charged		(348)
Council Tax Collection Fund Surplus - increased DDC share for 2017/18		(91)
New Homes Bonus - Decrease		25
		<u>317</u>
		<u></u>
Total Changes in Funding		<u><u>243</u></u>
		<u></u>
Net Change in Surplus		<u><u>7</u></u>

FOUR YEAR REVENUE BUDGET FINANCIAL PROJECTION

Notes	2016/17 Projected Outturn £000	2017/18 Proposed Budget £000	2018/19 Forecast £000	2019/20 Forecast £000	2020/21 Forecast £000
1	13,909 Net Budget Requirement	13,754	13,754	13,754	13,754
	Corporate Adjustments				
2	- Salary inflation and increments including impact on National Insurance and Pensions		230	460	690
3	- Pension Backfunding (Triennial Valuation from 17/18)		74	150	230
4	- Contract inflation @ 3%		250	520	775
5	- Average expenditure inflation impact from non-specifically budgetted income item		120	260	400
6	- Average income inflation impact		-190	-340	-550
7	- Town & Parish grant funding removed from 2018/19		-39	-39	-39
8	Total Corporate Adjustments		445	1,011	1,506
9	0 Target Savings & Income Growth	0	-1,000	-1,700	-2,400
	13,909 Total	13,754	13,199	13,065	12,860
	Financed By :-				
	Non-Domestic Rates Income				
	Approx 3% annual increase on baseline funding				
	2014/15 deficit one-off in 2016/17 only				
	Business growth in the district				
10	3,609 Non-Domestic Rates Income	3,637	4,091	4,383	4,726
11	-724 Collection Fund Distribution	-837			
12	Collection Fund Distribution reserve offset removed		-837	-837	-837
13	1,108 Enterprise Zone Relief & Renewable Energy Retained	1,210	926	629	321
14	1,758 Revenue Support Grant (reduced by 45% & 90% as per 4 year settlement. Assumed "negative" from 2020/21)	1,027	569	57	-250
15	145 Collection Fund Surplus	236	150	150	150
	Council Tax Income				
	Tax increase (£4.95 annual increase)				
	Base increase (1% per annum)				
16	6,251 Total Council Tax Income	6,600	6,850	7,105	7,363
17	1,906 New Homes Bonus (reducing from 5 years to 4 years from 2018/19)	1,874	1,426	1,386	1,386
	14,053 Total Financing	13,747	13,175	12,872	12,860
18	-144 NET (SURPLUS) / DEFICIT	7	24	193	0
	Impact on Reserves :-				
	Projected General Fund Reserves				
	-2,995 Opening balance	-2,689	-2,682	-2,658	-2,465
	450 Transfer to Earmarked Reserves	0			
19	-2,689 Closing Balance	-2,682	-2,658	-2,465	-2,465

THREE YEAR REVENUE BUDGET FINANCIAL PROJECTION

Notes

- 1 The net budget is taken from the 2017/18 budget at Annex 1.
- 2 Increased salary costs reflect assumed inflation at 2% 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 3% for the planning period.
- 5 Inflation on all other expenditure will aim to be limited to the current budget level, however a small allowance of 2% has been forecast to allow some limited growth.
- 6 Increases in general income received (excluding specifically budgetted items such as car parking) assumed at 2% inflation.
- 7 The funding for Towns & Parishes has assumed to be reduced from £39k in 2017/18 to nil for future years, reflecting the impact of the reductions in RSG.
- 8 Total corporate adjustments.
- 9 Target savings required.
- 10 Forecast NDR funding, including impact of inflation & assumptions for business growth.
- 11 Redistribution of NDR Collection Fund year-end balances.
- 12 The 2017/18 budget includes one-off reserve funding to offset the impact of the 2015/16 NDR Collection Fund deficit, this has been removed from future years.
- 13 Enterprise Zone relief & renewable energy grant anticipated based on current forecasts.
- 14 The draft settlement as indicated in Dec 2016 by DCLG for future years.
- 15 The collection fund surplus is distributed to the precepting authorities pro rata to their share of the precepts.
- 16 Council Tax is forecast to increase by £4.95 per annum for the rest of the planning period. A 1% per annum increase in the tax base has also been assumed.
- 17 New Homes Bonus reduced to 4 year payments from 2018/19, with a minimum delivery of 0.4% growth.
- 18 Forecast (surplus) / deficit.
- 19 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 SUPPORT

This team is mainly concerned with the formulation of policy and strategy, in particular the development and delivery of the Health and Wellbeing agenda (and supporting other Districts to roll out the agenda) including Public Health liaison. It also includes corporate planning, supporting strategic and operational consultations and engagement and production of the annual State of the District. The team also supports the Corporate Management Team and the Executive, through project based work, CMT and Leadership Forum co-ordination and attendance.

In addition, the team includes Website Design and Management plus social networking for council services, Design Studio services enabling in house design, photography and video, Print Unit services for in-house printing and Mail Room services plus ensuring the Council's brand and corporate identify are adhered to in all communications. Both the Print Unit and Mail Room also support partner organisations.

DEVELOPMENT MANAGEMENT

The section's principal functions are:

Development Management (Regeneration Projects)

- Contribute to the realisation of major projects and other significant schemes, including resolution of any conflict between corporate aspirations and planning principles and policies, collaborative working and project management.

Development Management (General / Other)

- Processing of planning and other formal applications submitted under the Town and Country Planning Acts and making determinations in accordance with policies and other material considerations and taking account of performance indicators;
- Negotiations to resolve conflict and secure better quality developments;
- Reporting applications to Planning Committee in accordance with the provisions of the Constitution;
- Responding to requests for fee-earning pre-application advice and discussion;
- Responding to other informal letters, e-mails or telephone enquiries about a wide range of matters and land charge enquiries;
- Seek to protect and enhance our heritage and environment, including settlements, buildings, and landscapes;

- Managing change so that it both complements and underpins the long term viability of the district;
- Promoting good urban design throughout the District;
- Responding to appeals against the refusal of applications, the imposition of conditions or the failure to determine applications, including the preparation and giving of evidence at informal hearings and public inquiries;
- Investigation of breaches of planning control and monitoring of development, including responding to concerns raised by interested parties, and the taking of formal enforcement action in appropriate cases; and
- Support the Regeneration Delivery Section's work on the Local Plans, Supplementary Planning Documents and other issues

The section seeks to meet Government performance indicators (NIs) relating to decision times on planning applications. There remains a heavy workload on corporate and other challenging applications and a delicate balance must be maintained between this and available staff resources.

REGENERATION DELIVERY

Development Plan and Implementation

This Section brings together the Development Plan work that sets out the future of the District which has up until recently, focussed on the delivery phase, implementation of the District Council's Heritage Strategy and the Council's regeneration activities as a landowner.

The primary focus for the team is to promote and to facilitate the implementation of the Local Plan allocations in order to encourage investment and regeneration in the District. More recently, the team has been concentrating on updating Council's Statement of Community Involvement and the Dover Transportation Study, preparing a Strategic Housing Market Assessment and an updated Economy Study in order to understand whether or not the Council's Adopted Core Strategy/Land Allocations Local Plan needs to be reviewed in the form of a new Local Plan.

The Council's Adopted Core Strategy establishes the Council's objectives and policies for the future pace, scale, location and quality of development over a 20 year period (up until 2026) and is closely allied to the Corporate Plan and Community Strategy. The production of a Local Plan involves information gathering, monitoring and research. The implementation of the Local Plan is reported each year in the form of an Authority Monitoring Report.

In order to continue with the momentum that is being generated from the St. James's redevelopment and the forthcoming Dover Western Docks Revival Project, Consultants have now been appointed to undertake a masterplan for the Dover Waterfront area and a Public Realm Strategy. Other work in the Section includes providing Landscape and Ecology advice, monitoring the payment of S106 Agreements, undertaking further work on the feasibility of introducing a Charging Schedule for the Community Infrastructure Levy, processing Listed Buildings applications and the implementation of the District Council's Heritage Strategy by empowering local groups to undertake Conservation Area Character Appraisals.

The Section promotes the Council's interests and is deeply engaged in the District regeneration agenda. It is also heavily involved in supporting the Council's major regeneration projects and related research, strategies and corporate priorities that are carried out by other services e.g. the delivery of strategic housing and the relocation of the Dover leisure centre provision.

The overall objective is to bring focus to the Council's regeneration activities and concentrate resources where they can be most effective in bringing success whilst being prepared to respond to appropriate opportunities where they arise outside the identified programme.

Landowner Projects

As a result of re-structure the section will have responsibility for developing and promoting regeneration projects where the Council has a land interest. This will involve negotiating, agreeing and overseeing development agreements with the Council's developer partners and helping to steer projects through LDF and planning application processes. The Section is developing systems to facilitate the delivery of Corporate major projects where the Council is involved as landowner, including monitoring and accounting systems.

Service Summary		Budget 2017/2018									
		Costs controlled by Head of Service					Recharges	Capital	Total Cost	Charge-outs	Total
		FTE	Employees	Other Costs	Income	Sub-tot					
C3300	CHIEF EXEC ADMIN TRADING ACCT	2.0	208,910	5,770	-	214,680	35,610	-	250,290	(250,290)	-
Total Chief Exec & Secretaries		2.0	208,910	5,770	-	214,680	35,610	-	250,290	(250,290)	-
A1040	CORPORATE PLANNING	0.0	-	-	-	-	150,920	-	150,920	-	150,920
A1170	NON SERVICE SPECIFIC WORK	0.0	104,800	71,750	-	176,550	646,500	-	823,050	-	823,050
A1171	HEALTH PROJECTS	0.0	-	3,000	-	3,000	34,330	-	37,330	-	37,330
Total Corporate Resource		0.0	104,800	74,750	-	179,550	831,750	-	1,011,300	-	1,011,300
A5001	UNAPPORTIONABLE OVERHEADS (Print Unit)	0.0	-	5,150	-	5,150	-	-	5,150	-	5,150
C3030	MAIL ROOM TRADING ACCOUNT	2.0	77,420	35,740	-	113,160	26,060	-	139,220	(139,220)	-
C3050	PRINT UNIT TRADING ACCOUNT	0.0	-	46,670	(28,000)	18,670	111,410	-	130,080	(130,080)	-
C3331	DESIGN STUDIO	3.0	135,760	15,420	-	151,180	24,590	-	175,770	(175,770)	-
C3336	POLICY & LEADERSHIP SUPPORT	2.0	124,530	1,250	-	125,780	21,070	-	146,850	(146,850)	-
C5020	PHOTOCOPIERS HOLDING ACCOUNT	0.0	-	35,660	(49,090)	(13,430)	13,430	-	-	-	-
C5060	MAIL ROOM POSTAGE ACCOUNT	0.0	-	94,650	(94,650)	-	-	-	-	-	-
M1501	SE STRATEGIC PRTPN MIGRATION	0.0	130	170	-	300	1,730	-	2,030	-	2,030
Total Policy & Leadership Support		7.0	337,840	234,710	(171,740)	400,810	198,290	-	599,100	(591,920)	7,180
C3745	HEAD OF INWARD INVESTMENT	0.9	91,060	4,910	-	95,970	65,580	-	161,550	(161,550)	-
C3760	REGENERATION DELIVERY TRADING	8.4	451,330	27,440	-	478,770	133,630	-	612,400	(612,400)	-
C3770	DEVELOPMENT MANAGEMENT TRADING	26.4	1,074,570	34,720	-	1,109,290	283,480	5,250	1,398,020	(1,398,020)	-
C5240	PLANNING DELIVERY GRANT	0.0	3,000	3,000	-	6,000	1,780	-	7,780	-	7,780
H2030	CONSERVATION & HERITAGE	0.0	-	470	-	470	135,370	-	135,840	-	135,840
H3000	DEVELOPMENT MANAGEMENT	0.0	-	127,990	(655,700)	(527,710)	1,810,630	-	1,282,920	-	1,282,920
H3010	HOUSEBUILDING REGISTER	0.0	-	-	-	-	630	-	630	-	630
H3070	FARTHINGLOE PROJECT	0.0	-	-	-	-	53,260	-	53,260	-	53,260
H3090	STRATEGIC HOUSING MARKET ASSES	0.0	-	-	-	-	1,020	-	1,020	-	1,020
H3100	BROWNFIELD REGISTER	0.0	-	-	-	-	630	-	630	-	630
H4000	DOVER DISTRICT DEVELOPM'T PLAN	0.0	-	1,050	-	1,050	241,490	-	242,540	-	242,540
L4010	OTHER REGENERATION PROJECTS	0.0	-	600	-	600	132,390	52,910	185,900	-	185,900
L4095	AYLESHAM DEVELOPMENT	0.0	-	50,000	(50,000)	-	-	-	-	-	-
L5000	ECONOMIC DEVELOPMENT	0.0	-	3,850	-	3,850	107,960	-	111,810	-	111,810

DIRECTOR OF GOVERNANCE

The Director of Governance is responsible for a number of service areas that help support strong governance across the Council. The significant service areas in terms of income and expenditure are summarised below.

MONITORING OFFICER

As Monitoring Officer, the Director of Governance is responsible for delivering his statutory responsibilities to the District Council under the Local Government and Housing Act 1989, supporting the Standards Committee and the District Council and 35 Town and Parish Councils in relation to Member Code of Conduct matters, including considering any complaints against District, Town and Parish Councillors.

DEMOCRATIC SERVICES

Members

The section provides support to all members of the Council. They service all committees of the Council, provide support for the scrutiny function, administer the councillors' remuneration and allowances scheme, co-ordinate training and development and provide equipment to enable the councillors to carry out their democratic role as elected representatives of the community.

Chairman and Leader of the Council

The section provides secretarial and administrative support to the Leader of the Council and the Chairman of the Council. In addition, events organised by the Chairman to commemorate such events as Merchant Navy Day, Armed Forces Day and Commonwealth Day are organised by the section.

Electoral Services

Elections - The Elections Service is responsible for the organisation and conduct of European, Parliamentary, County Council, District Council and Parish Council elections within the district and has responsibility for the Police and Crime Commissioner Elections for Kent. The costs incurred in the conduct of elections are met by the body concerned;

Electoral Registration - The section is responsible for the compilation and maintenance of the Register of Electors including special category electors and absent voters. Electors should register as soon as they move and there is the facility to do this electronically. In addition, an annual household canvass must be undertaken to ensure that the register is up to date. Some Boundary review work and the implementation of those changes are also carried out within the team. The Council is obliged to appoint an officer of the Council to act as Electoral Registration Officer and to meet costs properly incurred in undertaking their statutory duties. The officer then acts as Acting Returning Officer at Parliamentary Elections and the Local Returning Officer at European Parliamentary Elections.

Local Land Charges

The section is responsible for local land charges. Duties include the maintenance of the Local Land Charges Register, liaison with other departments regarding the correct registration and removal of charges, acceptance, compilation and return of local land

charges searches and liaison with departments for replies associated with personal searches. The Land Charges team maintains comprehensive background records of charges recorded within the Land Charges Register.

ENVIRONMENTAL HEALTH

This service is fundamentally divided into two key areas each covering a broad range of functions:

Public Protection

The principal functions for this team include:

- **Food Safety and Hygiene Control** - the Council 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 area, investigates complaints of unsound food / unhygienic premises and applies infectious disease controls.
- **Health and Safety at Work** - the Council is responsible for investigating accidents (including fatalities) and dangerous occurrences in premises such as offices, shops, warehouses and clubs. A risk-based, targeted and proportionate approach to interventions and enforcement is utilised when ensuring compliance with the relevant Acts and Regulations.
- **Port Health** - the Port Health function includes inspections of vessels that enter the Port, such as cross channel ferries and cruise ships, to ensure that food hygiene standards are maintained. Certain imported foodstuffs are also identified, examined and sampled when necessary to ensure compliance with food safety regulations. Additionally ferries, cruise and cargo ships are inspected when requested to issue Ship Sanitation Certificates to demonstrate that such vessels are free from pests.

Environmental Protection

The principal functions for this team include:

- **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. The team also oversee the provision of burials undertaken under relevant Public Health legislation.
- **Pest Control** - the team manages the pest control service, which is provided by Cannon Pest Control who offer competitive rates for Dover District Council Residents.

ENVIRONMENTAL CRIME

The principal focus of this team area is to tackle environmental crimes including:

- Littering
- Dog Fouling
- Stray Dogs
- Fly tipping
- Trade waste
- Accumulations of rubbish

A small team of uniformed and non-uniformed staff, combined with an external contractor (as from April 2017) 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.

LOCAL LICENSING AND REGISTRATION

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

- **Alcohol, public entertainment and late night refreshments,**
- **Gambling,**
- **Animals** - boarding and breeding establishments, Riding establishments, Zoo's, Pet Shops, Dangerous Wild animals
- **Beauty Treatments** – Tattooing, Piercing etc.
- **Hackney carriage (Taxis) and Private hire operators, drivers and vehicles.**

CORPORATE SERVICES

This section is responsible for a number of corporate services of which the main areas are:

Performance Reporting - monitoring and reporting the Council's performance and benchmarking with other authorities to measure efficiency and value for money;

Insurance – providing insurance cover for the Council's assets and liability risks and administer all claims;

Customer Complaints - investigating and resolving complaints which have not been agreed between the customer and the service department and liaising with the Local Government Ombudsman on any issues which have been referred to them;

Risk Management - identification and mitigation of key corporate and project risks;

Freedom of Information - responding to FOI requests within the time constraints prescribed by the Information Commissioner

Business Continuity - development and maintenance of procedures to maintain the Council's key services during a disaster situation where the offices, systems or staff are not available;

Emergency Planning - working with KCC, fulfilling the Council's duty as a Category 1 responder to act with the emergency services to provide humanitarian support during an emergency situation;

Equalities - act as the central point of reference to promote and advise on equality issues throughout the Council's services;

Data Protection and RIPA - ensuring that any personal customer information held by the Council is protected, processed for the intended purpose and not shared with a third party without the necessary consent; and that any surveillance work is properly authorised in accordance with legislation

Service Summary		Budget 2017/2018									
		Costs controlled by Head of Service					Recharges	Capital	Total Cost	Charge-outs	Total
		FTE	Employees	Other Costs	Income	Sub-tot					
C3330	DIRECTOR OF GOVERNANCE	1.81	143,380	4,770	-	148,150	44,370	-	192,520	(192,520)	-
Total Director of Governance		1.81	143,380	4,770	-	148,150	44,370	-	192,520	(192,520)	-
C3940	HEAD OF REGULATORY SERVICES	1.41	108,190	1,910	-	110,100	30,140	-	140,240	(140,240)	-
C3960	LICENSING ADMIN TRAD ACCOUNT	4.00	160,370	11,110	-	171,480	107,060	-	278,540	(278,540)	-
C3980	ENVIRONMENTAL HEALTH	10.48	530,680	22,720	-	553,400	204,210	-	757,610	(757,610)	-
C3990	ENVIRONMENTAL CRIME	4.42	166,480	17,820	-	184,300	97,040	-	281,340	(281,340)	-
E1000	FOOD SAFETY AND HYGIENE	0.00	-	24,150	-	24,150	203,590	-	227,740	-	227,740
E1100	HEALTH AND SAFETY AT WORK	0.00	-	-	-	-	127,420	-	127,420	-	127,420
E1300	PEST CONTROL	0.00	-	100	-	100	33,160	-	33,260	-	33,260
E1400	POLLUTION CONTROL	0.00	-	330	-	330	-	-	330	-	330
E1425	DEFRA CONTAMINATED LAND FUND	0.00	-	-	-	-	310	-	310	-	310
E1430	ENV PROTECTION ENFORCEMENT	0.00	6,000	36,630	(19,200)	23,430	260,370	5,400	289,200	-	289,200
E1500	PORT HEALTH	0.00	7,000	12,640	(27,730)	(8,090)	131,890	-	123,800	-	123,800
E2010	LICENSING	0.00	-	-	(94,470)	(94,470)	143,040	-	48,570	-	48,570
E2015	MISCELLANEOUS LICENSING	0.00	-	5,000	(15,680)	(10,680)	65,170	-	54,490	-	54,490
E2020	GAMBLING ACT 2005	0.00	-	-	(18,640)	(18,640)	21,950	-	3,310	-	3,310
E2030	HACKNEY CAR & PRIVATE HIRE	0.00	-	25,260	(118,120)	(92,860)	138,230	-	45,370	-	45,370
E2100	DOG CONTROL MEASURES	0.00	-	16,750	(4,500)	12,250	74,240	-	86,490	-	86,490
E2190	ENVIRONMENTAL CRIME	0.00	-	2,150	(9,500)	(7,350)	271,660	-	264,310	-	264,310
Total Environmental Enforcmnt & Prot		20.31	978,720	176,570	(307,840)	847,450	1,909,480	5,400	2,762,330	(1,457,730)	1,304,600
B1500	EMERGENCY PLANNING	0.00	16,000	21,190	-	37,190	119,460	-	156,650	-	156,650
C3335	CORPORATE SUPPORT TRADING ACCT	6.00	339,130	33,780	(8,000)	364,910	144,650	-	509,560	(509,560)	-
Total Corporate Support		6.00	355,130	54,970	(8,000)	402,100	264,110	-	666,210	(509,560)	156,650
A1100	COUNCIL, CABINET & COMMITTEES	0.00	-	-	-	-	397,970	-	397,970	(59,700)	338,270
A1161	CHAIRMAN'S ACCOUNT	0.00	-	8,600	-	8,600	28,430	-	37,030	(5,550)	31,480
A1165	MEMBERS ACCOUNT	0.00	11,550	285,180	(3,250)	293,480	159,740	4,240	457,460	(67,950)	389,510
B4070	ELECTIONS - ADMIN	0.00	-	-	-	-	114,900	-	114,900	-	114,900
B4100	POLICE & CRIME COMM-POLICE ARO	0.00	-	20	-	20	-	-	20	-	20
B4500	ELECTORAL REGISTRATION	0.00	650	97,130	(510)	97,270	166,610	-	263,880	-	263,880
B5000	LOCAL LAND CHARGES	0.00	120	11,760	(220,000)	(208,120)	227,510	-	19,390	-	19,390
C3301	DEMOCRATIC SERVICES	9.50	418,850	15,500	(35,000)	399,350	156,210	-	555,560	(555,560)	-
Total Democratic Services		9.50	431,170	418,190	(258,760)	590,600	1,251,370	4,240	1,846,210	(688,760)	1,157,450
C3540	LEGAL TRADING ACCOUNT	9.68	535,350	37,670	(4,000)	569,020	134,770	790	704,580	(704,580)	-
C5045	LEGAL FEES HOLDING ACCOUNT	0.00	-	30,000	-	30,000	-	-	30,000	-	30,000
Total Legal		9.68	535,350	67,670	(4,000)	599,020	134,770	790	734,580	(704,580)	30,000
C3000	HUMAN RESOURCES TRADING ACCOUNT	0.00	83,250	-	-	83,250	344,290	-	427,540	(427,540)	-

DIRECTOR OF FINANCE, HOUSING AND COMMUNITY

The Director of Finance, Housing and Community is responsible for the following main service areas.

FINANCE

Accountancy

The Accountancy team is responsible for the General Fund revenue accounts, the capital budget, the Housing Revenue Account 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, producing budget monitoring reports, 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, the Employment Management process, projects, reports with financial implications, partnership working and associated matters.

Procurement, Creditors and Income

The Procurement team provides support to the Council in achieving best value, complying with its constitution, EU and other legislation and procurement best practice. The team is responsible for the procurement infrastructure, including managing and upgrading the system for requisitioning and raising orders, negotiating of contracts and catalogues and updating guidance and contract standing orders. They also maintain the Contracts Register, publish Supplier Spend data and administer the 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.

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 service delivers an agreed annual internal audit plan, undertakes special investigations and reports to the s151 Officer and also independently to the Governance Committee.

EK SERVICES

The Director of Finance, working with other DDC colleagues, acts as the lead client for the following services which transferred to EK Services (EKS) in February 2011 and are provided jointly for Dover, Thanet & Canterbury 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 service to the Director of Shared Services (Dominic Whelan) who is also responsible for the EKHR service. EKS provides the following services to Dover Council and the other partner councils in the shared arrangement:

Revenues

Council Tax has to be calculated, billed and collected for over 51,875 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 97.65% of Council Tax in the year.

Business Rates / Non Domestic Rates (NDR) also have to be calculated, billed and collected for around 4,000 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 98.10% of NDR by end of 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 nearly 2,800 council tenants, over 5,500 private tenants and more than 9,600 council tax payers.

Under the Universal Credit initiative, responsibility for Housing Benefit administration for working age customers will start to move to the Department for Work and Pensions (DWP) under a 5 year timetable between 2017 and 2022. Universal Credit Full Service begins in May 2017, and the Benefits Service will work closely with the council and DWP on this transfer.

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 develop our website and further develop customer accounts to enable increased self-service and reduced paper transactions.

ICT

The ICT service provides a complete strategic and operational technology service to the council under an agreed service level agreement. This includes support to desktop facilities for officers and councillors by the provision of a service desk that is open 8am – 6pm during the working week; the provision and maintenance of the local and wider area network supporting the main council office and remote sites, and infrastructure in terms of the data centre and associated servers and storage. This service also supports existing business systems and the implementation of new business systems.

A Geographical Information Systems (GIS) service is provided that maintains the existing GIS platforms, the Local Land and Property Gazetteer, and provides a GIS development service. Software development, technical business analysis and system testing services are also provided.

New opportunities are assessed and a seven year technology renewal plan is in place. A project management service is provided and also support to the Dover SIRO for information governance and compliance matters. ICT work closely with Dover District Council procurement team to ensure that any hardware or technology systems that are purchased by the council are centrally managed by the ICT teams to ensure compliance with various national and local protocols such as Public Service Network compliance. ICT have a dedicated network and infrastructure security team who work closely with the Council Senior Information Risk Officer (SIRO) to ensure the councils information and systems remain secure.

COMMUNITY SERVICES

Community Engagement

The Communications & Engagement Team develops and manages relationships between Dover District Council, the community and external stakeholders. Taking a project/campaign based approach to the proactive delivery of Council services the department is responsible for Strategic Partnerships, Community Engagement, Public Relations & Marketing, Events, and External Funding to support social investment. The department has a cross-cutting agenda with other Council departments and services. There will be a clear entry and exit strategy with regards to the team's projects and campaigns, and these will be clearly aligned with DDC's Strategic Priorities.

Community Safety

Dover District experiences low levels of crime and is consistently in the bottom quarter of reported crime levels in Kent. The Council manages the Dover District Community Safety Partnership (CSP), a group of agencies including Dover District Council, The Police & Crime Commissioner for Kent, Kent County Council, the Kent Fire and Rescue Service, the Probation Service and the local Primary Care Trust. The Kent Police and Crime Commissioner funds this partnership. The CSP has challenging targets for achieving reductions in reported crime and anti-social behaviour.

The Partnership also funds many initiatives across the district, tackling community safety issues identified by our communities.

Anti-Social Behaviour Unit (ASB)

The Council's Anti-Social Behaviour Unit was established in November 2004 to tackle anti-social behaviour across the district. This has now evolved into the Community Safety Unit run jointly with Kent Police and staffed by personnel from DDC, Kent Police and KCC. The Community Safety Unit works closely with other DDC departments, especially Environmental Health, East Kent Housing and other relevant agencies to tackle ASB and community safety issues across the district.

The Council is continuing to embed crime reduction activities in all its services (the Section 17 Project).

The division is also responsible for DDC's approach to Safeguarding issues (Child and Adult Protection), the Disclosure and Barring Service (previously known as CRB) policy and conducting DBS checks on behalf of the Licensing Section.

CCTV

The Council's CCTV system comprises a mixture of dome cameras and "shoe-box" type cameras with 23 cameras located in Dover, 17 in Deal and 9 in Sandwich.

The cameras are monitored and maintained by a team of CCTV operators based at a dedicated Control Centre, which is a restricted and secure centre, operated in accordance with Home Office Guidelines with access strictly controlled. All our CCTV Operators have undergone formal training and achieved a recognised qualification in the operation of CCTV.

The team works closely with the police, other law enforcement agencies, Dover/Deal/Sandwich Partnerships against Crime, the Town Centre Crime Reduction Group and DDC's Community Safety Unit to reduce crime, and the fear of crime throughout the district.

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.

STRATEGIC HOUSING

Housing Strategy

The Council's Strategic Housing service is responsible for developing an effective strategic approach which will help meet the housing needs in the district and contribute to the development of sustainable communities.

Strategic housing includes housing strategy and enabling, housing options, including homelessness prevention, and the private sector housing functions (see below) as well as functions carried out by the Council's Planning service and its Property Services section.

The Strategic Housing service is also responsible for monitoring East Kent Housing, the Arms Length Management Organisation set up to provide landlord services delegated to it by the Council and three other East Kent councils.

Housing Strategy and Enabling

The strategic housing function plays an important role in enabling the provision of affordable housing in the district. In the past this had been solely through partnership working with other affordable housing providers such as Housing Associations. More recently, the positive financial impact of HRA financing reforms had enabled the Council to take a more direct role in the delivery of new affordable housing, however, its ability to sustain this will be impacted by recent government policy initiatives. The service plays an important role liaising with other Council services such as Development Management, Regeneration Delivery and Corporate Property Services as well as external agencies such as the Homes & Communities Agency so as to secure new affordable housing in the district.

The service also provides input into a number of key partnerships which aim to deliver improved housing services both county wide and locally. These include:

- Kent Housing Group
- Kent Joint Planning & Policy Board
- PFI housing projects: Better Homes Active Lives & Excellent Homes For All
- Health, Housing & Social Care Working Group

Housing Options and Homelessness

The Housing Options 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.

Social rent homes are currently let through a 'choice based lettings' system and following a successful pilot the cycle for advertising vacant properties for applicants to "bid on" has been reduced from fortnightly to daily bidding.

A revised Allocations Policy was adopted in 2013/14 and led to the introduction of a new banding system for prioritising housing applications. The policy has since been reviewed and a number of relatively minor revisions were subsequently implemented Applicants are now able to make applications on-line and this has helped reduce the time taken to register applications. All applications are now being registered within the service standard target time.

The Council's strategic approach to addressing homelessness is set out in the East Kent Homelessness Strategy 2014-2019 developed in partnership with Shepway, Canterbury and Thanet District Councils. This led to the establishment of a new Dover district Homelessness Forum which meets quarterly to share intelligence and good practice and monitor the delivery of the strategy.

National statistics show that the number of households, including those without children, accepted as homeless by their council has risen 8% across England and by the end of March 2016, the numbers in temporary accommodation in England had risen by 10.6%.

In Kent, between 1st January and 31st March, local authorities received 1,180 homeless applications. This is 19% higher than the corresponding quarter last year when there were 993 applications.

We have seen a similar increase in the number of households approaching the Council for housing assistance and the number of households that the council accepted a full housing duty to, increased from 78 in 2014/15 to 124 in 2015/16, an increase of 59%. Despite some success in finding alternative forms of temporary accommodation, by the end of March 2016 there were 35 households in Bed & Breakfast although the majority of these were single person households.

To try and contain, and hopefully reduce, the increasing cost of B&B the Council is continuing to look at a range of options to increase the supply of alternative temporary accommodation.

A new Homeless Reduction Bill is nearing the end of its passage through Parliament. It's aim is to refocus local housing authorities focus on homeless prevention through amendments to Part 7 of the Housing Act 1996. The Bill is still going through Parliament but the main measures likely to be introduced include:

- An extension of the period during which an authority should treat someone as threatened with homelessness from 28 to 56 days.
- Clarification of the action an authority should take when someone applies for assistance having been served with a section 8 or section 21 notice of intention to seek possession from an assured shorthold tenancy.
- A new duty to prevent homelessness for all eligible applicants threatened with homelessness.
- A new duty to relieve homelessness for all eligible homeless applicants.
- A new duty on public services to notify a local authority if they come into contact with someone they think may be homeless or at risk of becoming homeless.

A very similar approach has already been implemented in Wales and experience of Welsh authorities indicates that it is likely to result in a relatively significant increase in service demand.

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 requirements of other regulations.
- The licensing of Houses in Multiple Occupation.
- The provision of Mandatory Disabled Facilities Grants
- 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. In 2016 the Council commissioned a Private Sector House Condition Survey and the results should be available in January 2017.

During 2016 the Government passed additional legislation to deal with “rogue landlords” which becomes operative during 2017. The main points are;

- The introduction of Civil Financial Penalties for Housing Act offences.
- The widening of the use of Rent Repayment Orders for offences of the Housing Act 2004.
- Widening the range of Houses in Multiple Occupation that must have a mandatory HMO licence. Significantly HMO’s under no longer have to be more than 2 storey’s in height.
- Amendments to fit and proper persons in relation to licencing and stronger powers with waste management.
- Introducing Banning Orders for landlords
- Having a Rogue Landlord Database

DFGs are now funded through the Better Care Fund and in 2016 The Department of Health substantially increased this funding to enable Councils to provide additional innovative ways of enabling disabled persons to remain independently in their home.

Changes to DFG funding and additional licensing of HMO’s will increase the workload of the team from 2017.

Using recycled funds, the service can also provide financial assistance to vulnerable home owners, in the form of grants and loans, to help them improve their homes to meet minimum standards.

The service has been very successful over the years in bringing long term empty properties back into use. It works closely with external agencies on partnership projects which provide funding to bring empty derelict property back into use.

The service also works in partnership with other agencies and organisations to deliver projects aimed at improving the condition of the housing stock in the district.

The team is also engaged in working in partnership with KCC and the CCG to identify and address health issues associated with poor housing conditions.

EAST KENT HOUSING

Dover District Council is the major social landlord in the district. As at 26 November 2016 it owned a stock of 4,348 dwellings comprising 2,740 houses and bungalows and 1,608 flats and maisonettes.

On 1 April 2011 the Council delegated the provision of day to day housing management services to East Kent Housing, an Arms Length Management Organisation (ALMO), set up jointly with Shepway, Thanet and Canterbury councils.

Ownership of the stock remains with the Council and East Kent Housing manages and maintains the stock under the terms of a Management Agreement with the Council for which it receives a management fee funded from the Housing Revenue Account.

A primary aim behind the decision to set up East Kent Housing (EKH) was to improve the quality of services provided to tenants. EKH is required to produce an Annual Delivery Plan and to provide the Council with regular performance management reports.

EKH is currently involved in the implementation of a new single, housing management IT system which they have identified will enable them to deliver significant financial efficiencies and service improvements. The project is being funded by loans provided by the four council owners with the expectation that the loan will be repaid from the financial savings achieved.

Service Summary		Budget 2017/2018									
		Costs controlled by Head of Service					Recharges	Capital	Total Cost	Charge-outs	Total
		FTE	Employees	Other Costs	Income	Sub-tot					
C3310	DIRECTOR OF FINANCE, HSG & COM	1.00	120,060	3,770	-	123,830	42,230	-	166,060	(166,060)	-
Total Director Of Finance, Hsg & Com		1.00	120,060	3,770	-	123,830	42,230	-	166,060	(166,060)	-
C3500	ACCOUNTANCY TRADING ACCOUNT	9.09	461,380	56,450	-	517,830	127,610	-	645,440	(645,420)	20
C3020	PROCUREMENT, CREDITORS & INCOME	8.08	285,300	23,930	(2,000)	307,230	149,270	-	456,500	(456,500)	-
A1070	SPECIAL FEES AND PAYMENTS	0.00	-	70,000	(4,500)	65,500	1,170	-	66,670	-	66,670
A1075	TREASURY MANAGEMENT	0.00	-	11,750	-	11,750	40,650	-	52,400	(20,330)	32,070
A5000	BCKFNDNG & OTHER PENSION COSTS	0.00	1,978,760	-	-	1,978,760	(2,076,580)	-	(97,820)	-	(97,820)
B1600	GRANTS TO VOLUNTARY ORGS	0.00	-	244,910	-	244,910	2,290	-	247,200	-	247,200
Total Finance		17.17	2,725,440	407,040	(6,500)	3,125,980	(1,755,590)	-	1,370,390	(1,122,250)	248,140
C3995	COMMUNITY AND ENGAGEMENT	9.50	384,080	14,980	(27,110)	371,950	119,920	-	491,870	(491,870)	-
A1050	CORPORATE PRESS & PUBLICITY	0.00	-	33,490	(8,000)	25,490	133,160	-	158,650	-	158,650
E2200	CCTV	3.30	119,550	63,440	(3,340)	179,650	56,700	-	236,350	-	236,350
E8700	CRIME AND DISORDER	0.00	600	2,020	(28,860)	(26,240)	12,200	2,500	(11,540)	-	(11,540)
M1500	COMMUNITY DEVELOPMENT	0.00	-	-	-	-	227,550	-	227,550	-	227,550
M1520	REGEN OFFICER AYLESHAM	0.00	34,680	4,500	(39,180)	-	42,590	-	42,590	-	42,590
M1575	INSPIRE FUND	1.00	11,050	-	(11,050)	-	1,750	-	1,750	-	1,750
M1576	AYLESHAM GARDEN VILLAGE	0.70	3,390	-	(3,390)	-	3,510	-	3,510	-	3,510
M1580	DOVER COASTAL COMMUNITY TEAM	0.00	-	-	-	-	8,430	-	8,430	-	8,430
M1585	DEAL+SANDWICH COASTAL COM TEAM	0.00	-	-	-	-	8,430	-	8,430	-	8,430
M2600	SPORTS STRTGY, IMPLMTN & GRNTS	0.00	-	4,500	-	4,500	19,510	-	24,010	-	24,010
M4000	ANTI-SOCIAL BEHAVIOUR	1.70	75,640	10,330	(30,000)	55,970	60,060	-	116,030	-	116,030
Total Community Engagement		16.20	628,990	133,260	(150,930)	611,320	693,810	2,500	1,307,630	(491,870)	815,760
C3360	HOUSING ADMIN TRADING ACCOUNT	1.00	79,100	1,840	-	80,940	49,890	-	130,830	(130,830)	-
C3855	HOUSING NEEDS TRADING ACCOUNT	9.00	344,770	4,800	-	349,570	122,760	-	472,330	(472,330)	-
C3857	KENT HOMECHOICE	1.00	46,480	229,860	(285,570)	(9,230)	9,230	-	-	-	-
M1000	HOMELESSNESS	0.00	-	617,700	(226,000)	391,700	268,290	-	659,990	-	659,990
M1050	RENT DEPOSIT SCHEME	0.00	-	10,000	(10,000)	-	-	-	-	-	-
M1100	PRIVATE SECTOR HOUSING (incl. Renov'n Gr	6.22	272,640	25,290	(6,250)	291,680	99,180	-	390,860	-	390,860
M1401	HOUSING STRATEGY	0.00	-	8,000	-	8,000	15,250	-	23,250	-	23,250
M1410	CHOICE BASED LETTINGS	0.00	-	11,040	-	11,040	-	-	11,040	-	11,040
Total Strategic Housing		17.22	742,990	908,530	(527,820)	1,123,700	564,600	-	1,688,300	(603,160)	1,085,140
C3376	DDC @ YOUR SERVICE	0.00	-	267,430	-	267,430	131,780	3,470	402,680	(402,680)	-
Total Customer Services (DDC Share)		0.00	-	267,430	-	267,430	131,780	3,470	402,680	(402,680)	-

DIRECTOR OF ENVIRONMENT AND CORPORATE ASSETS

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

WASTE MANAGEMENT

Refuse and Recycling Collections

The Council introduced new service arrangements for refuse and recycling collections in 2011, which provide residents with:

- Weekly segregated collection of food / kitchen waste, collected in a 23l kerbside caddy, with householders also using a small kitchen caddy;
- Alternative 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 the black box. 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, tetrapak cartons and 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; and
- 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 2021, has been awarded in partnership with Shepway District Council and Kent County Council (as the disposal authority). Dover is the lead authority within this partnership and manage the client team, which comprises staff from both Dover and Shepway based at the Dover District Council offices who manage the contract and are also responsible for promoting waste reduction, re-use and recycling to residents across the district.

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 roadside aggregates or melted down for reuse.

Garden waste collected fortnightly through the subscription green waste collection service, is composted on a local farm and ploughed back in as a soil improver. Food waste collected weekly as part of the new service is taken to an anaerobic digestion facility operated by Tamar Energy in Basingstoke.

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 section in accordance with the Refuse Disposal Amenities Act (1978).

Street Cleansing

The section is responsible for the cleansing of the highways and Council owned land, in accordance with the provisions of the Environmental Protection Act 1990 and subsequent Code of Practice on Litter and Refuse (2006). This is carried out in accordance with standards set by Government, which define how quickly the Council has to clear such land. It covers litter, detritus (grit in the gutter), dog fouling and leaves. These items are collected either manually or by using mechanical sweepers. The section also arranges the emptying of litter and dog waste bins.

The removal of fly tipping also falls within the service provision; however Environmental Health deals with the investigation and enforcement element.

The service is provided as part of contract with Veolia Environmental Services, which extends until January 2021 and also forms part of the partnership working and joint contractual arrangement with Shepway District Council administered by the Waste Services Section.

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 Sainsbury's and the Co-Op in Deal, 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 some 15 years ago.

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.

ASSETS & BUILDING CONTROL

This service is divided into a number of key areas:

Asset Management

Public Conveniences - The Council currently maintains and operates 16 facilities within the towns and villages across the district. Of these, 14 facilities are supported by 3 Town and 5 Parish Councils.

Depots - This budget includes costs associated with one operational depot at Dover, and the former depot at Deal, as well as several garages and stores. The depot in Dover is leased to Veolia Environmental Services as part of the Council's Waste Management Contract and includes the responsibility for their repair and maintenance.

Markets - Markets are currently held every Saturday in Dover and Deal. The Council manages the long established Saturday fruit and vegetable market in Market Square,

Dover with the stallholder paying a set fee per pitch, while Dover Town Team and Deal Town Council operates the Dover (Tuesday) and Deal (Saturday) markets in partnership with Dover District Council.

Beaches and Foreshores - The district's coastline extends between Dover and Sandwich. This budget maintains the beaches and foreshores in this area. Additional income is generated by leasing beach and boat plots at the following locations:

- Beach huts in St Margaret's Bay;
- Beach hut plots in Kingsdown;
- Commercial boat plots in Deal and Walmer; and
- Private boat plots in Deal, Walmer, Kingsdown and St Margaret's.

Oil Pollution - In accordance with the County of Kent Oil Pollution Response Scheme, the District Council has responsibility to deal with pollutions by oil on beaches and with the threat of oil to beaches and to sea up to a depth of 5.5 metres at low water mark of ordinary tides or to a distance of one mile from the shore, whichever is less. Areas beyond this extent are dealt with by Kent County Council.

Leasehold Properties – The Council has significant land holdings across the District, some of which are let for commercial and/or retail use. The Valuation team ensures these are managed in accordance with the Corporate Asset Management Plan.

Coast Protection

Under the Coast Protection Act 1949 the Council has powers to provide and maintain coastal defences to protect the land from erosion. The Government provides financial support to coast protection authorities by grant aiding capital schemes, with the approval processes being managed by The Environment Agency, but will not grant aid routine maintenance. Shoreline Management Plans for the coastal frontage have been produced and work is also progressing on implementing the recommendations of the Pegwell Bay to Kingsdown Coastal Strategy. Funding has recently been allocated for works to the coast defences at Kingsdown/ Walmer, which are currently under construction.

Facilities Management

The service covers a number of properties;

- **Dover Town Hall (Maison Dieu), Dover** - The main facilities at Dover Town Hall are the Stone Hall, Connaught Hall and the Council Chamber. There are also other smaller areas available for hire. The facilities are used for a variety of functions including wedding receptions, dinners, parties, dances, concerts, theatre, exhibitions, seminars, elections etc. The premises are managed by Your Leisure, who also operate the Winter Gardens at Margate and lease the Council's leisure facilities, under a property lease for the Town Hall, supported by a funding agreement. Under the terms of the lease, most categories of expenditure are the responsibility of Your Leisure but some major areas remain as Council obligations. The Council is currently developing a funding bid as part of plans for major renovations to the building.
- **Deal Pier** - The present Pier took three years to build and was officially opened by the Duke of Edinburgh in 1957. It provides opportunities for walking and fishing, has a café at the seaward end and two small shops at the entrance. The Pier itself is

managed directly by the Council and in recent years substantial funds have been spent on repairing the steel and concrete structure. The construction of the new café and sun lounge was completed during autumn 2008 and has significantly enhanced the facilities available. This has been recognised through the receipt of several architectural awards. These works have also seen improvements to the deck surface and the installation of new lighting together with other minor improvements.

- **Leisure Centres** - The Council's leisure centres, Dover Leisure Centre, Tides and the Deal Indoor Tennis Centre provide a wide range of facilities. Dover has a traditional 25 metre swimming pool designed for lane and competitive swimming together with a learner pool, eight court sports hall, fitness and health suite, aerobics studio, squash courts, bar, cafeteria and other minor facilities. Tides consists of a beach effect leisure pool with waterslides, ancillary pools and other features, a four-court sports hall, fitness and health suite and cafeteria. The facility now includes the recently opened tennis centre which replaces the air hall, which was destroyed during severe storms in early 2007. The leisure centres have been leased to and managed by Your Leisure since April 2001. Your Leisure also manages the children's paddling Pool in Walmer. The Council is bringing forward plans to provide a new leisure centre for Dover recognising that the current centre has a limited residual life.
- **Corporate Properties** – The Council operates from a number of properties such as the offices at Whitfield, Dover Gateway and other area offices within the District and the property services team are responsible for the effective management of each of the premises in terms of activities such as caretaking, cleansing and routine maintenance.

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.

Capacity continues to be created through continuous reviews of staffing, procedures and practices in order to increase efficiency and effectiveness. Despite the recession, the level of building activity remained relatively stable but continual improvements in efficiency are still being sought. Capacity to increase fees substantially may well be constrained through increased competition from the private sector. All applications received from 1st January 2016 are electronic.

PARKS & OPEN SPACES

Parks and Open Spaces

The Council has a substantial stock of parks, open spaces and sports grounds throughout the district including, for example, Kearsney Abbey and Connaught Park in Dover and Victoria Park in Deal. The areas provide for both active and passive leisure and include facilities such as skateboard parks, multi-use games areas, play areas, sports pitches, bowling greens and tennis courts in addition to areas for walking and quiet reflection. Grounds maintenance of the sites in recent years has been carried out by English Landscapes but the Council has decided to insource the service and this work will be undertaken by a directly managed team from April 2017.

Cemeteries - There are six cemeteries in the district managed by the Council, located in Dover, Deal, Sandwich and Aylesham, presently used for earth burials, covering a total of 19.25 hectares.

Closed Churchyards - The Council has a legal obligation for the upkeep of closed churchyards, which are no longer maintained by the church or parish councils. There are currently 21 closed churchyards maintained, covering 5.01 hectares.

White Cliffs Countryside Partnership

The White Cliffs Countryside Partnership was set up 25 years ago to help conserve and enhance the special coast and countryside of Dover and Shepway districts, and make it accessible to all. It is a partnership between Dover District Council, Shepway District Council, Kent County Council, Eurotunnel, Natural England, Environment Agency, Kent Downs AONB Unit, Kent Wildlife Trust, National Trust, British Energy, British Nuclear Group, Affinity Water, Network Rail with financial contributions from the European Regional Development Fund, the Big Lottery and the Heritage Lottery Fund.

Up on the Downs

Up on the Downs is a £2.5 million Heritage Lottery funded Landscape Partnership Scheme that is making a significant difference to the easily recognisable and iconic landscape and communities of the Dover and Folkestone area by:

- Investing in heritage
- Supporting communities
- Increasing access, skills and understanding
- Working together in partnership

The scheme is scheduled for completion in September 2017; however, Up on the Downs and DDC are working with partner organisations to secure an appropriate legacy for the scheme, including continuing the partnership into the long-term.

MUSEUM & TOURISM SERVICES

Dover Museum

Dover Museum is one of the oldest museums in the UK, founded in 1836. Its three floors of exhibitions on the history of Dover and its award winning Bronze Age Boat Gallery attract over 35,000 visitors a year. It operates a successful schools programme attracting some 13,000 school children annually. Work continues with young people, traditionally a hard to reach group for museums, to make the museum more relevant to them, and a

team of volunteers is implementing a new collections plan relating to the national museums accreditation scheme.

Tourism

The Council's role in tourism is as a co-ordinator for the district's tourism industry and the White Cliffs Country Marketing brand. It produces a successful annual tourism guide and website and associated marketing campaign, in partnership with the White Cliffs Country Tourism Association (WCCTA). The service, in partnership with other districts, KCC and Visit Kent is actively engaged in promoting the district during events such as the Olympic Torch Event in Dover, the torch relay through the District and the Open Golf tournament at Sandwich.

The section also operates one of the busiest visitor information centres (VICs) in the UK, the Dover Visitor Information Centre, co-located within Dover Museum and advises VICs in Deal and Sandwich.

Service Summary		Budget 2017/2018									
		Costs controlled by Head of Service					Recharges	Capital	Total Cost	Charge-outs	Total
		FTE	Employees	Other Costs	Income	Sub-tot					
C3600	DIRECTOR OF ENV & CORP ASSETS	1.00	119,060	4,280	-	123,340	49,560	-	172,900	(172,900)	-
Head of Service		1.00	119,060	4,280	-	123,340	49,560	-	172,900	(172,900)	-
A1162	CIVIC CAR	0.00	5,100	1,610	-	6,710	850	-	7,560	(1,130)	6,430
C3680	HEAD OF PARKS AND OPEN SPACES	3.81	194,100	440	-	194,540	35,710	-	230,250	(230,250)	-
C3690	GROUNDS MAINTENANCE TEAM	25.00	603,950	405,000	-	1,008,950	146,510	-	1,155,460	(1,155,460)	-
C3715	PROPERTY SERVICES	14.55	695,360	63,490	(9,000)	749,850	354,210	-	1,104,060	(1,104,060)	-
C3725	PROPERTY MAINTENANCE TEAM	2.00	62,040	(62,040)	-	-	7,560	-	7,560	-	7,560
C3954	MAISON DIEU PREMISES	0.00	-	11,030	(3,500)	7,530	9,100	-	16,630	(16,630)	-
C3956	DEAL AREA OFFICE TRADING ACCT	0.00	-	4,430	-	4,430	-	-	4,430	(4,430)	-
C3957	THE DOVER GATEWAY (CASTLE ST)	0.00	-	64,910	(7,000)	57,910	17,660	830	76,400	(76,400)	-
C3958	SANDWICH AREA OFFICE TRAD ACCT	0.00	-	-	-	-	-	330	330	(330)	-
C5001	CORPORATE MAINTENANCE	0.00	-	385,000	-	385,000	-	-	385,000	-	385,000
C5200	OFFICE ACCOMMODATION-WHITFIELD	2.82	66,830	414,450	(2,200)	479,080	26,890	52,730	558,700	(558,700)	-
E4100	PUBLIC CONVENIENCES	0.00	-	192,750	(104,740)	88,010	29,420	23,090	140,520	-	140,520
E5000	DEPOTS	0.00	-	910	(970)	(60)	14,590	6,890	21,420	-	21,420
E6000	CEMETERIES	0.00	-	28,310	(158,000)	(129,690)	259,140	280	129,730	-	129,730
E6100	CLOSED CHURCHYARDS	0.00	-	-	-	-	50,390	-	50,390	-	50,390
E8000	COAST PROTECTION	0.00	-	500	(61,940)	(61,440)	49,480	259,600	247,640	-	247,640
H1000	BUILDING CONTROL	8.61	327,750	39,620	(287,850)	79,520	171,030	-	250,550	(12,000)	238,550
L1399	MISC PROPERTIES-GENERAL	0.00	-	18,750	(266,510)	(247,760)	353,020	24,950	130,210	-	130,210
L1800	RELOCATION OF TRAVELLERS	0.00	-	-	-	-	260	-	260	-	260
L2010	HALLS-TOWN HALL DOVER	0.00	-	116,230	-	116,230	58,160	180,060	354,450	-	354,450
L3000	TIMEBALL TOWER, DEAL	0.00	-	-	(500)	(500)	5,230	-	4,730	-	4,730
L3630	PUBLIC CLOCKS AND MEMORIALS	0.00	-	390	-	390	3,150	-	3,540	-	3,540
L4030	DOLPHIN HOUSE	0.00	-	42,220	(70,000)	(27,780)	27,780	-	-	-	-
L5050	A/C BODY RCHG-SRB,S/START,WCCP	0.00	-	-	-	-	66,900	-	66,900	-	66,900
M1200	ENERGY EFFICIENCY GRANTS	0.00	-	290	-	290	23,810	-	24,100	-	24,100
M2100	BEACHES AND FORESHORES	0.00	-	17,460	(66,460)	(49,000)	63,640	13,410	28,050	-	28,050
M2200	DEAL PIER	2.85	89,280	45,580	(71,670)	63,190	81,720	233,510	378,420	-	378,420
M2210	SANDWICH QUAY	0.00	-	4,790	(12,400)	(7,610)	15,110	-	7,500	-	7,500
M2300	PARKS AND OPEN SPACES	0.00	-	74,340	(102,850)	(28,510)	728,760	73,310	773,560	-	773,560
M2305	PARKS FOR PEOPLE-KEARSNEY	3.70	129,440	1,156,560	(1,286,000)	-	-	-	-	-	-
M2310	KEARSNEY PARKS	0.00	-	-	-	-	41,020	-	41,020	-	41,020
M2500	DOVER LEISURE CENTRE	0.00	-	276,060	-	276,060	57,040	483,620	816,720	-	816,720
M2510	DEAL LEISURE POOL-TIDES	0.00	-	10,370	-	10,370	62,120	694,540	767,030	-	767,030
M2520	DEAL TENNIS CENTRE	0.00	-	1,550	-	1,550	14,100	23,440	39,090	-	39,090
M2610	PROPERTY SERVICES EVENTS	0.00	-	10,050	(23,000)	(12,950)	40,920	-	27,970	-	27,970
Asset Management & Maintenance		63.34	2,173,850	3,325,050	(2,534,590)	2,964,310	2,815,280	2,070,590	7,850,180	(3,159,390)	4,690,790
L3020	DOVER MUSEUM	10.14	417,170	172,910	(90,280)	499,800	127,400	347,750	974,950	-	974,950
L3022	MUSEUMS-BRONZE AGE BOAT-EXHIBT	0.00	-	14,530	(100)	14,430	6,210	-	20,640	-	20,640
L3025	DOVER MUSEUM SCHOOLS	0.00	3,000	20,450	(18,000)	5,450	8,810	-	14,260	-	14,260
L3027	DOVER MUSEUM - BEQUEST WORK	0.00	-	8,130	(8,130)	-	560	-	560	-	560
L3600	GRAND SHAFT-WESTERN HEIGHTS	0.00	-	2,180	-	2,180	1,840	-	4,020	-	4,020
L5601	TOURISM DEVELOPMENT	0.00	-	35,420	-	35,420	24,030	1,250	60,700	-	60,700
L5610	VIC GRANTS & HISTORIC PANELS	0.00	-	9,700	-	9,700	2,240	1,760	13,700	-	13,700
Total Museum & Tourism		10.14	420,170	263,320	(116,510)	566,980	171,090	350,760	1,088,830	-	1,088,830
C3390	PARKING SERVICE ADMINISTRATION	4.00	127,310	29,260	-	156,570	99,750	-	256,320	(256,320)	-

C3392 PARKING OPERATIONS & ENFORCEMENT

Costs controlled by Head of Service					Recharges	Capital	Total Cost	Charge-outs	Total
FTE	Employees	Other Costs	Income	Sub-tot					
15.82	437,800	33,660	-	471,460	140,990	4,230	616,680	(616,680)	-

		Costs controlled by Head of Service					Recharges	Capital	Total Cost	Charge-outs	Total
		FTE	Employees	Other Costs	Income	Sub-tot					
K1020	SECTION 38	0.00	-	-	-	-	40	-	40	-	40
K2015	TRANSPORTATION SERVICES	0.00	-	178,810	(70,070)	108,740	58,020	12,500	179,260	-	179,260
K2020	COUNTRYSIDE AND WATERWAYS	0.00	-	-	-	-	4,810	-	4,810	-	4,810
K2040	BUS SHELTERS	0.00	-	16,980	-	16,980	5,700	-	22,680	-	22,680
K3000	PRECINCTS-DEAL AND DOVER	0.00	-	1,060	-	1,060	18,480	-	19,540	-	19,540
K4000	CAR PARKS-SURFACE FREE	0.00	-	10,520	(60)	10,460	48,860	-	59,320	-	59,320
K4010	CAR PARKS-SURFACE PAYING	0.00	-	294,110	(1,654,830)	(1,360,720)	334,860	-	(1,025,860)	-	(1,025,860)
K4030	CAR PARKS - ON STREET	0.00	-	28,430	(662,310)	(633,880)	572,070	-	(61,810)	-	(61,810)
K5000	ENVIRONMENTAL IMPROVEMENTS (DEPRECIATION)	0.00	-	-	-	-	-	4,360	4,360	-	4,360
Total Parking & Community Safety		19.82	565,110	592,830	(2,387,270)	(1,229,330)	1,283,580	21,090	75,340	(873,000)	(797,660)
C3610	WASTE SERVICES TRADING ACCOUNT	5.00	225,630	20,850	(85,000)	161,480	99,680	-	261,160	(261,160)	-
E4200	REFUSE COLLECTION	0.00	-	1,145,800	(56,000)	1,089,800	107,950	-	1,197,750	-	1,197,750
E4210	RECYCLING	0.00	-	1,066,050	(844,090)	221,960	153,850	-	375,810	-	375,810
E4230	SHEPWAY WASTE CONTRIBUTION	0.00	-	3,500,000	(3,500,000)	-	-	-	-	-	-
E4240	KCC WASTE CONTRIBUTION	0.00	-	555,000	(555,000)	-	-	-	-	-	-
E4300	STREET CLEANSING	0.00	-	1,558,800	(58,400)	1,500,400	105,790	-	1,606,190	-	1,606,190
Total Waste Services		5.00	225,630	7,846,500	(5,098,490)	2,973,640	467,270	-	3,440,910	(261,160)	3,179,750
L6000	WHITE CLIFFS COUNTRYSIDE PROJ	7.81	276,350	48,460	(334,810)	(10,000)	10,000	-	-	-	-
L6002	WCCP-SAMPHIRE HOE	2.00	70,550	2,720	(81,270)	(8,000)	8,000	-	-	-	-
Total White Cliffs Countryside Project		9.81	346,900	51,180	(416,080)	(18,000)	18,000	-	-	-	-
L3632	WCLP-BRINGING BACK THE LANDSCAPE	0.00	-	164,000	-	164,000	-	-	164,000	-	164,000
L3642	WCLP-BE PART OF IT	0.00	-	4,480	-	4,480	-	-	4,480	-	4,480
L3652	WCLP - A SPECIAL SENSE OF PLACE	0.00	-	48,430	-	48,430	-	-	48,430	-	48,430
L3660	WCLP - TAKING THE FIRST STEP	0.00	-	20,000	-	20,000	-	-	20,000	-	20,000
L3664	WCLP - TRAINING TO SUPPORT OTHER DELIVERY P	0.00	-	2,200	-	2,200	-	-	2,200	-	2,200
L3666	WCLP - TRAINING IN HERITAGE SKILLS	0.00	-	2,200	-	2,200	-	-	2,200	-	2,200
L3670	WCLP - STAFF TRAINING	0.00	1,000	-	-	1,000	-	-	1,000	-	1,000
L3674	WCLP - STAFF & OVERHEADS	2.50	54,910	22,700	-	77,610	3,350	-	80,960	-	80,960
L4015	LANDSCAPE PARTNERSHIP PROJECT (income only)	0.00	-	-	(323,270)	(323,270)	-	-	(323,270)	-	(323,270)
Total White Cliffs Landscape Partnership		2.50	55,910	264,010	(323,270)	(3,350)	3,350	-	-	-	-
		111.61	3,906,630	12,347,170	(10,876,210)	5,377,590	4,808,130	2,442,440	12,628,160	(4,466,450)	8,161,710

Earmarked General Reserves

	Balance	Contrib- ution	Applica-tion	Balance	Contrib- ution	Applica-tion	Balance	Contrib- ution	Application	Balance	Contrib- ution	Application	Balance
	2015/16 £000	2016/17 £000	2016/17 £000	2016/17 £000	2017/18 £000	2017/18 £000	2017/18 £000	2018/19 £000	2018/19 £000	2018/19 £000	2019/20 £000	2019/20 £000	2019/20 £000
General Fund Balance	-2,995	-144	450	-2,690	0	6	-2,683	0	24	-2,659	0	193	-2,466
Special Projects & Events Reserve	-2,918	-20	1,027	-1,911	-20	970	-961	-20	125	-856	-20	100	-776
Periodic Operations Reserve	-2,775	-95	1,262	-1,607	-172	720	-1,059	-110	142	-1,027	-110	351	-786
Urgent Works Reserve	-1,714	0	495	-1,219	0	220	-998	0	200	-798	0	200	-598
Dover Regeneration Reserve	-1,555	-314	422	-1,447	-50	515	-982	0	153	-829	0	100	-729
ICT Equipment & Servers	-866	-58	486	-438	-58	165	-331	-58	150	-239	-58	150	-147
Business Rates & Council Tax Support	-1,812	-450	1,155	-1,107	0	837	-270	0	0	-270	0	0	-270
District Regen & Economic Dev Reserve	-12,500	0	750	-11,750	0	3,825	-7,925	0	3,150	-4,775	0	2,775	-2,000
Earmarked Reserves Total	-24,140	-936	5,598	-19,478	-300	7,252	-12,526	-188	3,920	-8,794	-188	3,676	-5,307
Total Revenue Reserves	-27,135	-1,081	6,048	-22,168	-300	7,258	-15,209	-188	3,944	-11,454	-188	3,869	-7,773

EARMARKED RESERVES

The following earmarked reserves are held:

1. General Fund Balance

The General Fund Balance is forecast to remain above the £2m preferred level in 2016/17. The forecasts for future years show the General Fund Balance being maintained above £2m if action is taken to deliver the target budget reductions. It is considered that at this time there are sufficient other earmarked reserves to support the council while the Council continues to address future budget pressures.

2. 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 8D).

3. Periodic Operations Reserve

This reserve is to cover costs of cyclical / periodic events such as elections, “carry forward requests” and to hold grants or other income streams for specific purposes, such as 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.

4. Urgent Works Reserve

This reserve is set aside to fund urgent works on corporate assets and for other urgent business requirements, for example to fund a provision for claims from Municipal Mutual Insurance or for future restructures to meet likely on-going grant reductions. One-off opportunities will be taken to add to the balance in this reserve in the future to maintain the capacity to manage the Council’s ageing assets. Approval of expenditure from this reserve is delegated to the Section 151 Officer and the Portfolio Holder responsible for Finance.

5. Regeneration Reserve

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

6. ICT Equipment & Servers

The ICT Equipment & Servers reserve is held in order to support the requirements of the current and future ICT Strategies. Approval of expenditure from this reserve is delegated to the Section 151 Officer and the Portfolio Holder responsible for Finance.

7. 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 new Council Tax Support scheme and future changes for Universal Credit. In 2014/15 a contribution was made to the reserve from the safety net receipt received from Government in that year. That contribution has been applied in the 2016/17 and 2017/18 budgets to offset the anticipated pressures from the movement in the Collection Fund surplus. As there are still many uncertainties around these areas, it is recommended that this reserve is retained and reviewed on an annual basis.

8. Dover Regeneration & Economic Development Reserve

The £12.5m transferred from the Housing Revenue Account to the General Fund in 2013 is held in this reserve. £10m of the reserve has been set allocated to fund Leisure Centre provision and improvements to Dover Town Hall.

	2016/17 Original Budget	2016/17 Projected Outturn as at 31/12/2016	Variance to Original Budget	Notes	2017/18 Proposed Budget	Variance to 2016/17 Projected Budget	Notes
	£000	£000	£000		£000	£000	
INCOME							
Dwelling Rents	(19,119)	(19,240)	(121)	1	(18,835)	405	A
Non-dwelling Rents	(499)	(499)	0		(501)	(2)	B
Tenant Charges for Services and Facilities	(392)	(392)	0		(466)	(74)	C
Conts. towards Expend. - Grants for Supporting People	(177)	(177)	0		0	177	D
Leaseholder Charges for Services and Facilities	(392)	(391)	1		(403)	(12)	E
TOTAL INCOME	(20,580)	(20,701)	(120)		(20,205)	496	
EXPENDITURE							
Repairs and Maintenance	3,283	3,237	(46)	2	3,355	118	F
Supervision and Management	4,081	4,181	100	3	4,010	(171)	G
Rents, Rates, Taxes and Other Charges	82	52	(30)	4	48	(4)	H
Depreciation of Fixed Assets	1,726	1,726	0		1,735	9	I
Debt Management Expenses	26	28	2	5	26	(2)	J
Bad Debt Provision	250	250	0		250	0	
TOTAL EXPENDITURE	9,448	9,474	26		9,424	(50)	
NET COST OF HRA SERVICES PER AUTHORITY INCOME AND EXPENDITURE ACCOUNT	(11,132)	(11,227)	(94)		(10,781)	446	
HRA Share of Corporate and Democratic Core	447	447	0		461	14	K
HRA share of other amounts not allocated to specific services	0	0	0		0	0	
NET COST OF HRA SERVICES	(10,685)	(10,779)	(94)		(10,320)	460	
Interest Payable and Similar Charges	2,783	2,783	0		2,715	(68)	L
Interest and Investment Income	(78)	(78)	0		(72)	6	M
Pension Int Costs and expected return on pensions assets	461	461	0		473	12	N
(SURPLUS)/DEFICIT FOR THE YEAR ON HRA	(7,519)	(7,613)	(96)		(7,204)	410	
Amount required by statute to be credited to the HRA	5,030	4,625	(405)		4,666	41	
Net (Increase)/Decrease in the Housing Revenue Transfer to or (from) reserves	(2,489)	(2,988)	(499)	6	(2,538)	450	O
	2,400	3,000	600		2,500	(500)	
(Increase)/decrease in year on the HRA balance	(89)	12	101		(38)	(50)	
Impact of Deficit / (surplus) on balances							
Housing Revenue Account surplus brought forward	(1,013)	(1,013)	0		(1,001)	12	
Housing Revenue Account surplus carried forward	(1,102)	(1,001)	101		(1,039)	(38)	

** Note to the Statement of Movement on the HRA Account							
Items included in the HRA Income and Expenditure Account but excluded from the movement on HRA Balance for the year							
Difference between amounts charged to income and expenditure for the amortisation of premiums and discounts and the charge for the year determined in accordance with statute							
Net Charges made for retirement benefits in accordance with IAS19							
	474	474	0		456	(18)	P
	474	474	0		456	(18)	
Items not included in the HRA Income and Expenditure Account but							
Transfer to/(from) the Major Repairs Reserve	2,740	3,000	260	7	3,000	0	
Employer's contributions payable to the Pension Fund and retirements benefits payable direct to pensioners	(461)	(461)	0		(473)	(12)	Q
Capital expenditure funded by the HRA	2,277	1,613	(664)	8	1,683	70	R
	4,556	4,152	(404)		4,210	58	
Net additional amount required by statute to be debited/(credited) to the HRA Balance for the year	5,030	4,625	(405)		4,666	41	

Housing Revenue Account Variance Analysis
2016/17 Original Budget to 2016/17 Projected Outturn & Projected Outturn to 2017/18 Estimates

Housing Revenue Account Variation Statement - as at 31 December 2016

		<u>£000's</u>
2016/17 Original Budget		<u>(90)</u>
1 Dwelling Rents	Increase in rents. Void loss not as anticipated.	(121)
2 Repairs and Maintenance	Reduction in void budget and Lift Maintenance	(46)
3 Supervision and Management	Mainly increase in EKH management fee to cover stock condition survey, card payment industry compliance, Reduction on decant budget for Norman Tallyour House and reduction in external valuation fees for RTB.	100
4 Rent, Rates taxes and Other Charges	Reduction in Council Tax charges	(30)
5 Debt Management Expenses	Treasury management fees	2
6 Transfer to or (from) reserves	Increase to Housing Initiative reserve	600
7 Transfer to or (from) Major Repairs Reserves	Recalculation of Major Repairs Reserve	260
8 Capital expenditure funded by the HRA	Delay of projects for Norman Tallyour House and Whitfield 1A and Folkestone Rd and reprofiling of capital spend	(664)
Projected Outturn 2016/17 as at 31 December 2016		<u>11</u>
A Dwelling Rents	Reduction of rents by 1% as advised by Government	405
B Non Dwelling Rents	Increase in garage rents	(2)
C Tenant Charges for Services and Facilities	Tenant service charge increase	(74)
D Contributions towards Expenditure	Withdrawal of supporting people charges from KCC	178
D Leaseholder charges for Services and Facilities	Leaseholder contributions	(11)
F Repairs & Maintenance	Revenue works programme mainly term maintenance and void budget	118
G Supervision and Management	Reductions in various budgets including central support costs, Property Services surveyor, and DHA	(171)
H Rents, Rates, Taxes and Other Charges	Reduction of council tax liability	(4)
I Depreciation of Fixed Assets	Depreciation estimate	9
J Debt Management Expenses	Treasury management fees	(2)
K HRA Share of Corporate and Democratic Core	Central support costs	14
L Interest Payable and Similar Charges	Interest payable	(68)
M Interest and Investment Income	Interest received	6
N Transfer to or (from) reserves	Housing Initiative Reserve	(500)
O Net Charges made for retirement benefits in accordance with	Pension costs	(18)
P Capital expenditure funded by the HRA	Capital expenditure funded by the HRA	70
2017/18 Budget Estimate		<u><u>(39)</u></u>

FOUR YEAR REVENUE BUDGET FINANCIAL PROJECTION

Notes	2016/17 Projected Outturn £000	2017/18 Proposed Budget £000	2018/19 Forecast £000	2019/20 Forecast £000	2020/21 Forecast £000
1	-20,701 Income	-20,205	-20,205	-20,205	-20,205
	Income Adjustments				
2	Rent reduction @1% per annum as per Govt requirements		188	375	5
3	Impact of Right to Buy sales on rental income (1%)		188	375	559
4	Tenant Charges for Services and Facilities inflation (3%)		-14	-28	-43
	-20,701 Total	-20,205	-19,843	-19,483	-19,684
5	9,474 Expenditure	9,424	9,424	9,424	9,424
	Expenditure Adjustments				
6	Repairs and Maintenance (3% inflation)		101	205	312
7	Supervision and Management (3% inflation)		120	244	372
8	Other Misc expenditure inflation		2	4	6
	9,474 Total	9,424	9,647	9,877	10,114
9	8,239 Other Charges	8,243	8,243	8,243	8,243
10	Interest payable reduction as capital repaid		-54	-107	-159
11	IAS19 Pension backfunding increase		23	47	72
	8,239 Total	8,243	8,212	8,183	8,156
12	3,000 Transfers to / (from) reserves	2,500	1,950	1,425	1,400
13	12 NET (SURPLUS) / DEFICIT	-38	-34	2	-14
	Impact on Reserves :-				
	Projected HRA Balance				
	-1,013 Opening balance	-1,001	-1,039	-1,073	-1,071
14	-1,001 Closing Balance	-1,039	-1,073	-1,071	-1,085

**THREE YEAR REVENUE BUDGET FINANCIAL
PROJECTION**

Notes

- 1 The gross income budget is taken from the 2017/18 budget at Annex 7.
- 2 The Government has imposed a 1% per annum decrease in rents for the period 2016/17 - 2019/20.
- 3 Right to Buy sales have increased and will therefore have a negative impact on rent income. Based on current levels this has been assumed to reduce rent income by 1% per annum.
- 4 It is assumed that tenant service charges will increase in line with inflation.
- 5 The gross expenditure budget is taken from the 2017/18 budget at Annex 7.
- 6 It is assumed that repairs & maintenance expenditure will increase in line with inflation.
- 7 It is assumed that supervision & management expenditure (including charges from East Kent Housing) will increase in line with inflation.
- 8 Increases in other expenditure assumed at 3% inflation.
- 9 Other charges are taken from the 2017/18 budget at Annex 7. These include, capital works, interest payable & receivable & pension charges.
- 10 The interest payable on the Housing Finance Reform loan will gradually reduce as the capital element of the loan is repaid.
- 11 The HRA share of the Authority's pension deficit is assumed to increase by 5% per annum in line with the Actuary's forecasts.
- 12 The annual transfer to the Housing Initiatives reserves is assumed to continue but at a reducing level for the planning period.
- 13 Forecast (surplus) / deficit.
- 14 Forecast HRA Balance.

MEDIUM TERM CAPITAL PROGRAMME - JANUARY 2017 OUTTURN

APPROVED BUDGET		PROPOSED BUDGET					
Projects included in the programme	Total	Previous years	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19	Future years	Total
	£000	£000	£000	£000	£000	£000	£000
Committed General Fund Projects							
Dover Regeneration Projects							
Dover Pride - Dover Town Investment Zone	2,305	2,293	12	0	0	0	2,305
DTIZ - SEEDA funded projects	6,763	6,731	33	0	0	0	6,763
DTIZ - Waterfront	1,020	670	125	226	0	0	1,020
DTIZ - HCA funded projects	2,548	2,532	16	0	0	0	2,548
DTIZ Growth Point - Unallocated Grant Funding	7	0	7	0	0	0	7
Dover Pride - Dover Priory Ph 1 & 2	220	107	0	113	0	0	220
Sub total	12,864	12,333	192	338	0	0	12,864
Other Regeneration Projects							
Aylesham Regeneration Project	1,491	1,453	38	0	0	0	1,491
Discovery Park - Grant (100% grant funded)	3,151	2,736	415	0	0	0	3,151
Discovery Park - Loan (100% grant funded)	2,578	0	2,578	0	0	0	2,578
Sub total	7,220	4,189	3,031	0	0	0	7,220
ICT Projects							
Purchase Burials System (BACAS)	6	6	0	0	0	0	6
VM Ware - purchase replacement server	20	0	19	0	0	0	19
Replacement Telephony Central System	75	0	75	0	0	0	75
Purchase Telephony Equipment (Handsets / Headsets)	33	0	33	0	0	0	33
Sub total	134	6	128	0	0	0	133
Other projects							
Disabled Facilities Grants:-							
Mandatory Disabled Facilities Grants	1,040	n/a	700	353	0	0	1,053
Winter Warmth Grants	50	n/a	20	30	0	0	50
Small Works Adaptations Grants - only £5k required in 16/17, £45k to be returned to Capital Receipts wef 17/18	50	0	5	0	0	0	5
Renovation Grants	9	n/a	9	0	0	0	9
Renovation/PSH Loans	838	n/a	250	250	250	88	838
White Cliffs Landscape Project-DDC Capital Expenditure (100% grant)	66	66	0	0	0	0	66
White Cliffs Landscape Project-Capital Grants (100% grant funded)	468	468	0	0	0	0	468
Dover Leisure Centre - Plant & Equipment Replacement	79	53	14	13	0	0	79
Tides - Plant & Equipment Replacement	108	56	20	33	0	0	108
Beach Hut Project	38	37	1	0	0	0	38
Parks for People - Kearsney Abbey & Russell Gardens	2,519	174	100	1,197	1,048	0	2,519
Dover Museum & Bronze Age Boat - Essential Works	116	14	10	92	0	0	116
Party Wall Repair	31	31	0	0	0	0	31
Whitfield Offices - Capital Works	220	57	163	0	0	0	220
Deal Youth Centre (S106 Funded)	200	0	200	0	0	0	200
Disabled WC - Marine Rd Walmer	60	22	23	15	0	0	60
North Deal Playing Fields - Play Area	111	1	110	0	0	0	111
Pencester Gardens Play Area	40	0	40	0	0	0	40
Car Park Pay & Display Metering	280	0	280	0	0	0	280
Cemetery Provision - Deal	64	0	64	0	0	0	64
Grounds Maintenance Equipment	400	0	400	0	0	0	400
Vehicle Purchases - White Cliffs Countryside Project	24	0	24	0	0	0	24
Dover Leisure Centre - new facility provision	26,600	2	948	13,250	12,400	0	26,600
The Butts Skate Park refurbishment	16	0	16	0	0	0	16
Dover Town Hall-Urgent Repairs	150	0	20	130	0	0	150
Deal Beach - emergency beach recycling (grant funded)	80	0	80	0	0	0	80
Sub total	33,658	981	3,498	15,361	13,698	88	33,626
Sub total of Committed General Fund Projects	53,876	17,509	6,849	15,700	13,698	88	53,843

MEDIUM TERM CAPITAL PROGRAMME - JANUARY 2017 OUTTURN

Annex 0A

MEDIUM TERM CAPITAL PROGRAMME - JANUARY 2017 OUTTURN							
APPROVED BUDGET		PROPOSED BUDGET					
Projects included in the programme	Total	Previous years	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19	Future years	Total
	£000	£000	£000	£000	£000	£000	£000
General Fund Projects - Proposed Projects							
Capital Contingency	210	0	210	0	0	0	210
Dover Leisure Centre - Plant & Equipment Replacement	21	0	0	21	0	0	21
Leisure Centres Contingency - Repairs & Equipment - change wording to 'Tides LC refurbishment' wef 17/18	502	0	0	502	0	0	502
Museum - General Works & Replacements	80	0	0	75	5	0	80
Victoria Park-Play Area (S106 funded)	37	0	0	37	0	0	37
Dover Museum - Gallery Refurbishment	69	0	0	69	0	0	69
Deal Pier - Phase 1 H&S Works	125	0	125	0	0	0	125
Dover Town Hall - DDC contribution to major refurbishment works	3,000	0	0	75	150	2,775	3,000
Dover Priory Car Park - DDC contribution - delete wef 17/18	500	0	0	0	0	0	0
Dover Museum - storage facilities	500	0	0	500	0	0	500
Deal Beach Management 2015-20 (100% grant funded)	1,400	0	350	350	350	350	1,400
DTIZ Enhancements	180	0	0	180	0	0	180
Property Investment Strategy (note 5)	200,000	0	0	50,000	50,000	100,000	200,000
Capital Contingency	0	0	0	200	0	0	200
Tides Leisure Centre refurbishment	0	0	0	0	1,520	0	1,520
Dover Town Centre Regeneration	0	0	0	500	0	0	500
Deal Pier - Phase 2	0	0	0	130	0	0	130
Bronze Age Boat - replace environment conditioning plant/controls	0	0	0	0	110	0	110
Dover Fountain - DDC contribution	0	0	0	100	0	0	100
Purchase new beach huts	0	0	0	100	0	0	100
DTIZ Enhancements	0	0	0	50	0	0	50
DDC CCTV improvements	0	0	0	45	45	0	90
Sandwich Quay - dredge & install fenders	0	0	0	53	0	0	53
Disabled Facilities Grants	0	0	0	859	0	0	859
St Margarets Bay Study	0	0	0	10	0	0	10
Sub total of General Fund Proposed Projects	206,623	0	685	53,855	52,180	103,125	209,845
ICT Infrastructure Investment - Proposed Projects							
Burial Records On Line - delete wef 17/18	9	0	0	0	0	0	0
Sub total of ICT Proposed Projects	9	0	0	0	0	0	0
Sub total of all Proposed General Fund Projects	206,633	0	685	53,855	52,180	103,125	209,845
General Fund Projects Total	260,509	17,509	7,534	69,555	65,878	103,213	263,688
HRA Programme							
Housing Revenue Account Property Projects - Committed Works	4,565	n/a	4,565	0	0	0	4,565
Wilson Ave Play Area Refurbishment	43	0	43	0	0	0	43
William Pitt Ave-Play Area (S106 funded)	95	0	95	0	0	0	95
Folkestone Rd Property Purchases & Refurbishments	944	507	50	386	0	0	944
Sheltered Upgrade	1,800	21	400	1,379	0	0	1,800
Housing Revenue Account - Provisions for proposed projects	28	0	0	28	0	0	28
Play Areas - proposed HRA funding	51	0	0	51	0	0	51
Whitfield Development - Phase 1A - proposed	3,500	0	50	3,450	0	0	3,500
St Radigunds Play Area - proposed	100	0	0	100	0	0	100
Future projects to be funded from Housing Initiatives Reserve (note 4)	400	0	400	0	0	0	400
Housing Revenue Account Property Projects - 17/18 new bid	0	0	0	4,505	0	0	4,505
Proposed possible developments on HRA land - 17/18 new bid	0	0	0	2,450	0	0	2,450
Folkestone Rd Property Purchases & Refurbishments - 17/18 new bid	0	0	0	120	0	0	120
HRA Total	11,525	528	5,602	12,470	0	0	18,600
Total	272,034	18,037	13,136	82,024	65,878	103,213	282,288

MEDIUM TERM CAPITAL PROGRAMME - JANUARY 2017 OUTTURN

Annex 6A

Projects included in the programme	APPROVED BUDGET		PROPOSED BUDGET				
	Total	Previous years	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19	Future years	Total
	£000	£000	£000	£000	£000	£000	£000
Financed by:							
Capital projects financed in previous financial years	18,037	18,037	0	0	0	0	18,037
Capital receipts - General Fund	3,486	n/a	1,106	1,425	901	0	3,431
Capital receipts - General Fund - 17/18 new bids	0	n/a	0	913	1,675	0	2,588
Capital receipts - General Fund (Dover Regeneration) - 17/18 new bids	0	n/a	0	250	0	0	250
Capital receipts - HRA	0	n/a	0	0	0	0	0
Excess Right to Buy Receipts	1,301	n/a	150	1,151	0	0	1,301
Excess Right to Buy Receipts - 17/18 new bid	0	n/a	0	771	0	0	771
Major Repairs Allowance	3,000	n/a	3,000	0	0	0	3,000
Major Repairs Allowance - 17/18 new bid	0	n/a	0	3,000	0	0	3,000
Direct Revenue Financing							
HRA	1,792	n/a	1,613	179	0	0	1,792
HRA - 17/18 new bid	0	n/a	0	1,505	0	0	1,505
General Fund	106	n/a	106	0	0	0	106
General Fund - Heritage Lottery Fund Grant (Parks for People-Kearsney)	2,047	n/a	65	1,080	902	0	2,047
General Fund - SEEDA - DTIZ	183	n/a	33	150	0	0	183
Section 106 Funding	460	n/a	423	37	0	0	460
Grants							
Growth Point - Unallocated Grant Funding	7	n/a	7	0	0	0	7
Growth Point (DTIZ-Waterfront)	13	n/a	13	0	0	0	13
Growth Point (Dover Priory Multi-Storey Car Park)	100	n/a	0	100	0	0	100
Growth Point (Parks for People-Kearsney)	25	n/a	25	0	0	0	25
KCC Better Care Fund (Disabled Facilities Grant)	878	n/a	720	171	0	0	891
Renovation/PSH Grant	838	n/a	250	250	250	88	838
Environment Agency (Deal Beach Management 2015-20)	1,400	n/a	350	350	350	350	1,400
Environment Agency (Deal Beach-emergency beach recycling)	80	n/a	80	0	0	0	80
Environment Agency (St Margarets Bay Study)	0	n/a	0	10	0	0	10
DCLG Building Foundations for Growth Grant (Discovery Park)	2,993	n/a	2,993	0	0	0	2,993
Performance Reward Grant (Telephony)	109	n/a	109	0	0	0	109
Sport England - estimated (new Dover Leisure Centre)	1,500	n/a	0	0	1,500	0	1,500
Warmer Streets - external insulation (HRA properties)	1	n/a	1	0	0	0	1
KCC Better Care Fund (Disabled Facilities Grant)	0	n/a	0	859	0	0	859
Environment Agency (Sandwich Quay)	0	n/a	0	15	0	0	15
Other reserves							
- Cluster Prep (Rev Reserve)	167	n/a	47	120	0	0	167
- Special projects (Rev reserve)	64	n/a	64	0	0	0	64
- Urgent Works Reserve	448	n/a	448	0	0	0	448
- Housing Initiative (HRA Reserve)	4,814	n/a	750	4,064	0	0	4,814
- Housing Initiative (HRA Reserve)	0	n/a	0	1,799	0	0	1,799
- HCA (was - English Partnerships) for DTIZ	16	n/a	16	0	0	0	16
- ICT Reserve	20	n/a	19	0	0	0	19
- District Regeneration & Economic Development Reserve	11,000	n/a	750	3,825	3,150	2,775	10,500
Supported borrowing - HRA	0	n/a	0	0	0	0	0
Supported borrowing - General Fund	0	n/a	0	0	0	0	0
Unsupported borrowing	0	n/a	0	0	0	0	0
PWLB borrowing - estimated (new Dover Leisure Centre)	17,150	n/a	0	10,000	7,150	0	17,150
Property Investment Strategy (note 5)	200,000	n/a	0	50,000	50,000	100,000	200,000
Total	272,034	18,037	13,136	82,024	65,878	103,213	282,288
Notes							
1) Dover Regeneration projects comprise a single capital budget. Virement between the lines within this project are delegated to the Director of Finance to approve.							
2) Authorisation of approved projects up to £50k included on the Programme delegated to Director of Finance, Housing & Community in consultation with the Portfolio Holder for Corporate Resources & Performance.							
3) Authorisation of projects funded from the Capital Contingency delegated to Director of Finance, Housing & Community in consultation with the Portfolio Holder for Corporate Resources & Performance.							
4) Housing Initiatives Reserve							
To enable the HIR to be used in a responsive manner to new opportunities, the HIR is shown as a single line in the Capital Programme with delegation for:-							
a) Setting the level of the on-going HRA minimum balance and the use of prudential borrowing, and adjusting the resources of the HIR accordingly, delegated to the Director of Finance, Housing & Community in consultation with the Portfolio Holder for Performance & Resources;							
b) Approval of individual projects to be financed by the HIR delegated to Cabinet;							
c) Approval of offers, tenders or bids for the purchase of properties on the open market or at auction, delegated to the Director of Finance, Housing & Community in consultation with the Portfolio Holder for Performance & Resources.							
5) Property Investment Strategy							
£200m approved by Council and Cabinet in November 2016; financing of each proposal to be determined on a case-by-case basis.							

<u>Capital Receipts Summary as at 31/12/16</u>	£000	£000	£000
<u>Capital Receipts as at 31/12/16</u>	-5,714		
Ring Fenced for 1:4:1 Affordable Housing	2,095		
Right-To-Buy reimbursement	83		
Subtotal		-3,536	
<u>Receipts in year:</u>			
General Fund Capital Receipts - ring-fenced for Dover Town regen	-250		
General Fund Capital Receipts - other	-1,187		
HRA Non Poolable Receipts	-11		
		-1,448	
Poolable HRA Capital Receipts Received	-2,239		
<u>Deduct:</u>			
Admin fees	43		
Ring Fenced for 1:4:1 Affordable Housing	906		
HRA Pooling to Qtr 3	222		
Total useable receipts received to 31.12.16		-1,068	
Total Capital Receipts			-6,053
<u>Current allocations</u>			
Allocated to existing GF Capital Programme	3,486		
Subtotal		3,486	
Balance after Existing Projects			-2,567
<u>Anticipated Capital Receipts</u>			
Anticipated General Fund capital receipts	-5,964		
		-5,964	
Balance including anticipated receipts			-8,531
<u>Proposed new projects</u>			
Proposed new projects	2,588		
2017/18 Dover Regeneration	250		
Total proposed for new projects		2,838	
Balance available for future projects (including anticipated receipts)			-5,693

	PROJECTED	DRAFT
	OUTTURN 2016/17	BUDGET 2017/18
REVENUE WORKS PROGRAMME	£000	£000
Term Maintenance	1,300	1,385
External Decorations	200	214
Cesspool Drainage Replacement	25	5
Communal TV Aerials Installation	15	12
Elderly Persons Redecorations	20	20
Estates Paths, Pavings, Floor Resurfacing	75	75
Insurance Excess/Storm Damage	10	10
Vandalism	30	20
Electrical Safety Inspections	75	75
Health and Safety Water Inspections	10	18
Void Properties	750	750
Void Security	3	0
Heating Servicing	600	609
Lift Maintenance	11	11
Disabled Hoists & Lifts	13	10
Fire Alarm Servicing	55	60
Door Entry	18	13
Tenant Compensation	2	2
TOTAL REVENUE WORKS PROGRAMME	3,212	3,288

	PROJECTED	DRAFT
	OUTTURN 2016/17	BUDGET 2017/18
CAPITAL WORKS PROGRAMME	£000	£000
<u>HOUSING REVENUE ACCOUNT SCHEMES</u>		
IMPROVEMENTS		
Reroofing	500	500
Replacement Doors and Windows	318	400
Door Entry Systems	80	50
Fire Precaution Works	185	125
Renewal Heating	540	690
Thermal Insulation	50	70
Asbestos Programme	160	160
Structural Repairs	355	500
Rewiring	100	150
Kitchen Programme	1,100	700
Major Lift Refurbishment	17	100
Bathroom Programme	400	300
Environmental Improvements -EKH initiated	100	100
Environmental Improvements -DDC initiated	100	100
Tenants Compact	100	100
Adaptations for Disabled Persons	458	458
Capital Works Programme Total	4,563	4,503
Adaptations for Disabled Persons - Internal Fees	2	2
Sheltered Upgrade	400	1,379
HRA Play areas	138	
HRA Play areas not yet approved		151
Folkestone Rd Properties	50	506
Whitfield 1A	50	3,450
Investment property	400	0
Possible new developments	0	2,450
Special revenue projects		
Provision for ICT Infrastructure	0	28
TOTAL HRA CAPITAL PROGRAMME	5,603	12,469
Financed By:		
Major Repairs Reserve	3,000	3,000
Direct Revenue Financing (HRA)	1,613	1,684
Excess Right to Buy	150	1,922
Grant & S106 Funding	90	0
Housing Initiatives Reserve	750	5,863
TOTAL CAPITAL WORKS FUNDING	5,603	12,469
FULL PROGRAMME TOTAL	8,815	15,757

SPECIAL REVENUE PROJECTS - 2017/18 MTFP

SPECIAL REVENUE PROJECTS	Capital / Revenue	Total Approved Budget	Prior Years Exp	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19	Future years	Total Revised Budget
		£000	£000	£000	£000	£000	£000	£000
Committed Special Revenue Projects								
Corporate Property - Planned Maintenance	R	1,051	816	235	0	0	0	1,051
Control of Asbestos Regulations Works - Corporate Buildings	R	44	35	8	0	0	0	44
Disability Discrimination Act Works - Corporate Buildings	R	109	106	3	0	0	0	109
Farthingloe/Western Heights - consultancy	R	45	39	6	0	0	0	45
Dover Town Hall - Consultancy / Funding Bid	R	181	100	81	0	0	0	181
Parking Strategy Review	R	27	27	0	0	0	0	27
Dover Leisure Centre Study	R	45	41	4	0	0	0	45
Car Park works - Whitfield Offices	R	23	0	23	0	0	0	23
Dover Transportation Study	R	149	88	62	0	0	0	149
Duke of York Roundabout Design	R	39	30	9	0	0	0	39
Parking Services Software Upgrade & Devices	R	27	7	20	0	0	0	27
Tree Safety Emergency Works (following quinquennial)	R	35	5	30	0	0	0	35
Private Sector Housing Condition Survey 2016	R	28	0	28	0	0	0	28
Sandwich Station Design Study contribution (for Open Golf)	R	11	0	11	0	0	0	11
Commonwealth War Memorial-Dover	R	500	0	200	300	0	0	500
Mill Wall Repair (scheduled ancient monument)	R	30	0	30	0	0	0	30
Up on the Downs Project	R	74	0	74	0	0	0	74
St Margarets Bay Promenade-Refurbish Railings	R	30	0	30	0	0	0	30
Property Investment Strategy-external support	R	200	0	50	50	50	50	454
Recycling & Refuse Storage Areas	R	15	0	15	0	0	0	15
Parks - General Repairs (walls, fences, lakes, structures etc)	R	25	23	2	0	0	0	25
Sub total		2,688	1,318	920	350	50	50	2,688
ICT Infrastructure Investment Projects								
Upgrade GIS & Replace Xmap Internet Server	R	60	30	30	0	0	0	60
Purchase HR & Payroll System	R	106	56	50	0	0	0	106
Payment Card Industry (PCI) Compliance	R	45	2	43	0	0	0	45
eFinancials System Improvements	R	18	11	7	0	0	0	18
Corporate Document Management System (IDOX)	R	42	21	21	0	0	0	42
Northgate - IDOX DMS Transfer	R	11	5	6	0	0	1	11
IDOX - Asset Management Software	R	48	0	48	0	0	0	48
Firewall Upgrade	R	17	0	17	0	0	0	17
IDOX Upgrade - Planning, Building Control & Property Services	R	40	0	14	26	0	0	40
Server - Asset Management System	R	5	0	5	0	0	0	5
Uniform GMS Module Training	R	3	0	3	0	0	0	3
Jadu Paybridge contribution	R	5	0	5	0	0	0	5
Google Pilot	R	0	0	4	0	0	0	4
VM Ware Upgrade Licences	R	6	0	6	0	0	0	6
Sub total		406	125	260	26	0	0	410
Capital projects in capital programme financed from reserve:								
Provision allocated to capital programme to finance capital projects	C	64	n/a	64	0	0	0	64
		3,158	1,443	1,243	376	50	50	3,162
Proposed Projects								
Special Revenue Contingency - overspends	R/C	38	0	38	0	0	0	38
Special Revenue Contingency - urgent projects	R/C	69	0	69	0	0	0	69
North Deal - Community based regeneration - Golf Rd/Cannon Str. Deal	R	60	0	60	0	0	0	60
DES Efficiency Projects	R	30	0	30	0	0	0	30
Cemetery Provision - consultancy	R	15	0	0	15	0	0	15
Corporate Property Maintenance - Contingency	R	50	0	50	0	0	0	50
Utilities Management for all Corporate Properties	R	20	0	20	0	0	0	20
Dover Tourism Signage Scheme	R	20	0	20	0	0	0	20
Connaught Park Tennis Courts Improvements - Allocation to be replaced with £30.5k bid for 17/18	R	60	0	0	31	0	0	31
Street Lighting-Replacements & Repairs	R	60	0	60	0	0	0	60
Marines Memorial Gardens Refurbishment	R	15	0	0	15	0	0	15
Resurfacing Car Parks - wording to be amended to include 'DDC owned access roads' wef 17/18	R	210	0	135	75	0	0	210
Union Rd Car Park Works	R	15	0	15	0	0	0	15
Woolcomber St Car Park Works - delete wef 17/18	R	15	0	0	0	0	0	0
Food Waste Promotion	R	47	0	47	0	0	0	47
Kearsney Temporary Premises	R	20	0	20	0	0	0	20
Community Housing Fund	R	0	0	0	254	0	0	254
Corporate Property Maintenance	R	0	0	0	160	0	0	160
Special Revenue Contingency - urgent projects	R	0	0	0	80	0	0	80
Dover Regeneration - enabling costs	R	0	0	0	80	0	0	80
St James Church - intermediate works	R	0	0	0	70	0	0	70
Parks, Gardens, Churchyards - General Repairs	R	0	0	0	60	0	0	60
Corporate Property Maintenance - Contingency	R	0	0	0	50	50	0	100
Disabled Facility Grant projects - DDC funded	R	0	0	0	75	75	0	150
Walmer Green railing refurbishment	R	0	0	0	45	0	0	45
Connaught Park - tennis court refurbishment	R	0	0	0	31	0	0	31
Clarendon Field - safety boundary fence	R	0	0	0	30	0	0	30
Street Lighting-Replacements & Repairs	R	0	0	0	30	0	0	30
Guildhall Sq Sandwich - support for external funding bids	R	0	0	0	30	0	0	30
Sandwich Parks project (Phase 1) - enabling design & survey work	R	0	0	0	24	0	0	24
Special Revenue Contingency - overspends	R	0	0	0	20	0	0	20
Litter Bins - Deal Promenade	R	0	0	0	20	0	0	20
Butts - access bridge works	R	0	0	0	16	0	0	16
RNLI Building, Walmer - surface treatment	R	0	0	0	15	0	0	15

	Capital / Revenue	Total Approved Budget	Prior Years Exp	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19	Future years	Total Revised Budget
SPECIAL REVENUE PROJECTS								
Gazen Salts - nature reserve works	R	0	0	0	15	0	0	15
Apertures for wheeled bins	R	0	0	0	15	0	0	15
Russell Gdns - access bridge replacement	R	0	0	0	13	0	0	13
Dover Health Impact Assessment (HIA)	R	0	0	0	11	0	0	11
Tree safety emergency works (following quinquennial)	R	0	0	0	10	0	0	10
LDF Plan	R	0	0	0	300	0	0	300
Sub total - proposed projects		745	0	565	1,589	125	0	2,279
ICT Infrastructure Investment - Proposed Projects								
Corporate Digital Projects	R	100	0	100	0	0	0	100
Confirm Software Purchase	R	7	0	7	0	0	0	7
E-Procurement Upgrade	R	37	0	37	0	0	0	37
Approved ICT Reserve funding awaiting allocation	C/R	81	0	77	0	0	0	77
Regulatory Services - replacement admin database	R	0	0	0	65	0	0	65
Corporate Software - enhancements & upgrades	R	0	0	0	50	0	0	50
Regulatory Services - handheld systems	R	0	0	0	20	0	0	20
AIM upgrade	R	0	0	0	11	0	0	11
Scan hard copy plans	R	0	0	0	8	0	0	8
Sub total - ICT proposed projects		225	0	222	154	0	0	376
Proposed balance to transfer to capital projects	C	0	n/a	0	0	0	0	0
Total Projects Subject to Approval/Appraisal		970	0	787	1,743	125	0	2,655
GRAND TOTAL		4,128	1,443	2,030	2,119	175	50	5,817
Special Projects Financing								
Special Projects financed in previous years		1,443	1,443					1,443
Funded from Special Revenue Reserve		1,162	0	1,027	136	0	0	1,162
Funded from Special Revenue Reserve - 17/18 new bids		960	0	0	834	125	0	960
Funded from ICT Reserve		478	0	467	11	0	0	478
Funded from ICT Reserve - 17/18 new bids		154	0	0	154	0	0	154
Funded from HRA		14	0	14	0	0	0	14
Funded from On-Street Parking Reserve		60	0	60	0	0	0	60
Funded from Periodic Operations Reserve		20	0	20	0	0	0	20
Funded from Regeneration Reserve		248	0	98	50	50	50	248
Funded from Regeneration Reserve - 17/18 new bids		300	0	0	300	0	0	300
Funded from Dover Regeneration Reserve - 17/18 new bids		65	0	0	65	0	0	65
Funded from KCC contribution		56	0	56	0	0	0	56
Funded from LDF revenue		6	0	6	0	0	0	6
Funded from SEEDA		9	0	9	0	0	0	9
Funded from HM Treasury grant		500	0	200	300	0	0	500
Funded from HLF/Partnership funding		74	0	74	0	0	0	74
Funded from Planning revenue		15	0	0	15	0	0	15
Funded from Community Housing Fund Grant		254	0	0	254	0	0	254
TOTAL		5,817	1,443	2,030	2,119	175	50	5,817

Remaining balance in Special Projects reserve	
Balance at 1 April 2016	2,855
Allocation to projects in 2016/17	-1,027
Allocation from General Fund for 16/17	0
Balance at 31 March 2017	1,828
Proposed allocation to projects in 17/18 & future years	-136
17/18 new bids - awaiting approval	-834
Future years new bids - awaiting approval	-125
Balance after future years allocations	734

Remaining balance in ICT Reserve	
Balance at 1 April 2016	866
Allocation to Spec Rev projects in 2016/17	-467
Allocation to Capital projects in 2016/17	-19
Allocation from General Fund for 16/17	58
Balance at 31 March 2017	438
Proposed allocation to Spec Rev projects in 17/18 & future years	-11
Proposed allocation to Capital projects in 17/18 & future years	0
17/18 new bids - awaiting approval	-154
Allocation from General Fund for 17/18	58
Balance after future years allocations	331

Major Events Reserve	
Major Events opening position	63
16/17 Allocation to Reserve	20
17/18 Allocation to Reserve	20
Major Events commitments	0
Major Events balance	103

JANUARY 2017
PRIORITY BIDS FOR CAPITAL AND SPECIAL PROJECT SCHEMES - 17/18 & FUTURE YEARS REQUIREMENTS

REF:	SCHEME	YEAR ONE 2017/18	YEAR TWO 2018/19	YEAR THREE 2019/20	FUTURE YEARS 2020/21- 2021/26	NOTES	Capital / Special Revenue	CONTACT OFFICER
		£000	£000	£000	£000			
	CAPITAL RECEIPT FUNDED							
1	Tides - wet side refurbishment		1,520			Specialist report confirms that plant, flume and plant room all require repairs.	C	F Thompson
2	Capital Contingency	200				Contingency to cover new urgent projects.	C	K Watts
3	Deal Pier - Phase 2	130				To fund resurfacing, new lights, new seating, shelter improvements. In addition to the £125k provision in the 16/17 MTFP, this would allow much needed improvements to the structure.	C	F Thompson
4	Dover Fountain - DDC contribution	100				Dover Town Council are applying for funding to improve the public realm; DDC would make a contribution towards the fountain works.	C	M Leggatt
5	Purchase new Beach Huts	100				Purchase new beach huts to generate a future long-term income stream.	C	M Leggatt
6	DTIZ Enhancements	50				Visual enhancements to roof, walls, bridge and railings at Dolphin House garages to enhance DTIZ and encourage foot traffic to Market Square; contributing to the vibrancy of town centre. In addition to the £180k provision in the current MTFP due to an uplift in the cost estimate.	C	D Parish
7	DDC CCTV Improvements	45	45			Existing system is 20 years old, ageing equipment cannot be repaired as parts no longer available. Improvements to the control room, and purchase and replacement of new cameras to cover areas prone to crime and ASB. An up-dated system would allow expansion needed to cover Dover Regeneration area. Annual revenue operational cost £2,400.	C	B Hill
8	Sandwich Quay - dredge & install fenders	38				Dredge quay and install new fenders (originals lost in 13/14 flood defence scheme). This will protect quay wall from collisions; allow greater use of quay; reduce costs from impact damage; and increase mooring fee income. Total cost of £53k part funded by Environment Agency grant received in 16/17 (also see grant funding).	C	K Watson
9	Bronze Age Boat - replacement environment conditioning plant/controls		110			Refurbish/replace ducting and control gear in BAB enclosure and gallery to ensure that the BAB is located in a resilient optimum environment; and avoid the significant adverse impact of failure leading to deterioration of the BAB. This is in addition to the the current approved/available provision of £101.5k for essential works at the Dover Museum and Bronze Age Boat in the 16/17 MTFP.	C	S Williams / J Iveson
	TOTAL CAPITAL RECEIPT FUNDED	663	1,675	0	0			
	DOVER REGENERATION - CAPITAL RECEIPTS							
10	Dover Town Centre Regeneration	500				DDC has a development obligation (part of the original SEEDA grant agreement) to ring-fence £250k from the Developer contribution for Dover Town Centre regeneration. A further £250k from the Developer contribution is allocated to fund Dover Town Centre regeneration and property acquisition.	C	T Ingleton
	DOVER REGENERATION - CAPITAL RECEIPTS FUNDED	500	0	0	0			
	SPECIAL PROJECTS RESERVE FUNDED							
11	Corporate Property - Planned Maintenance	160				Various overdue repairs at Whitfield Offices to make building watertight, reduce maintenance (replace existing SVPs which block repeatedly, refurbish at same time to be cost effective).£160k required to fund works including roof repairs (£50k); toilet & kitchen refurbs (£65k); replace suspended ceiling (£25k); Council Chamber lights (£6k); carpet tiles (£10k). Completion of works will protect the building asset value and increase staff morale.	SR	F Thompson
12	Special Revenue Contingency - urgent projects	80				Contingency to cover urgent (unforeseen) projects that may be required during the financial year. Estimate to be reviewed each financial year.	SR	K Watts
13	DFG projects	75	75			Disabled Facility Grant projects - DDC funded revenue projects	SR	R Kennedy
14	St James Church - intermediate works	70				Works required on DDC owned scheduled monument to halt deterioration and address major areas of concern identified in Purcell report (phase 2 restoration linked to development of former leisure centre - S106). Failure to repair is likely to lead to swift deterioration and sections of the building potentially becoming dangerous. Heritage England considering categorising as 'heritage at risk'.	SR	F Thompson / J Iveson
15	Parks, Gardens, Churchyards - General Repairs	60				General repairs (i.e. walls, fences, lake structures, paths); to partially clear back-log of work and reduce the potential for claims made for falls etc. in parks and open spaces.	SR	R Wragg / D Solley
16	Corporate Property Maintenance - Contingency	50	50			Provision only required if £50k contingency in current MTFP is spent.	SR	F Thompson

REF:	SCHEME	YEAR ONE 2017/18	YEAR TWO 2018/19	YEAR THREE 2019/20	FUTURE YEARS 2020/21- 2021/26	NOTES	Capital / Special Revenue	CONTACT OFFICER
17	Walmer Green - Railing refurbishment	45				Refurbish existing railings, replace only as last resort. Due to a lack of recent maintenance, the railings now need repainting and repairing due to corrosion in certain locations. This will protect an important heritage structure on Walmer Green and reduce the risk of more costly repairs/replacements later. In certain locations there is a health & safety risk. (Perhaps seek part funding from WPC)	SR	K Watson
18	Connaught Park - tennis court refurbishment	31				Refurbishment of existing hard standing court; grass court provision is being reduced due to vandalism and unsustainable costs. Only one hard court remains in the Dover Town area; the works will enhance the customer experience on the remaining court, and will facilitate the reduction of grass court numbers and associated maintenance costs. Replaces £60k provision in the current MTFP for tennis court improvements at Connaught Park.	SR	L Corby
19	Clarendon Field - Safety Boundary Fence	30				Replace old fencing to prevent falls into deep ditches (Health & Safety), keep cattle off roads, prevent damage/accidents. Enable site to continue to be grazed thus enabling WCCP & DDC to meet Higher Level Stewardship agreement and continue to receive annual grant funding (and not repay any funds received to date).	SR	M Wrigley / K Alexander
20	Street Lighting Replacements & Repairs	30				To fund emergency removals of potentially dangerous light fittings; removing liability sum allows for minimal replacements (10-12 units maximum). Larger project may be needed in future to enable responsibility to be passed to parish councils (KCC do not want lights back). In addition to the £60k provision in the current MTFP.	SR	K Watson
21	Guildhall Sq Sandwich - support for external funding bids	30				Initial works to support funding bids for HLF, Townscape Scheme, and Coastal Community Fund grants. If successful, the grant funding will be used to improve the public realm in respect of accessibility, and supporting economic activity and growth.	SR	R Collins
22	Sandwich Parks project - Phase 1 - enabling design & survey work	24				Topo survey, heritage survey, design of public realm. To develop a design for Sandwich Quay, Bulwarks play area and conservation of the historic town wall. The design/survey work will provide supporting information for statutory permissions (scheduled monument consent, listed building consent, planning ...)	SR	R Collins / M Leggatt
23	Special Revenue Contingency - overspends	20				Contingency to cover unforeseen overspends on projects that are in progress. Estimate to be reviewed each financial year.	SR	K Watts
24	Litter Bins - Deal Promenade	20				Purchase larger capacity bins to contain increased litter generated by visitors to improve the aesthetics of the promenade during summer period.	SR	M Pile
25	Butts - access bridge works	16				Increase size of conduits through structure to increase flow and decrease silting. Works will significantly reduce the need for dredging (£2k-£2.5k annual cost). (Assumes dredged material left on site; removal would significantly increase the cost).	SR	D Solley / R Thangaval
26	RNLI Building, Walmer - Surface treatment	15				Refurb of surfaces around the building and adjacent promenade; damage to surface by vehicle movements are beginning to threaten the smooth transit of the life boat from the station to the beach; impact is two fold, 1) repair damage and safeguard the launch of the life boat, 2) provide necessary physical measures (bollards or similar) to deter vehicle use in the vicinity.	SR	K Watson
27	Dover Regeneration - enabling costs	15				DDC has a development obligation to fund enabling costs on the DTIZ project as it moves into the delivery phase. Future costs may include legal and commercial advice. This will be part funded by £65k from the Developer contribution (see Dover Regeneration Reserve).	SR	T Ingleton
28	Gazen Salts - nature reserve works	15				Works to include dredging silted up lakes; creating maintenance access routes. Without works to the lakes, the habitat will quickly degrade and the value of the nature reserve will be lost. The trust has received £8k from Tesco which could also be a contribution to the project; there is also £5k ear-marked for tree replanting in the reserve (EA funding received in 14/15 from tidal defence scheme) which could be re-allocated to cover works essential to a healthy habitat for future trees.	SR	D Solley
29	Apertures for wheeled bins	15				A trial of aperture bin lids for recycling in some communal areas has been successful in increasing quality of recycling. The apertures restrict items for recycling and the locked lids prevent black waste bags contaminating the recycling load. Contaminated recycling reduced from 20% to 9%. Less contamination reduces the risk of our recycling material being rejected for sale.	SR	M Pile
30	Russell Gardens - bridge replacement	13				Replace existing bridge which is becoming structurally unsound; bridge needed for essential access (for vehicles, mowers) to allow on-going maintenance.	SR	F Thompson

REF:	SCHEME	YEAR ONE 2017/18	YEAR TWO 2018/19	YEAR THREE 2019/20	FUTURE YEARS 2020/21- 2021/26	NOTES	Capital / Special Revenue	CONTACT OFFICER
31	Dover Health Impact Assessment (HIA)	11				BRE to assist DDC in providing an HIA on Private Sector Housing stock in Dover and a cost benefit analysis of mitigating health and safety hazards. The information will enable discussions with Health & Wellbeing Boards regarding potential efficiency savings and improved service for local residents.	SR	R Kennedy
32	Tree Safety Emergency Works following quinquennial	10				Additional requirement for existing project.	SR	R Dryburgh
	TOTAL SPECIAL PROJECTS RESERVE FUNDED	835	125	0	0			
	DISTRICT REGENERATION & ECONOMIC DEVELOPMENT RESERVE FUNDED							
	TOTAL DISTRICT REGENERATION & ECONOMIC DEVELOPMENT RESERVE FUNDED	0	0	0	0			
	ICT RESERVE FUNDED							
33	Regulatory Services - replacement admin database	65				Replace current Northgate M3 system which is inhibiting future digital progress; a new system will integrate better with the corporate DMS; provide greater resilience and back up support; improve customer service and performance management.	SR	D Croucher
34	Corporate Software - Enhancements & Upgrades	50				To cover upgrades/enhancements to corporate systems (Esri, Idox, website etc.) To progress DDC's digital agenda to improve efficiency and customer service. In addition to £100k provision for Corporate Digital projects and approved available funding (currently £77k) for ICT Infrastructure (awaiting allocation) in the current Special Revenue programme.	SR	A Robinson
35	Regulatory Services - Handheld Systems	20				Purchase Environmental Health licences (£15k) and 14 tablets (£5k) to enable the introduction of a handheld system for field officers. This is expected to improve service efficiency and communications with businesses; potential for additional tools through specific applications (i.e. noise monitoring); safety features (GPS tracking).	SR	S Mattison / S McEwen
36	AIM Upgrade	11				Axis Income Management & Counter Receipting upgrade to version 11.	SR	L Peasgood
37	ICT scan hard copy plans	8				Capture and index hard copy drawings of many assets; work required to facilitate the ICT project to capture all asset information on iDox. There are currently inefficiencies in tracking down information on assets due to inadequate indexing.	SR	H Lynch
	TOTAL ICT RESERVE FUNDED	154	0	0	0			
	REGENERATION RESERVE FUNDED							
38	LDF Plan	300	0	0	0	Local Development Framework plan.	SR	A Fox
	TOTAL REGENERATION RESERVE FUNDED	300	0	0	0			
	DOVER REGENERATION RESERVE FUNDED							
39	Dover Regeneration - enabling costs	65				DDC has a development obligation to fund enabling costs on the DTIZ project as it moves into the delivery phase. Future costs may include legal and commercial advice. This will be part funded from the Developer contribution; an additional £15k will be funded from the Special Revenue Reserve.	SR	T Ingleton
	TOTAL REGENERATION RESERVE FUNDED	65	0	0	0			

REF:	SCHEME	YEAR ONE 2017/18	YEAR TWO 2018/19	YEAR THREE 2019/20	FUTURE YEARS 2020/21- 2021/26	NOTES	Capital / Special Revenue	CONTACT OFFICER
	GRANT FUNDED							
40	Disabled Facilities Grants	859				Estimate of 17/18 grant funding due from KCC Better Care Fund (based on 16/17 grant received as 17/18 figure not currently available)	C	R Kennedy
41	Community Housing Fund	254				DCLG grant to help local authorities tackle the problem of second home ownership in their communities.	SR	P Whitfield
42	Sandwich Quay - dredge & install fenders	15				Environment Agency grant - Dredge quay and install new fenders (originals lost in 13/14 flood defence scheme). This will protect quay wall from collisions; allow greater use of quay; reduce costs from impact damage; and increase mooring fee income. Total cost of £53k part funded by Capital Receipt. (also see Capital Receipt funding).	C	K Watson
43	St Margarets Bay - study	10				Environment Agency grant for coast protection study.	C	K Watson
	TOTAL GRANT FUNDED	1,138	0	0	0			
	S106 FUNDED							
	TOTAL S106 FUNDED	0	0	0	0			
	OTHER FUNDING							
	TOTAL OTHER FUNDING	0	0	0	0			
	HRA FUNDED							
44	HRA Property Projects - Capital Works	4,505				HRA property projects - funded from HRA resources.	C	HRA Accountant
45	Proposed possible developments on HRA land	2,450				30% funded from Excess Right to Buy Receipts and 70% funded from the Housing Initiative Reserve.	C	HRA Accountant
46	Folkestone Rd properties - refurbishment	120				Further funding required for works identified following the stripping out of two of the properties. Works include:- basement damp-proofing; structural repairs due to water damage and inadequate steel work; costs (currently unknown) re water ingress through the lift shaft; enclosures for new services; demolition works; boundary fencing.	C	D Parish
	TOTAL HRA FUNDED	7,075	0	0	0			
	TOTAL PROJECTS	10,730	1,800	0	0			

JANUARY 2017
UNFUNDED 17/18 BIDS FOR CAPITAL AND SPECIAL REVENUE PROJECT SCHEMES
(TO BE REVIEWED IF FUNDING BECOMES AVAILABLE)

REF:	SCHEME	YEAR ONE 2017/18	YEAR TWO 2018/19	YEAR THREE 2019/20	FUTURE YEARS 2020/21- 2021/26	NOTES	Capital / Special Revenue	CONTACT OFFICER
		£000	£000	£000	£000			
CAPITAL RECEIPT FUNDED								
1	Kearsney Abbey / Russell Gardens - play area/disabled facilities access		340			Redesign, replace/refurb play areas to complement HLF bid & provide fully accessible facilities (existing provisions are nearing the end of natural life). This will make asset attractive to families and promote health and well-being.	C	L Corby / J Winder
2	St Margarets Beach Huts - refurbishment		82			Works to include removal of asbestos; no immediate risk but good practice to remove and eliminate risk. External refurbishment of huts to enhance and compliment recent works at the public house.	C	F Thompson
3	Cowdray Square play area - refurbishment		68			Replace ageing equipment and refurbish. This strategic play area is not currently on HRA land (Jan 2017), however, the Head of Strategic Housing has indicated HRA support could be available. The works could also be part funded by S106 if play provision strategy reviewed, depending on future developments. .	C	L Corby
4	Kearsney Abbey - disabled adult changing facility	40				Provision of disabled adult changing facility.	C	M Leggatt
TOTAL CAPITAL RECEIPT FUNDED		40	490	0	0			
SPECIAL REVENUE RESERVE FUNDED								
5	Tree Safety Emergency Works following quinquennial		5	5		Additional requirement for existing project.	SR	R Dryburgh
6	Connaught Park - Strategic Review		25			Review of future of Connaught to support regeneration of Dover Town, and health and well-being. Park could become a destination for locals and regionally as an outdoor activity centre. Topography lends itself to adventurous activities; this and other options need to be reviewed and the community consulted. The right scheme and transport links could potentially have a significant beneficial impact on the town centre.	SR	R Wragg / D Solley
7	Play Areas - replace eroded paths		21			Periodic repairs which are becoming essential to mitigate health and safety risks. This will lead to less pressure on corporate insurance premiums and improved visual impression.	SR	F Thompson / B Finch
TOTAL SPECIAL REVENUE RESERVE FUNDED		0	51	5	0			
S106 FUNDED								
5	Improvements to Elms Vale pitches	90	90			Project only to go ahead if S106 funding available; no agreements have been signed yet.	C	L Corby
6	Victoria Park Outdoor Facilities Improvements		100			Future years contribution towards sports & outdoor facilities - to facilitate match funding - 18/19 but may be earlier. Project subject to S106 funding availability.	C	M Leggatt
TOTAL S106 FUNDED		90	190	0	0			
TOTAL PROJECTS		130	731	5	0			

**GRANTS TO CONCESSIONARY RENTALS 2016-17
2016/17 2017/18**

0	0	Aylesham Parish Council	Lease Of Land At Spinney Wood, Aylesham
50	50	Sandwich Tennis Club	Lease Of Tennis Courts In Sandown Road, Sandwich
75	75	Aylesham Parish Council	Lease Of 1.82 Acres At Market Square, Aylesham
0	0	Aylesham Parish Council	Lease Of 1.95 Acres Of Land Adjoining Ratling Road, Aylesham
0	0	Aylesham Parish Council	Lease Of 4.94 Acres At Dorman Avenue North, Aylesham
225	225	Dover Bowling Club	Lease Of Pavilion In Maison Dieu Gardens, Dover
355	355	Victoria Park Bowling Club	Rent Of Pavilion, Victoria Park, Deal
150	150	Aylesham Parish Council	Lease Of 7.7 Acres Adjoining Hill Crescent, Aylesham
0	0	Deal Angling Club	Lease Of Angling Cabin On Deal Pier
325	325	Deal & Walmer Angling Club	Lease Of Angling Cabin On Deal Pier
450	450	Capel-Le-Ferne Parish Council	Lease Of Land In Lancaster Avenue For Use Of Playing Field
1,225	1,225	Dover Rugby Football Club	Rent Of Crabble Pavilion, River (Our Half Of The 7 Months @50% Of £4,200)
1,750	1,750	Dover Rugby Football Club	Rent Of Crabble Pavilion, River (We Pay The Remaining 5 Months @ 100% Of £4,200)
2,500	2,500	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	Dover Athletic Football Club	Lease Of Ground At Crabble Athletic, River
10,000	10,000	Dover Citizen's Advice Bureau	Rent Of 1st Floor Dover Area Office
10,000	10,000	Deal Citizen's Advice Bureau	Lease Of The Cedars, 26 Victoria Road, Deal
35,105	35,105	In most cases, the above shows a 50% grant or more reduction in the rental charges for DDC properties or income generating sites	

144

Financial Assistance Payments to Other Outside Bodies

2016/17 £	2017/18 £	Change %	
265,000	265,000	0%	Your Leisure Grant paid to Your Leisure £265k. In addition £35k funding is provided for Deal tennis Centre from which Your Leisure benefit from the additional income stream.
1,500	1,500	0%	Pegasus Playscheme Provision of a playscheme for children with disabilities
3,000	3,000	0%	Kent County Council Contribution to Sports Partnership
4,500	4,500	0%	Gazen Salts Nature Reserve To assist in managing and maintaining the reserve
10,000	10,000	0%	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.
12,000	12,000	0%	Dover Rugby Club For ground maintenance at Crabble Athletic Ground, covered by saving made in the Landscape maintenance contract.
1,000	1,000	0%	Victoria Bowls Contribution to running expenses of the Club
100,500	100,500	0%	Dover Citizen's Advice Bureau £97k CAB Core Funding grant, plus £3,500 service charge contribution
22,500	22,500	0%	Neighbourhood Forums Joint contribution with KCC for neighbourhood projects
7,800	7,900	1%	Home Improvement Agency "Intouch" Housing Improvement Agency funding
5,000	5,000	0%	Deal Town Council Astor Theatre
3,500	3,500	0%	Actions with Communities in Rural Kent Contribution to rural housing
436,300	436,400		

SUMMARY OF RECOMMENDATIONS (DRAFT)

Detailed below is a summary of all the recommendations included in the report:

General Fund Revenue Account

It is recommended that Cabinet:

- Continue the practice of delegating authority to the Director of Finance, Housing and Community to approve revenue budget carry forwards within the guidelines set out; and
- Approve the grants to organisations detailed at Annex 11.

It is recommended that Council:

- Approve the General Fund Revenue Budget for 2017/18 and the projected outturn for 2016/17;
- Approve the policies and protocols regarding the General Fund balances and earmarked reserves, and transfers between reserves as set out in Annex 6.

Housing Revenue Account

It is recommended that Cabinet:

- Delegate to the Director of Finance, Housing and Community, in consultation with the portfolio holder responsible for Finance, the setting of the level of the on-going HRA minimum balance, the transfer of balances to the HIR, the use of prudential borrowing, and adjustment of the resources of the HIR accordingly.
- Delegate to the Director of Finance, Housing and Community, in consultation with the portfolio holder responsible for Finance, approval of offers, tenders or bids for the purchase of properties on the open market or at auction, in order to respond to market opportunities.

It is recommended that Council:

- Approve the 2016/17 Projected Outturn and the 2017/18 HRA budget at Annex 7.
- Delegate to Cabinet the approval of individual projects to be financed by the HIR.

Capital & Special Revenue Programmes

It is recommended that Cabinet:

Continue the practice of delegating authority to the Director of Finance, Housing and Community, in consultation with the Portfolio Holder responsible for Finance, to:-

- Apply capital receipts, revenue resources, grants, s106 monies, etc. to finance the approved Capital and Special Revenue Projects Programmes;

- Authorise projects up to £50k that are included in the Capital and Special Revenue Programmes;
- Authorise the allocation of funds to projects from the Capital and Special Revenue Contingencies;
- Authorise virements between Regeneration projects;
- Apply Growth Point reserves to Regeneration projects.

It is recommended that Council:

- Approve the Capital and Special Revenue Projects Programmes;
- Approve that capital resources required to finance new projects are secured before new projects commence.

Treasury Management and the Prudential Code

It is recommended that Cabinet:

- Delegate to the Director of Finance, Housing and Community, in consultation with the portfolio holder responsible for Finance, the amendment of the level and period of investment in property funds.

It is recommended that Council:

- Approve the Treasury Management Strategy, including the Prudential Indicators and Minimum Revenue Provision statement

Council Tax Resolution

It is recommended that Council:

- Approve the Council Tax Resolution as set out at Annex 10A;
- Note that if the formal Council Tax Resolution at Annex 10A is approved, the total Band D Council Tax will be as follows:

	2016/17	2017/18	Increase ¹³
	£	£	%
Dover District Council	172.44		
Kent County Council	1,133.55		
The Police & Crime Commissioner for Kent	152.15		
Kent & Medway Fire & Rescue Authority	72.00		
Sub-Total	1,530.14		
Town & Parish Council (average)	61.86		
Total Band D Council Tax	1,592.00		

¹³ The referendum rules permit social care authorities (KCC) to increase their precept by 2% plus an additional 2% to be ring-fenced for social care and for local authorities (DDC) & police authorities to increase their precept by the higher of 2% or £5. The increases proposed for 2016/17 all fall within these limits.

The Council Tax, by band, for the major preceptors will be as follows:

	Valuation Bands							
	A	B	C	D	E	F	G	H
Precepting Authority:	£	£	£	£	£	£	£	£
Kent County Council								
The Police & Crime Commissioner for Kent								
Kent & Medway Fire & Rescue Service								
Dover District Council								
Total (excl. T&P)								

Subject:	YOUR LEISURE FUNDING ARRANGEMENTS
Meeting and Date:	Cabinet – 6 February 2017
Report of:	Roger Walton, Director of Environment and Corporate Assets
Portfolio Holder:	Councillor Trevor Bartlett, Portfolio Holder for Property Management and Public Protection
Decision Type:	Key Decision
Classification:	Unrestricted

Purpose of the report: Cabinet is requested to confirm Your Leisure funding arrangements for 2017/18 and to determine whether the funding arrangements should continue beyond 31 March 2018.

Recommendation: Cabinet are requested to:

1. Confirm approval of the proposed funding agreement for 2017/18.
2. To determine whether the funding arrangements with Your Leisure in respect of Dover Leisure Centre and Tides Leisure & Indoor Tennis Centre at Deal should continue beyond 31 March 2018.

1. Summary

- 1.1 Members may recall approving a report on 10 September 2012 confirming the merger between Vista Leisure & Thanet Leisure Force. The report also confirmed agreement to funding arrangements for a three year period 2012/13 to 2015/16 and assigned lease agreements for the newly merged Your Leisure (YL). (CAB 15 10 September 2012).
- 1.2 The lease arrangements with Your Leisure for the Dover Leisure Centre and Tides Leisure & Indoor Tennis Centre provide that the leases will terminate automatically when the funding arrangements with Your Leisure come to an end. Cabinet is now being asked to confirm approval to the DDC/YL funding agreement for 2017/18.
- 1.3 Cabinet is asked to note that if the funding arrangements are not extended beyond 31 March 2018, the leases with Your Leisure will cease on that date. It is proposed that this will mark the start of a new twelve year contract period for Dover Leisure Centre and Tides Leisure & Indoor Tennis Centre following the leisure operator procurement process that is currently underway. Further consultation and discussion is continuing with YL at the time of writing this report and any further representations will be reported to the Cabinet at their meeting on 6 February.

2. Introduction and Background

- 2.1 Following the merger of Vista Leisure & Thanet Leisure Force in 2013, the existing lease agreements were assigned to Your Leisure and supported by a three year funding agreement for the management of Dover Leisure Centre and Tides Leisure & Indoor Tennis Centre. A sum of £265k per annum was agreed up to 31 March 2016.

- 2.2 Although the funding agreement entered into at that time primarily provided for financial support up to 31 March 2016 it made provision for further annual funding which were described in the Agreement as ‘Subsequent Funding Periods’. Currently, we are in such a Subsequent Funding Period which came into effect when DDC provided funding to YL for 2016/17.
- 2.3 The level of funding for the 2016/2017 period was reviewed in accordance with the previous funding agreement. This review entailed reviewing YL’s Corporate Business Plan, assessing recent audited accounts, YL risk register, and taking other considerations into account such as the key performance indicator results, the Council’s growing budget pressures & volatility, deterioration of leisure centre buildings and projected increases in minimum wage etc. The sum of £265K was maintained and provided for in the budget and approved by Cabinet on 1 February 2016.
- 2.4 The proposed funding agreement for 2017/18 is attached at Appendix B. This document continues the same mechanism under which YL seeks annual funding from the Council which is then used to support the delivery of its sport, leisure and health objectives at the leisure centres. Another review of the funding level has been undertaken as described above and Cabinet are being asked to agree to maintain the current £265k level of funding for 2017/18.
- 2.5 If the funding arrangements are not extended beyond 31 March 2018, the leases with YL will also cease automatically on that date. It should be noted that this is not as reported to Cabinet on September 2016 when members were advised in error that the leases would have to be terminated by the giving of 12 months notice. Although the leases as originally granted made provision for termination by the giving of 12 months notice they were varied as part of the assignment process referred to in paragraph 1.1 and provision made for their automatic determination on the ending of the Council’s funding support.
- 2.6 The Council is currently undertaking a leisure operator procurement process that will seek to appoint an operator to manage both centres for a twelve year contract period from 1 April 2018. This decision has evolved as a result of the work being undertaken to build a new Dover Leisure Centre likely to be complete by early 2019.
- 2.7 YL will of course be invited to tender and have the opportunity to bid for the new contract with other competing operators. It should however be restated that the Council’s legal relationship with a new operator will be different from that which it maintains at the moment with YL. Currently the leisure facilities form part of the undertaking of YL whereas under the proposed arrangements the operator will be operating facilities as a manager on behalf of the Council.

3. **Identification of Options**

- 3.1 Option 1. To agree to the new DDC/YL funding agreement for 2017/18. This is the preferred option.
- 3.2 Option 2. To decline to agree the further funding.

4. **Evaluation of Options**

- 4.1 The preferred option is Option 1. The new funding agreement provides certainty to both YL & DDC in terms of YL financial planning and continuity of services at both

leisure centres. Local sport, leisure and health objectives will be supported in our district to help our resident's lead more active and healthier lifestyles.

- 4.2 Option 2 is not recommended as this would potentially result in YL ceasing to operate the leisure centres from 1 April 2017 and the Council would be without an operator to manage facilities and deliver services from that period until alternative arrangements can be put in place.

5. **Resource Implications**

- 5.1 The budget requirement of £265k is included in the Council Budget 2017/18 and Medium Term Financial Plan 2017/18.

6. **Corporate Implications**

Comment from the Section 151 Officer: Finance have been consulted and have no further comment to add (VB).

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.

Comment from the Equalities Officer: The report does not specifically highlight any equalities implications, however in discharging their responsibilities members are required to comply with the public sector duty as set out in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>

7. **Appendices**

Appendix A: Letter from Vista dated 18 July 2012

Appendix B: DDC/YL Funding Agreement 2017/18

Background Papers

Contact Officer: Laura Corby – extension 2448

Appendix A

Kevin Fordham
Chief Executive

Philippe Lacamp
Chairman

www.vistaleisure.com



18 July 2012

Mr R. Walton
Director of Environment and Corporate Assets
Dover District Council
White Cliffs Business Park
Dover
Kent
CT16 3PJ

Vista Leisure
PO Box 408
Dover
Kent
CT16 9BH

Tel: 01304 829860
Fax: 01304 829854

Dear Roger

Merger Between Vista Leisure and Thanet Leisureforce

On the 6th July the Vista Leisure (VL) Trustees agreed to merge with Thanet Leisureforce (TLF). The form of merger will be for VL to dissolve with our assets and liabilities transferring to TLF operating as an Industrial and Provident Society, albeit under a different company name.

The Trustees were confident that our values and objectives and indeed skill set were complementary and considered this was the best way forward to provide a more robust financial platform. They also felt the merger would open up new opportunities and was in the best interests of the charity beneficiaries.

You will be aware there were pre-determined requirements to enable the merger to proceed including approval in respect of leases and funding from Dover District Council (DDC). For completeness the essential requirements are outlined below and I would be grateful if you could make arrangements to progress the current 'in principle' support, in order to obtain formal Council approval.

- Agree to novate the existing leases to the new merged organisation
- Retain the existing length of the lease up until March 2021 and remove all clauses that enable a break in the lease with 12 months' notice
- Agree to enter in to a three year funding arrangement with the new merged organisation

I should mention that a Shadow Board has now been formed to oversee the implementation and their first meeting will be on the 14th August. A key decision at this meeting will be to agree a Company name, which will enable TLF's Membership to formally adopt this name at a Members meeting on the 21st August. The merger is scheduled for completion in March/April 2013 and to keep this on track and avoid abortive costs it would be helpful if you could aim to achieve Council approval in advance of the TLF Members meeting.

You will also know the merger report clarifies VL's and TLF's joint position on Local Authority representation on the new Board. In respect of future governance, and whilst I think I know the answer, it would be helpful if you could confirm if DDC would like to consider the possibility of Councillor representation.

Registered Address: Spin Brothers, 5 St James's Street, Dover, Kent, CT16 1DD
The Company is a limited company registered in England and Wales, Company Registration No. 4149648
Charity Registration No. 1099530



Please do not hesitate to contact me to discuss further.

Yours sincerely

A handwritten signature in black ink, appearing to read 'K Fordham', written over a light grey circular background.

Kevin Fordham
Chief Executive

Copy to: Steve Davis - Managing Director, Thanet Leisureforce

Dated _____ 2017

DOVER DISTRICT COUNCIL (1)

And

YOUR LEISURE KENT LIMITED (2)

FUNDING AGREEMENT

relating to

LEISURE SERVICES

Harvey Rudd
Solicitor to the Council
Dover District Council
White Cliffs Business Park
Dover
Kent CT16 3PJ

CONTENTS

Parties and Introduction

	Page
1. Interpretation	3
2. Funding Period and Amount of Funding	3
3. Payment Arrangements	3
4. Financial Management and Monitoring	4
5. The purpose of the Funding	4
6. Reviews and Variations	5
7. Best Value	5
8. Alterations to the Memorandum & Articles.	5
9. Status of The Company and Part V Local Government and Housing Act 1989 and the Companies Orders	6
10. Disputes	6
11. Value Added Tax	7
12. This Agreement not to constitute a Partnership	7
13. Termination	

Schedules:

1. The purposes of the funding	7
2. Specific sport, leisure and health objectives	8

THIS AGREEMENT is made the _____ day of _____ 2017

B E T W E E N:

1. **DOVER DISTRICT COUNCIL** of White Cliffs Business Park Dover Kent CT16 3PJ ('the Council')
2. **YOUR LEISURE KENT LIMITED** whose registered office is at Winter Gardens Fort Crescent Margate Kent CT9 1HX (Company Registration no IP28889R) ('the Company')

INTRODUCTION

1. The Council is a District Council which is intending to exercise its powers under Section 19(3) of the Local Government (Miscellaneous Provisions) Act 1976
2. Your Leisure Kent Limited is an industrial and provident society with charitable objectives registered under the Industrial and Provident Societies Act 1965 and is also a voluntary organisation which has amongst its objects the provision of community recreational facilities as defined in Section 19 of the Local Government (Miscellaneous Provisions) Act 1976
3. The parties agree that this Agreement shall deal with the arrangements for certain Services which are to be carried out by the Company

THE PARTIES AGREE as follows:-

1. Interpretation

- 1.1 'Approved Business Plan' means the business plan prepared by the Company and agreed by the Council from time to time
- 1.2 'Commencement Date' means 1 April 2017
- 1.3 'Funding' shall mean the sums payable by the Council to the Company under this Agreement
- 1.4 'Funding Payments' shall mean any payment made by the Council to the Company under the terms of this Agreement
- 1.5 'Funding Period' means the period commencing on the Commencement Date and ending on 31 March 2018
- 1.6 'Leases and Licences' shall mean the leases and licences under which the premises at which the Services are to be performed pursuant to this Agreement are or may be demised to the Company by the Council and 'Lease and Licence' has a corresponding meaning
- 1.7 'The Premises' shall mean those premises known as Dover Leisure Centre, Dover and Tides Leisure Pool and Indoor Tennis Centre, Deal which are the subject of the Leases and Licences

- 1.8 'The Services' shall mean all those services for which the Council is making Funding Payments as set out in this Agreement

2 Funding Period and Amount of Funding

- 2.1 The amount of Funding for the Funding Period is £265,000.00 (two hundred and sixty-five thousand pounds)

3. Payment Arrangements

- 3.1 The Council will pay the Funding to a bank account in the name of the Company and the Company shall use the Funding solely for the purposes set out in accordance with the provisions of clause 5 hereof
- 3.2 Payments will only be made subject to the Council being satisfied that the Company has properly used (or are intending properly to use) the said funds in accordance with the terms of this Agreement
- 3.3 It is agreed that wilful breach of this Agreement by the Company would entitle the Council to terminate this Agreement and that the Council may require repayment of all moneys already paid to the Company which had not been spent at the date of such termination
- 3.4 At any time when a payment falls to be made by one party to the other the parties may agree to set off any sum or sums due to the paying party from the other

4. Financial Management and Monitoring

- 4.1 The Company shall operate all customary financial management systems in accordance with established best standards of accounting practice. In particular their accounts will be prepared in accordance with all relevant guidance issued by the Financial Reporting Council and will follow the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice 2005, identifying as appropriate any exceptions to the Statement.
- 4.2 The Company shall maintain such financial operational and service records as shall be necessary to establish that the terms of this Agreement are being fulfilled, and, in particular that the Funding is being used to assist the Company in providing the Services at the Premises and for no other purpose. The Company shall at the request of the Council forthwith make such records available to the Council or its representatives (including its internal or external auditor).
- 4.3 Without prejudice to the generality of the foregoing the Company shall provide such information to the Council and at such intervals as shall be agreed from time to time as part of the regular programme for monitoring the Company's performance

- 4.4 The Company shall submit unaudited accounts to the Council as soon as they are available and in any case not later than 3 months after the end of the Company's financial year
- 4.5 The Company shall submit audited accounts to the Council as soon as they are available and in any case not later than 6 months after the end of the Company's financial year

5. The Purpose of the Funding

- 5.1 The Council has provided the Company with a copy of its recent adopted Indoor Sports Facility Strategy July 2016 and the Playing Pitch and Outdoor Sports Facility Strategy February 2015 which set out the Council's strategic sport, leisure and health objectives. Schedule 2 sets out the specific sport, leisure and health contributory key drivers and objectives, all of which the Company has hereby agreed to assist in delivering by providing the Services at the premises subject to Leases and Licences within the District of Dover (including such ancillary services which are specified in the Schedule 2).
- 5.2 The Company will provide the Council with performance information relating to performance indicators agreed between the parties.
- 5.3 The Company has prepared the Approved Business Plan showing how it will provide the recreational and other services referred to in clause 5.1
- 5.4 The purpose of the Funding is to assist the Company in the provision of those Services as are more particularly specified in the Approved Business Plan at the Premises (and only for such purposes) by way of enabling the Council to fulfil its statutory functions under Section 19(3) of the Local Government (Miscellaneous Provisions) Act 1976 and Section 145 Local Government Act 1972 by the provision of high quality sport and leisure services as evidenced by robust performance measures.

6. Reviews and Variations

- 6.1 The parties agree that they will have regular and general reviews of this Agreement and without prejudice to the generality of this clause any such review will consider whether the Council's strategic objectives and performance indicators (as set out in this Agreement) are being met the level of expenses being incurred by the income being achieved and consequentially whether or not the current past and any proposed level of funding is at the right level whether best value is being delivered as set out in clause 7 and without prejudice to the generality of this provision will have reviews not less than quarterly
- 6.2 The parties further agree that if either party considers that there is an urgent need to discuss the operation of this Agreement that they will meet expeditiously to discuss the implications of any such changes and to use reasonable endeavours to agree all necessary variations to the purposes for which the Funding may be used including any required

amendments to the Approved Business Plan

- 6.3 The Company will provide all required information (without making any charge) and fully co-operate with the Council so that the Council can carry out the reviews efficiently and expeditiously
- 6.4 Without prejudice to the generality of clauses 6.1 and 6.2 if either party is in breach of any of its obligations in this Agreement any of the Leases Licences Transfer Agreement or any other arrangements between the parties they will meet expeditiously to discuss the implications of such breaches

7. Best Value

- 7.1 The Council is obliged to carry out its duties in accordance with the statutory duty of 'Best Value'
- 7.2 In order to enable the parties to demonstrate the best value principles as set out above the parties will seek to agree a mutually acceptable method of evaluating whether Best Value is being delivered including consideration of appropriate benchmarking exercises

8. Alterations to Memorandum or Articles

- 8.1 The Company agrees that it will not alter or amend its Memorandum or Articles of Association without prior consultation with the Council

9. Status of The Company and Part V Local Government and Housing Act 1989 and Companies Orders

THE COMPANY warrants that:

- 9.1 it is a voluntary organisation as defined in Section 19(3) of the Local Government (Miscellaneous Provisions) Act 1976 and will remain a voluntary organisation throughout the Funding Period
- 9.2 it is not a controlled, regulated or influenced company as defined in Part V of the Local Government and Housing Act 1989 (or the Local Authorities (Companies) Orders 1995 and 1996) and will not so become during the Funding Period
- 9.3 that less than twenty percent of its members is a local authority associated person within the definition of such person in Section 69(5) of the Local Government and Housing Act 1989 and that it will use its best endeavours to prevent any member so becoming
- 9.4 none of the members of its Board of Trustees is a local authority associated person within the definition of such person in Section 69(5) of the Act and that it will use its best endeavours to prevent any member of its Board of Trustees so becoming

10. Disputes

- 10.1 If any dispute arises out of this Agreement (save as set out below) the parties shall have the option to settle it by mediation in accordance with the Centre for Dispute Resolution (“CEDR”) Model Mediation Procedure (“the Model Procedure”) and the following provisions of this sub-clause:
- 10.2 Either party shall give a notice (“the ADR Notice”) to the other requesting a mediation in accordance with this sub-clause and a copy of the ADR Notice shall be sent to CEDR
- 10.3 The Model Procedure shall be amended to take account of any relevant provisions in this Agreement or any other additional agreement which the parties may enter into in relation to the conduct of the mediation
- 10.4 If there is any question on the conduct of the mediation (including as to the nomination of the mediator) upon which the parties cannot agree within 14 days from the date of the ADR Notice CEDR will at the request of either party (and after consultation with the parties) decide such question
- 10.5 The mediation shall start not later than 28 days after the date of the ADR Notice

11. Value Added Tax

- 11.1 Any payments made in accordance with this Agreement are exclusive of Value Added Tax (‘VAT’) and VAT shall be added to any payments where appropriate
- 11.2 In respect of the Funding Payments on receipt of any valid VAT invoice from the Company the Council shall pay VAT to the Company in addition to the other sums payable in accordance with this Agreement

12. This Agreement not to constitute a partnership

- 12.1 None of the provisions of this Agreement shall be deemed to constitute a partnership between the parties and neither of them shall have any authority to bind the other in any way

13. Termination

- 13.1 This Agreement shall terminate automatically upon the expiration of the Funding Period
- 13.2 On termination of this Agreement, however it ends, the Leases and Licences will automatically determine.
- 13.3 Termination or expiry of this Agreement shall not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination or expiry including the right to claim damages in respect of any breach of the agreement which existed at or before the date of termination or expiry.

IN WITNESS whereof this Agreement has been entered into and delivered as a deed on the date stated at the beginning

SCHEDULE 1

THE PURPOSES OF THE FUNDING

1. The purpose of the funding is primarily to enable the Company help achieve the Council's strategic sport, leisure and health objectives as set out in its adopted Indoor Sports Facility Strategy July 2016 and the Playing Pitch and Outdoor Sports Facility Strategy February 2015 at the Premises together with such other specific objectives as may be agreed between the Company and the Council from time to time.
2. The purpose of the funding is also to ensure that the Company is providing a range of safe, affordable and accessible sport and leisure activities to the residents of Dover District at the Premises by achieving a range of broader social and economic benefits for the communities in which the Premises are located. When considering whether to offer any further funding to the Company the Council will consider whether the Company is prepared to (and has) made the Premises available to the public.
3. Key performance indicators linked to district sport, leisure and health drivers and objectives will help to monitor and measure the Company achievements in strategic delivery.

SCHEDULE 2

SPECIFIC CONTRIBUTION TO SPORT, LEISURE AND HEALTH KEY DRIVERS AND OBJECTIVES

The relevant sport, leisure & health key drivers and objectives are as follows (the numbering reflects the numbering in the adopted strategies identified below):

Contribution to key drivers set out in the **Dover District Playing Pitch and Outdoor Sports Facility Strategy February 2015**

- The need to encourage healthy lifestyles (1.5 – 1.8)
- To help maintain and increase participation levels in sport (1.9 – 1.11)
- The need to ensure that existing stock is used efficiently and effectively (1.17 – 1.18)
- Promoting community cohesion (1.19 – 1.22)

Strategic priorities set out in the action plan of the adopted **Dover District Indoor Sports Facility Strategy July 2016**

- (2) Maximising revenue generation from existing facilities
- (4) Progress with proposals for improvement of facilities at Tides Leisure Centre
- (6) Ensure the sports facility charges are reasonable in terms of affordability to residents and are comparable with similar facilities elsewhere
- (12) Contribute towards addressing specific issues relating the district's demographic profile ie high rates of obesity levels, ensure appropriate provision

for the ageing population and contribute to improving below average levels of sports participation

- (13) Use indoor sport and leisure facilities to improve levels of physical activity in the whole population and reduce the gap in health inequalities by promoting access and engagement with at risk groups
- (16) Work with local swimming clubs to ensure they have sufficient time and space to aid development of their club.
- (23) Support re-development of health and fitness at Tides Leisure Centre and Indoor Tennis Centre
- (27) Ensure effective programming and appropriate pricing in order to continue extensive club, community and elite player usage at Tides Indoor Tennis Centre
- (29) Support re-development of workout and spinning provision at Dover & Tides Leisure Centres

THE COMMON SEAL OF DOVER

DISTRICT COUNCIL was affixed to this deed

in the presence of:

Authorised Officer

Signed as Deed by

YOUR LEISURE KENT LIMITED

By A Secretary and Director/Two directors

Director

Director/Secretary

Subject:	PERFORMANCE REPORT – QUARTER 3, 2016/17
Meeting and Date:	Cabinet – 6 February 2017 Scrutiny (Policy and Performance) Committee – 14 February 2017
Report of:	David Randall, Director of Governance
Portfolio Holder:	Councillor Mike Conolly, Portfolio Holder for Corporate Resources and Performance
Decision Type:	Non-Key Decision
Classification:	Unrestricted

Purpose of the report:	To monitor performance against key objectives
Recommendation:	The Council's Performance Report and Actions for the 3rd Quarter 2016/17 be noted

1. Summary

The Council's Performance Report for the 3rd Quarter 2016/17 reports on performance against key performance targets throughout the Council, East Kent Shared Services and East Kent Housing during the third quarter. It incorporates comments from each Director on performance within their directorate plus any key initiatives and concerns they may have.

2. Introduction and Background

- 2.1 Monitoring of performance against key targets is key to the achievement of the Council's aims and objectives. The Performance Report provides a summary of the Council's key performance figures for the nine months to 31 December 2016.
- 2.2 The Performance Report contains information relating to the performance of the Council against key corporate indicators and considers the performance of a range of indicators against previous year's performance.
- 2.3 The Performance Report identifies areas where performance is on track throughout the third quarter of 2016/17, whilst recognising the need for further improvements in some areas. Each Director provides additional commentary focussing on areas of high or low performance.
- 2.4 Planning performance remains under pressure due to the on-going difficulty in recruiting planners and the emergence of market supplements for planners at neighbouring authorities.
- 2.5 Homelessness is also under pressure with a continued high level of presentations (at local, regional and national levels), limited viability of accommodation, and a possible increase in the level of support that councils will be required to offer to the homeless.
- 2.6 There are a number of major projects in progress which compete for limited officer resources. These include the Council Tax Reduction Scheme, Dover Leisure Centre,

Dover Town Hall, Kearsney, the Property Investment Strategy and Residential Property Investment. .

- 2.7 A section is included to show performance within the Shared Services against key indicators. A more comprehensive set of indicators for EK Services and East Kent Housing are monitored through the monitoring structures established by the Agreements under which those services are delivered, with any areas of significant concern being capable of escalation into this quarterly monitoring report, if required.

3. **Identification of Options**

- 3.1 Not applicable.

4. **Resource Implications**

- 4.1 None.

5. **Corporate Implications**

- 5.1 Comment from the Section 151 Officer: Finance has been consulted and has nothing further to add. (HL)

- 5.2 Comment from the Solicitor to the Council: The Head of Legal Services has been consulted during the preparation of this report and has no further comment to make.

- 5.3 Comment from the Equalities Officer: This report does not specifically highlight any equalities implications, however in discharging their responsibilities, members are required to comply with the public sector duty as set out in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>.

6. **Appendices**

Appendix 1 – Q3 Performance Report

7. **Background Papers**

None.

Contact Officer: Colin Cook, Head of Corporate Services

Dover District Council Performance Report For the Quarter Ending – 31December 2016

Introduction

- Summary of Performance Indicators

KEY

▲	Improved performance
▶	Maintained performance
▼	Decline in performance

Status	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Direction of Travel to previous Qtr
	No.	%	No.	%	No.	%	No.	%	
Green	22	65%	23	68%	23	68%			▶
Amber	5	15%	3	8%	3	8%			▶
Red	7	20%	8	24%	8	24%			▶
Total	34	100%	34	100%	34	100%			

Shared Services Performance

EK Services

PI	Description	Outturn 2015/16	DDC Target 2016/17	Q1	Q2	Q3	Q4	Current Cumulative figure	Absolute Number of Cases this Qtr where applicable	Direction of Travel to previous Qtr	RAG Status
ICT											
EKS01d	Percentage of incidents resolved within agreed target response time - ICT	99%	95%	96%	97%	99%		97%		▲	Green
EKS02d	Percentage of Service Desk calls resolved within one day	65%	65%	69%	70%	70%		70%		▶	Green

EK Services

PI	Description	Outturn 2015/16	DDC Target 2016/17	Q1	Q2	Q3	Q4	Current Cumulative figure	Absolute Number of Cases this Qtr where applicable	Direction of Travel to previous Qtr	RAG Status
EKS04d	Percentage availability of email service	100%	97.50%	100%	100%	100%		100%		▶	Green
EKS24d.1	Percentage availability of Finance system	100%	95%	100%	100%	100%		100%		▶	Green
EKS24d.2	Percentage availability of Anite/Housing System	100%	95%	100%	100%	100%		100%		▶	Green
EKS026d	Average call waiting time in minutes	46 seconds	75 seconds	71 seconds	50 seconds	25 seconds		48 seconds		▲	Green
Council Tax											
EKS18d	The percentage of council taxes due for the financial year which were received in year by the authority.	97.92%	97.65%	29.43%	57.20%	85.09%		85.09%		N/A	Green
		£54,966,428	N/A	£ 17,358,815	£ 33,875,342	£ 50,440,629		£ 50,440,629		N/A	N/A
Business Rates											
EKS19d	Total Business Rates collectable per NNDR1	99.31%	Information only	32.23%	58.26%	85.20%		85.20%		N/A	N/A
EKS50d	Total Business Rates Invoiced	£ 34,437,527	Information only	£ 8,934,677	£ 11,776,965	£ 30,041,471		£ 30,041,471		N/A	N/A

EK Services

PI	Description	Outturn 2015/16	DDC Target 2016/17	Q1	Q2	Q3	Q4	Current Cumulative figure	Absolute Number of Cases this Qtr where applicable	Direction of Travel to previous Qtr	RAG Status
Benefits											
EKS13d	Pay benefit quickly	5.57 days	9 days	6.60 days	6.15 days	7.88 days		6.85 days		▼	Green
EKS14d	Percentage of correct Housing Benefit & Council Tax Benefit decisions	95.88%	94.00%	96.59%	96.89%	91.99%		96.00%		▼	Green
EKS51d	Households affected by reductions in Housing Benefit	520	Information only	519	506	493		493		N/A	N/A

¹⁰ EK Services Director's Comments

Performance:

Q3 has been a good quarter for performance in all areas except for the Housing Benefit and Council Tax Support 'error rate' (EKS14d) which has dipped, albeit it remains currently on target for the year as an average. This is due to an individual performance issue within the team that is being addressed and I will be monitoring this closely with the DDC client officers in the January monthly report where I expect to see an improvement, which in turn will provide reassurance that the annual target will still be achievable.

Key Initiatives/Outcomes:

Work remains ongoing with the EKS operating model review, mentioned last quarter, which is looking across the whole of EKS and EKHR to ensure the structure is correct for the future. However, in addition to this two management reviews are underway within Customer Services and EKHR that will change the structure slightly and deliver improvements and savings.

East Kent Housing are now live on the EK HR Payroll which was a project delivered on time and cost and, thus far, is going very well in terms of quality.

EK Services

PI	Description	Outturn 2015/16	DDC Target 2016/17	Q1	Q2	Q3	Q4	Current Cumulative figure	Absolute Number of Cases this Qtr where applicable	Direction of Travel to previous Qtr	RAG Status
----	-------------	--------------------	--------------------------	----	----	----	----	---------------------------------	---	--	---------------

The focus on digital channel shift and ensuring our customer services teams are adapting processes and systems to ensure we are ready for more customer self-serve is progressing well. A lot of work has been done on customer insight to gather real evidence and views from the public to help shape the service needs and we will shortly be briefing DDC on this activity. As part of this, we ran some training with members of the public to help them understand how they can contact the council or manage requests and transactions using their mobile phones and computers via the web; this was very well received and we intend to conduct some more of this activity over the coming months

Concerns/Risks:

We remain on track to deliver our in year savings for 16/17 (circa £1m within a £13m operating budget) but with a further challenging savings target for 17/18 (£0.9m) there is now little room for manoeuvre and future savings will start to impact on staffing levels. We need to adapt services in order to achieve such reduction and if we adopt greater digital approaches and have less reliance on face to face contact and manual transactions we should be able to maintain the high standards of service to the public in different ways. If we cannot achieve this then we will need to look at staffing levels in other areas and reduce service levels accordingly which would impact on standards of service

EK Housing

PI	Description	Outturn 2015/16	DDC Target 2016/17	Q1	Q2	Q3	Q4	Current Cumulative figure	Absolute Number of Cases this Qtr (where applicable)	Direction of Travel to previous Qtr	RAG Status
EKHL1	Average time taken to re-let council dwellings	13.08 days	15 days	14.37 days	12.28 days	8.11 days		11.85 days		▲	Green
EKHC2	Rent arrears as % of annual debit	1.15%	1.40%	1.33%	1.33%	1.66%		1.66%		▼	Red
EKHD1	Total current residential arrears (including court costs)	£234,031	N/A	£267,677	£267,366	£333,701		£333,701		▼	N/A
EKHD2	Average current tenant arrears per rented unit	£53.90	N/A	£57.37	£57.30	£71.52		£71.52		▼	N/A
EKHM1	Percentage of total responsive jobs completed on time	94.16%	95%	98.72%	98.80%	99.33%		98.98%		▲	Green
EKHD3	Total former tenant arrears (including court costs)	£91,595	£101,000	£92,372	£78,875	£87,784		£87,784		▼	Green
EKHD4	Amount of former tenant arrears written off	£72,851	N/A	£11,336	£50,785	£67,724		£67,724		▼	N/A
EKHM5	Percentage of properties with a valid gas safety certification	99.9%	100%	99.90%	100%	100%		100%	4,666 properties	▶	Green

East Kent Housing Director's Comments:

Performance:

The current and former tenant arrears figures are taken from one week after the quarter end. We are unable to extract exact figures for the intended time period due to issues with the New Year Bank Holiday and Housing Benefit posting.

However, arrears performance compares positively against last year's position for Quarter 3:

- Current tenant arrears are £22,230 lower than at Q3 last year (£355,931)
- Rent arrears as a percentage of annual debit (despite missing the DDC target this quarter) is 0.14% lower than at Q3 last year (1.8%)

EK Housing

Percentage of total responsive jobs completed on time continues to improve month on month and at 31st Dec 2016, no properties were without a valid Landlord Gas Safety Record (LGSR)

Apart from rent arrears as a percentage of annual debt, all other indicators remain in target.

Key Initiatives/Outcomes:

Nothing to report for Q3

Concerns/Risks

Nothing to report for Q3

Finance, Housing & Community

PI	Description	Outturn 2015/16	DDC Target 2016/17	Q1	Q2	Q3	Q4	Current Cumulative figure	Absolute Number of Cases this Qtr (where applicable)	Direction of Travel to previous Qtr	RAG Status
ACC004	Percentage of invoices paid on time	97.74%	96%	97.95%	98.04%	97.53%		97.84%	2063	▼	Green
HOU010a	Number of households living in Temporary Accommodation including B&B	53	50	59	76	75		75		▶	Red
HOU010b	Number of households in bed and breakfast (The data provided in HOU010a and b shows the number of households on the last day of the quarter.)	35	25	43	42	35		35		▲	Red
PSH006	Number of DFG applicants waiting more than a year for a grant offer	0	0	0	0	0		0		▶	Green
PSH007	Number of DFG applications completed	84	90	14	20	20		54		▶	Amber
HOU005	The number of households presenting as homeless	243	N/A	66	69	52		187		N/A	N/A
HOU011	The number of households presenting as homeless where a duty to re-house is accepted	124	N/A	36	33	37		106		▼	N/A
HOU012	The number of children in B&B and temporary accommodation (TA)	New 2016/17	N/A	13	9	7		7		N/A	N/A

Performance Summary – General Fund, HRA and Capital

Performance:

General Fund Revenue Budget

- The comments below relate to the General Fund at 31st December 2016.
- The General Fund is projecting a surplus of £144k, compared to a budgeted break-even position, as shown in the table below.
- This is a £132k increase in the surplus forecast at the end of the previous quarter, of which £125k arises from a recalculation of the internal recharges, which mostly relates to additional officer time spent on capital projects, including the new Dover Leisure Centre.
- There is a favourable variance of £56k on Enterprise Zone relief grant receivable, representing the additional income relating to 2015/16 above that anticipated in Dover's original budget for that year, which can only be recognised in 2016/17 under legislation. This has been transferred to the Business Rates & Council Tax Reserve.
- Management Fees charged by East Kent Services have reduced by an additional £47k above the £125k target saving.
- Additional pressures are estimated for homelessness emergency accommodation costs (£200k) and legal costs following the judicial review of the Farthingloe (Western Heights) planning decision (£62k). However, there are additional administration grants from Government for the LCTS scheme (£46k) and Universal Credit (£37k). There are also reductions in NNDR payable on corporate properties (£36k) and extra income from car parks (£86k).
- Following the Brexit decision and reduction in the bank base rate, interest rates achievable on deposits have been reducing since June. The investment income has been reviewed and currently no reduction is required, with a small favourable variance (£5k) reported. Further reviews will be carried out.
- A backlog of unresolved business rates appeals with VOA make the final figures for 2016/17 and future years volatile, difficult to predict and subject to change, with ongoing business rates income subject to erosion by successful appeals. Allowance has been made for erosion of income by appeals in the Business Rates projections, alongside a specific provision against the backdating of successful appeals totalling £2.8m. This is expected to be offset by increases in income from new businesses. A 'Business Rates & Council Tax' reserve has been established to help smooth out the impact of timing and changes in business rates income being recognised.
- The variances arising in the second quarter do not indicate any specific need for management action at this stage, but will feed into the next cycle of planning and budgeting, with the revision of the Medium Term Financial Plan already underway.
- In addition, Members will note that General Fund balances are projected to be maintained at about £2.7m, which is above the forecast of £2.5m for 2016/17 in the Medium Term Financial Plan 2016/17–2019/20 approved by Council on 2nd March 2016.

171

General Fund Budget Summary (31st December 2016)	£000
Original budget surplus	0
Supplementary Approval	0
Budget variations	(144)
Projected budget surplus	(144)
Balances Brought Forward	(2,995)
Transfer to Earmarked Reserves	450
Projected Year End Balances	(2,689)

The main variances in the General Fund budget are shown below:

General Fund Budget Variances (31st December 2016) - cumulative	Variance £000
Homelessness - Estimated additional emergency accommodation costs	200
Net increase in recharges recovered, including additional charges of officer time to projects	(125)
Car Parking Income - Off-street: £60k extra car park fees, £19k extra residents' permits, £7k other	(86)
Western Heights - Legal costs associated with judicial review of Farthingloe planning consent	62
Enterprise Zone Relief - additional grant from 2015/16 recognised in 2016/17, as required	(56)
Transfer of additional Enterprise Zone Relief grant to Business Rates & Council Tax Reserve to offset potential future pressures on business rates income	56
East Kent Services - additional management fees savings above the £125k target budgeted	(47)
Planning Contractor Panel – extra costs for which there are no planning vacancy savings to cover	38
Local Council Tax Support scheme – reduction in admin grant less severe than budgeted	(46)
Universal Credit scheme - Admin Grant (no known additional costs for offset)	(37)
Land Charges - Net increase in search fees income, after legal fees, etc.	(41)
NNDR - net savings on corporate properties, incl. £21k for Car Parks (closure of Russell Street)	(36)
Waste - £24k extra green waste income, & £13k KCC weed spray contribution (street cleansing)	(37)
Waste - £15k recycling contract savings due to lower inflation and £5k reduced subs	(20)
Street Lighting - Expected additional electricity costs under contract	23
Other net variances	8
Total Variances - favourable	(144)

Housing Revenue Account

- The HRA balance as at 31st December 2016 is estimated at £1,001k, reflecting a decrease in the result from £90k surplus to £12k deficit.
- The main variances are set out in the Housing Revenue Account Budget Variances table below.

Housing Revenue Account Budget Summary:

Housing Revenue Account Budget (31st December 2016)	£000
Original budget favourable	(90)
Budget variations - adverse	102
Projected budget adverse	12
Balances Brought Forward	(1,013)
Projected Year End Balances	(1,001)

The main variances in the Housing Revenue Account budget are shown below:

Housing Revenue Account Budget Variances (31st December 2016)	Total Variance £000
Stock condition survey	70
HRA contribution towards payment card industry compliance and eFin system improvements.	17
Dwelling rents	(121)
Grounds Maintenance	20
Corporate review of insurance	7
Street lighting	5
Sheltered alarms	5
Norman Tailyour House	(18)
Door entry systems	5
Council tax charges	(30)
Recalculation of major repairs reserve	260
Capital expenditure funded by HRA	(664)
Void budget	(50)
Transfer to reserves	600
Miscellaneous variances	(4)
Total Variances - adverse	102

Medium Term Capital Programme

- Within the capital programme, all projects approved to proceed are fully financed, and there are no significant project overspends. Further details were provided in the budget monitoring report circulated to Members.

The main changes in the Medium Term Capital Programme are shown below:

Capital Budgets (31st December 2016)	Current Year £000	Total Cost of Programme £000
2016/17 position as at 30th September 2016	15,142	71,085
Phasing changes	(1,326)	0
Additional funding for existing projects (includes:- Dover Town Hall major refurbishment - further £1m approved use of the District Regeneration and Economic Development Reserve; Waterfront projects - £65k external contributions expected.	69	1,069
Reduction on HRA Property Projects estimates following a review of the 16/17 requirement.	(140)	(140)
New ICT project added - server replacement funded from the approved ICT Reserve allocation.	20	20
New approved allocation added for Property Investment Strategy – financing to be determined on a case-by-case basis for each proposal.	0	200,000
Total Capital Programme – projected spend	13,765	272,034

Homelessness - The Housing Options Service continues to address growing service demand, a situation which is reflected across the Country but especially in London and the South East. The number of homelessness applications has increased over the past couple of years, but the increasing proportion of applicants we have had to accept a duty to rehouse has been the main issue over recent months. It has become more difficult to help households secure alternative housing in the private sector particularly those reliant on housing benefit. While the Council can offer financial assistance with rent deposits a housing benefit levels can be insufficient to meet actual rents. The Local Housing Allowance rate is based on the 30th percentile of average local rents and is currently frozen until 2019 while private sector rents have steadily increased since 2012 with a 2.7% increase in the South East in the 12 months to September 2015. The relatively limited supply of privately rented homes compared to demand also means that landlords can be more selective, and may refuse to consider households in receipt of benefits.

Other factors include:

- An increase in the number of private sector shorthold tenancies that are not renewed and, as explained above, a problem in finding alternative accommodation. A number of landlords appear to be selling properties in response to the recent changes to the tax system.
- Welfare reform changes such as the reduced benefit cap has exacerbated the affordability problem.
- A general slowdown in the development of new affordable housing for rent and a switch of emphasis to low cost home ownership.

We are working on alternatives to B&B because it is the least suitable and most expensive form of temporary accommodation. Options include property acquisitions, modular housing and working with commercial organisations who acquire private sector properties specifically for use as temporary accommodation. As a result, although the numbers in temporary accommodation remains high, the number of households in B&B has fallen over the last 2 quarters.

The Homelessness Reduction Bill is expected to be enacted by April 2017 and will introduce a new duty to prevent homelessness for all households approaching for assistance. This will continue for 56 days regardless of priority need or intentionality. Councils will be expected to assess every homeless application and provide the applicant with a 'Personalised Housing Plan' and demonstrate that every effort has been made to assist the applicant to prevent their homelessness.

Based on the feedback from Wales, where this approach was introduced in 2015, we anticipate that the number of approaches we will be required to deal with will increase by approximately 26%.

Disabled Facilities Grant - The statutory duty to approve DFGs lies with the local housing authority however in a 2 tier local authority structure the LHA has a legal duty to consult with Social Services before a DFG can be approved. The initial determination for a DFG funded adaptation has to be undertaken by a qualified occupational therapist employed by KCC. If agreed, KCC submits a referral to DDC's Private Sector Housing Team. If the applicant is not in receipt of a means tested benefit the applicant will be sent a preliminary test of resources at an early stage to determine if they would be eligible to receive assistance. The law requires the Council to determine if the adaptation recommended by KCC is reasonable and practicable and will carry out an inspection of the property to determine this. Normally the property is visited within two weeks of receipt of the recommendation.

In most cases the PSH team then makes a grant offer to the property owner the same day. Where the adaptation is of a more complex nature, further visits may be made with other agencies.

Once the grant offer has been made, the property owner can then make a formal application for a DFG. Application requires the completed grant forms together with estimates and plans where appropriate, and sometimes planning permission. Approval is subject to a final means test and in most cases a grant is approved within a week, so the applicant is then able to arrange for the work to be carried out.

Currently, the average length of time taken for the Council to make a grant offer following receipt of a referral is 15 days and, for the past 3 years or so, as a result of increased funding, no-one has had to wait more than 12 months after an OT referral has been made, for a grant offer. Grant applications are usually notified in 5 days. The time taken for the initial OT referral, and for the applicant to submit their grant application and agree a date for the work to start are outside of the Council's direct control.

Funding for DFGs is currently provided by government via the Better Care Fund and has significantly increased year on year over the past 3 years. The funding goes to KCC and it is transferred in full to DDC. Prior to the increase in funding, the amount of grant was less than required to meet service demand and as a result the Council had to operate a waiting list of DFG applicants. Consequently, there was no need to promote the service and raise an expectation the Council would be unable to meet.

The position has changed dramatically especially over the past year. Funding has been increased again while the number of referrals received from the KCC OT service has been below what would normally be expected. As a result we have no backlog but the reduction in referrals means that the number of DFG applications completed is currently below target. We have raised this with senior managers at KCC and have been assured that there is no significant backlog of cases waiting to be referred to DDC. However, we are aware that some districts have offered to help fund additional OT resources to resolve a backlog issue and we will be having further discussions with KCC to determine whether there really is a capacity issue we can help address.

We have also implemented a number of measures to promote the DFG service more widely including the production of leaflets and posters and attending meetings of local groups to explain the service. We are continuing to explore other ways we can raise awareness. We are also exploring how we can use the funding more flexibly for example providing additional funding for the HIA handyperson service specifically to help improve hospital discharge times and also removing some of the means testing barriers for relatively low cost adaptations such as stair lifts.

Concerns/Risks:

- Business Rates Income is subject to on-going pressure from unresolved appeals and, from 2017/18, the impact of the 2017 revaluation by VOA. Business rates income has been reviewed and, while broadly in line with budget, remains volatile, and further adjustments may be required as the year progresses and further appeals are settled. Regeneration in Dover is progressing, but significant improvements in income are unlikely to be seen until late in 2017/18. In recent years, improvements in income from completed developments have been exceeded by the ongoing erosion of year-on-year income by appeals, including GPs surgeries, Tesco, Cable Link to Thanet Wind Farm, etc. While some provision for the prior year impact of such appeals has been made, the ongoing erosion is a concern, and remains hard to fully evaluate. A further dispute over back-dated rates chargeable to another significant customer may impact appeals and/or bad debt provisions, which is only partially provided for at the moment.
- Early indications from the 2017 revaluation process suggest that DDC appears to be one of the 'big gainers' with a 23.9% increase in RV, which is 3 or 4 times the next nearest district in Kent. However, this is mainly due to a significant increase for the Channel Tunnel. Previously, Channel Tunnel have won appeals against their 2005 and 2010 valuations, and they have also re-appealed recently, but the appeal has not yet been heard or settled, so it is extremely uncertain that the new RV is sound. In addition, DCLG will probably neutralise the impacts of the revaluation by adjusting the baseline. It is

highly likely that there will be an immediate deluge of BR appeals once the list 'goes live', which the VOA will take considerable time to resolve, and that will add to uncertainty about the levels of BR income achievable, and we will need to make substantial provisions against such appeals.

- DCLG have advised HRAs to decrease Housing rents by 1% in cash terms per annum for 4 years from 2016/17 – leading to circa 12% shortfall in rent against the HRA Business Plan by year 4 (est. £7m cumulative loss by 2019/20) and pressure to make significant HRA savings. Representations are being made to Central Government by the District Councils' Network to rethink their proposals.

Key Initiatives/Outcomes:

The projected outturns for the General Fund, HRA and Capital Programme do not indicate the need for corrective action in 2016/17. The variances identified will be taken into account in work on the 2017/18 budget and MTFP.

Following confirmation of the £3m HLF funding, the team continue to progress the Parks for People project.

Homelessness presentations continue to stay at high levels. The team are working with partners to increase the level of alternatives to B&B accommodation, but a £200k potential pressure has been reflected in the December results.

Note: Please refer to the December 2016 Budget Monitoring Report for full details of the Capital, General Fund and HRA data in the tables above.

Governance

PI	Description	Outturn 2015/16	DDC Target 2016/17	Q1	Q2	Q3	Q4	Current Cumulative figure	Absolute Number of Cases this Qtr (where applicable)	Direction of Travel to previous Qtr	RAG Status
GOV003	The number of second stage complaints referred to the Council's Complaints Officer	34	N/A	8	2	9		19		N/A	N/A
GOV004	The number of FOI requests received	1085	N/A	301	292	295		888		N/A	N/A
LIC006	The percentage of unopposed licensing and permit applications processed within 5 working days	94.25%	85%	96%	97%	98%		97%	542	▲	Green
LIC005	The percentage of licensed premises inspections completed by target date	72%	80%	55%	75%	79%		69.67%	29	▲	Amber
ENH012	Number of Fixed Penalty Notices issued for litter	84	N/A	22	22	23		67		N/A	N/A
ENH015	Number of Fixed Penalty Notices issued for dog fouling	11	N/A	1	0	0		1		N/A	N/A
ENH016	Number of Envirocrime prosecutions completed	23	N/A	5	3	6		14		N/A	N/A
ENH013	Percentage of stray dog enquiries responded to within target time.	99.5%	95%	100%	100%	99%		100%	91	▶	Green
ENH005	Percentage of complaints regarding nuisance responded to within 5 working days	98.38%	95%	97 %	99 %	99.6%		98.53%	157	▶	Green
GOV001	Number of working days/shifts lost due to sickness absence per FTE	7.09 days	N/A	1.80 days	1.53 days	2.29 days		5.62 days		▼	compare to Q3 2015/16
GOV002	Number of working days/shifts lost due to long term sickness absence over 10 days per FTE	2.61 days	N/A	1.13 days	0.79 days	1.34 days		3.26 days		▼	compare to Q3 2015/16

Governance

Governance Director's comments

Performance:

Stable performance has been maintained throughout this quarter.

Key Initiatives/Outcomes:

Land Charges

Work is continuing with HM Land Registry who will in the future be holding the statutory Local Land Charges Register as a result of new legislation. Whilst HMLR will hold the Register, the Council will continue to maintain the Register and will continue to answer Conveyancers questions using the Law Society Con29 questionnaire. The transition to the new system will be phased over a number of years. HMRC has announced that VAT on searches will be implemented by 31 March 2017.

By Elections

There has been higher than normal levels of vacancies on Parish and Town Councils in recent months. This has resulted in an unprecedented number of By Elections between October and December 2016. There was also the Aylesham District By Election held during this period.

Register of Electors

The statutory annual update of the Register of Electors commenced in August with all residential properties receiving a form. If no response was received these addresses were followed up with reminders and a personal visit. Where a new elector was identified they were sent the statutory invitation to Register. If no response was received this was followed up by reminders and a visit. We continue to promote the automated response services available.

2016 PCC Election and EU Referendum

Work has continued on the post-election statutory returns to the Electoral Commission and the Election Accounts were prepared and submitted for approval to HM Election Claims Unit.

2017 Kent County Council Elections

The Head of Democratic Services has been working with the Kent County Council on preparations for the May 2017 Elections

Concerns/Risks:

Nothing to report for Q3

DDC Headcount Analysis

Division	FTE @ 1 April 2016	(Leavers)/ Joiners/ Transfers	FTE @ 31 December 2016
Chief Executive	31.25	-1.16	30.09
Governance	43.40	-0.39	43.01
Finance, Housing and Community	38.30	0.00	38.30
Environment and Corporate Assets	73.80	-2.81	70.99
HR & Audit	26.50	-0.80	25.70
Total Staff FTE	213.25	-5.16	208.09

Environment & Corporate Assets

PI	Description	Outturn 2015/16	DDC Target 2016/17	Q1	Q2	Q3	Q4	Current Cumulative figure	Absolute Number of Cases this Qtr (where applicable)	Direction of Travel to previous Qtr	RAG Status
CSU001	Percentage of ASB cases resolved within 30 days	93.28	95%	100%	97.14%	96.15%		97.76%	26	▼	Green
PKG003	Number of PCNS issued	11997	N/A	3716	4190	3946		11,852		N/A	N/A
MUS002	The number of visits to the museum in person per 1,000 population	123.64	150	29.65	52.48	39.47		121.60		▼	Green
WAS003	Number of collections missed per 100,000 collections of household waste.	13.84	15	9.19	16.15	11.83		12.39		▲	Green
WAS010	Residual household waste per household	379.78 kg (Est)	390KG	422kg	420kg	417kg		420kg		▲	Red
WAS011	Household waste sent for reuse, recycling or composting	41.52% (Est)	45%	40.22%	42.20%	46.00%		42.81%		▲	Amber
WAS012	Environmental cleanliness: Percentage of streets containing litter	6%	5%	Measured at 4 month intervals			N/A		N/A		N/A
				4.17%	1.67%						
WAS013	Environmental cleanliness: Percentage of street containing detritus	9%	10%	Measured at 4 month intervals			N/A		N/A		N/A
				11.19%	3.45%						

Environment & Corporate Assets Director's comments

Performance:

Performance against targets during the third quarter of 2016/17 remains mixed across service areas.

Environment & Corporate Assets

Key Initiatives/Outcomes:

Assets, Corporate Property & Building Control

The Dover Leisure Centre is on target for completion in early 2019. BAM have now been appointed as main contractors and are working with DDC and the design team on the final designs for the interior spaces how these spaces will be used and detailed design of the parking provision. The remaining tenants in both 91/95 Folkestone Road and Norman Tailyour House vacated the premises just before Christmas. NT House is currently having an asbestos survey undertaken and any asbestos found will be stripped out in preparation for the main contractors moving on to site. Since the final tenant left, 91-95 Folkestone Road has been fully surveyed. What was found necessitated some design changes which are nearly complete and the tendering process will commence shortly. A series of moves and alterations to the layouts of the Whitfield offices, to reflect the changes to and within teams, have commenced and over the next 3-4 months the team will facilitate changes in: customer services; electoral services; grounds maintenance; assets; community engagement and housing needs. The team were also instrumental in organising the replacement of the pump that takes sewage from the café and WC's on the pier, which broke on 27th December. Special thanks go to Shaun Williams for interrupting his skiing holiday on several occasions in order to advise by telephone on the most appropriate course of action and to David Denne (lead pier attendant) for 6am starts that allowed the contractors on to the pier to carry out the replacement works.

The new Assets & Building Control establishment, following the recent restructure, took effect on 1st January, which also saw Brian Wallis (Civic Warden) and Christine Clark (Transport & Projects Officer) leave DDC after 5 and 16 years loyal service respectively.

Waste Services

Christmas recycling and waste collections went well with changes only being made to collections during Christmas week, collections ran one day later than normal. There are concerns within the Waste industry that recycling rates have dropped in England for the first time ever, from a national average of 44.8% to 43.9%, our current recycling rate remains static at around 42%. Work is still being progressed with the Kent Resource Partnership to deliver a campaign directed at food waste reduction and recycling during qtr 4 (Jan 17 – Mar 17).

Litter picking was undertaken under traffic management for the whole length of the A2 over eight nights in early December; approximately 2.5 tonnes of litter was removed during this time.

Missed collections per 100,000 have reduced during qtr3, this is due to ongoing monitoring by both the Officers of DDC and the Veolia Supervisors

Parks & Open Spaces

Work on bringing the Grounds Maintenance service back in house is well on track for the service start date of the 3rd April. With the early stages of the TUPE transfer process just starting to take shape it is unclear whether the entire existing workforce will be joining DDC at this time, but a well-planned contingency is in place. Key areas such as finance, HR, procurement, H&S and fleet are all going well with no major problems being expected. A review of the future shape of the Parks & Open Spaces department is also underway and how WCCP, UOTD, in house GM and the Kearsney HLF project will become a flexible and resilient team with the ability to adapt to the pressures of modern local government.

Environment & Corporate Assets

Parking

Following the changes in management structures in October, staff within the Parking services team are currently being managed by the Director. The contract to replace the Pay & Display machines across the District is now complete and the new machines are performing well. Feedback from customers has been generally positive once people have got used to the new design. Temporary tickets have been used at the Sainsbury's and Co-op car parks in Deal, which are due to be replaced shortly. Free parking days were offered on Small Business Saturday on December 3rd and also from Monday December 19th to Monday January 2nd 2017, to support the local economy through the Christmas period.

Museum & Tourism

The restructure of the front of house operation at the Museum and VIC is now complete. The jointly funded (DDC and DTC) free entry project continues to attract substantially more visitors than last year. The new district tourism guide has been published and distribution for the 2017 season has begun. Destination Dover – a joint project across Dover to join up the tourism offer across the town – has begun, and the manager has been appointed. Following the success of the Bluebird Heritage trail across Dover a project to provide a similar trail in Deal and Walmer that looks at their links with the Royal Marines has commenced.

Concerns/Risks:

As noted in the narrative above, the various teams are involved in a wide range of projects and initiatives, many of which support key corporate objectives. With staff resources being understandably stretched, there is always a risk that unforeseen events impact on delivery dates as staff time is diverted to deal with the latest crisis, such as the recent failure of the sewerage pump on Deal Pier or electrical panel fire at Tides.

Regeneration & Development

PI	Description	Outturn 2015/16	DDC Target 2016/17	Q1	Q2	Q3	Q4	Current Cumulative figure	Absolute Number of Cases this Qtr	Direction of Travel to previous Qtr	RAG Status
PLA002	Percentage of major planning applications determined in 13 weeks (exc. section 106 agreements) or within an agreed extension of time or Planning Performance Agreement	66%	60%	41%	36%	33%		35%	9	▼	Red
PLA003	Percentage of minor planning applications determined in 8 weeks (exc. section 106 agreements) or within an agreed extension of time or Planning Performance Agreement	69.43%	65%	61%	72%	55%		61%	85	▼	Red
PLA004	Percentage of other planning applications determined in 8 weeks (exc. section 106 agreements) or within an agreed extension of time or Planning Performance Agreement	77.50%	80%	72%	83%	75%		76%	160	▼	Red
PLA001	The percentage of appeals against planning decisions which were successful for the applicant	13.50%	20%	42%	50%	38%		44%	13	▲	Red
PLA007 (new)	Number of new houses completed	51,531 <i>Base Figure</i>	N/A	153	128	130		411	51,942	N/A	N/A
PLA008 (new)	Growth in Business Rates base (number of registered businesses)	3,970 <i>Base Figure</i>	N/A	-43	19	7		-17	3,953	N/A	N/A

Regeneration & Development Director's comments:

Performance:

Given the ongoing resource challenges, it was anticipated that the performance for planning applications would decline. Two rounds of advertising (including national advertising) have resulted in no successful candidates. The response rate to the advertisements has been very low, but this reflects the shortage of qualified planners in the Public Sector. The consultancy panel continues to support the service and interim private sector appointments have also been pursued with two vacancies being covered for the remainder of the financial year. Long-term, a more targeted recruitment drive is being considered with specialist help from the recruitment sector.

The appeals statistics continue to be above target, but a report to January's planning committee on the appeals process reviews the decision –making process and also compares Dover with other Kent Council's and nationally. It is clear from this that the target does not reflect the national trend and is not reflecting the Government's own approach to defining that performance target. This will be reviewed for 2017/18

Key Initiatives/Outcomes:

Appeals process for Major applications at Whitfield are likely to result in public hearings

Investment opportunities in the District continue to come forward and the dept. is actively pursuing additional financial support through Planning Performance Agreements to help fund this additional work.

The pre-application service continues to be popular with applicants and is meeting its financial targets.

Concerns/Risks:

Planning resources continue to be the key risk

Digital

PI	Description	Outturn 2015/16	DDC Target 2016/17	Q1	Q2	Q3	Q4	Current Cumulative figure	Absolute Number of Cases this Qtr	Direction of Travel to previous Qtr	RAG Status
WEB001 (was EKS05d)	Percentage availability of the corporate website (DDC responsibility)	99.50%	99.50%	99.9%	100%	99.98%		99.96%	N/A	▶	Green
WEB002 (new)	Number of Keep me Posted subscribers	N/A	N/A	45,593	54,473	57,086		57,086	N/A	N/A	N/A
WEB003 (new)	Facebook subscribers	N/A	N/A	4528	4624	4731		4731	N/A	N/A	N/A
PLA005	Percentage of electronic planning applications received	74.50%	75%	77.46%	71.50%	75.07%		74.68	351	▲	Green
ACC011 (new)	Percentage of on-line payments to cash and cheque	N/A	N/A	86%	91%	87%		88%	51,538	N/A	N/A

85

Quarterly Focus

COMMUNITY SERVICES

Restructure brings renewed focus - This is the first performance report since the establishment of the Community Services division, bringing together the Community Safety Unit, Community Development, and Communication & Engagement teams to provide a renewed focus on how the Council works with, and supports, the local community. The new team is working well with all three sections now co-located to provide a “one-stop-shop” for elected members, partner organisations, and the local community.

Community Safety - The Dover District Community Safety Partnership elected Cllr Keith Morris as Chairman as it continues to work for the future of communities across the area. The partnership brings together organisations committed to reducing anti-social behaviour and crime and disorder, and to building stronger communities. We respond to community safety needs and issues and address crime and the fear of crime. The partnership includes Dover District Council, Kent County Council, Kent Fire and Rescue Service, Kent Police, the Kent, Surrey and Sussex Community Rehabilitation Company, and the South Kent Coast Clinical Commissioning Group.

As part of the restructure of the Community Safety Partnership, Safeguarding issues will now be covered under two new sub groups so that agencies that cover both Young People and Adults. This means the groups can be more focused on the client group to address their issues, needs and opportunities.

A key focus of the CSU’s work includes supporting key national campaigns at a local level. During the review period the team has focussed on campaigns to support alcohol awareness and road safety.

Members of the Dover Partnership Against Crime (DPAC) Pubwatch scheme recently paid a visit to Dover District Council’s CCTV Operations Room to see for themselves how the team of trained operators are supporting local pubs, bars and nightclubs in monitoring local streets.

The landlords, bar owners, and managers were given an insight into the work of the Council’s CCTV team and how monitoring the 46 cameras across the district, along with the DPAC radio scheme, keeps our town centres and high streets safe.

Developing stronger, more resilient communities - The core focus for Community Development continues to be the creation of sustainable communities with the resources to deliver local priorities. During Q3 the team supported the next phase of Neighbourhood Forums and the distribution of £22,500 in community grants to projects agreed by a panel of Members.

The Inspire Fund, designed to support young people in the district, continues to grow in popularity. During the period, 105 young people aged from 5 to 18 from right across the district took part in activities ranging from athletics to film production. The Council supported the will Social Action week with an event at the Linwood Youth Centre in Deal designed to showcase opportunities for young people.

At the other end of the age scale, the community development team worked with Kent County Council to raise the awareness of the needs of older people, including issues such as mobility, vision and hearing, and dementia. A member of the team wore a special simulation suit to visit areas within the Council

offices to see how they could be improved to better meet the needs of an aging population. One of the aims is for DDC to be accredited as a dementia friendly organisation.

Linked to the health and well-being agenda, the team is also working with the FA and local clubs and leagues to develop the walking football offer in the district, creating new opportunities for people to remain fit and active.

DDC continues to provide project management support for the Dover, and Deal and Sandwich Coastal Community Teams. Both Teams submitted successful EOIs for funding from Round 4 of the Coastal Communities Fund. DDC continues to signpost funding opportunities for local community and voluntary groups, with five funding newsletters distributed during Q3.

The team is actively supporting major asset projects, including funding bids for both the Maison Dieu (Dover Town Hall), and the Guildhall in Sandwich. The latter is part of a wider project that is also looking at transport and open spaces.

Ensuring that local community and voluntary groups have the capacity to access Big Lottery funding is another important focus for the community development team. Regular meetings are held every two months with the Big Lottery, and we are organising visits for local groups to successful projects to share best practice. Big Lottery have also attended funding fairs organised by DDC, and have visited local projects.

Keeping people informed and engaged - The Communication & Engagement team continued to focus on proactive campaigns to support Council initiatives and policies. The Council's 'Keep Me Posted' e-mail alerts now has over 57,000 subscribers.

The Press Office issued 26 news releases during the review period, and responded to 64 media enquiries.

Engaging local people with the Council's regeneration and inward investment agenda was a major focus in Q3 with the Dover Skills & Business Expo 2016 held at Dover Town Hall on 15 November. Attended by over 300 people, the event provided a showcase of over 40 local employers, colleges and universities, and voluntary organisations.

As part of the Expo a business breakfast for local companies was hosted by the Leader of the Council. Attended by over 60 representatives of the business community, the event provided networking for local businesses to learn more about planned developments, supply chain and sub-contracting opportunities.

Raising the profile of Dover district - Dover District Council was the only Kent district represented at this year's MIPIM UK exhibition at London Olympia. They key event for the real estate and property investment markets, DDC worked with the Port of Dover and Quinn Estates to showcase the changing face of the district. Potential investors were encouraged to 'Take a Fresh Look at Dover'. A number of leads were developed and it is hoped that this will open the door to further new investment in the district.

Bringing the Kearsney Parks project to life - Since the Q2 Performance Report on the Kearsney Parks both the Project Officer and Community Engagement Officers are now in post. Plans are progressing for key contractor appointments for the early stages of the scheme. Further public events have been held in the parks in December to keep local people informed of the plans and next steps.

DOVER DISTRICT COUNCIL

NON-KEY DECISION

EXECUTIVE

CABINET – 6 FEBRUARY 2017

EXCLUSION OF THE PRESS AND PUBLIC

Recommendation

That, in accordance with the provisions of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the public be excluded from the remainder of the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in the paragraph of Schedule 12A of the 1972 Act set out below:

<u>Item Report</u>	<u>Paragraph Exempt</u>	<u>Reason</u>
Award of Contract for Cleaning Public Conveniences and Other Council Properties	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)
Award of Contract for Cleaning of Whitfield Offices	3	As above

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Agenda Item No 14

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Agenda Item No 15

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted