



Council Meeting

Council Offices White Cliffs Business Park Dover

Wednesday, 31 January 2024

Summons and Agenda

Nadeem Aziz
Chief Executive



Democratic Services
White Cliffs Business Park

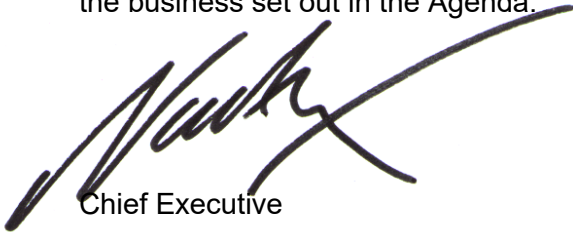
Dover
Kent CT16 3PJ

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Website: www.dover.gov.uk
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23 January 2024

To the Members of the Council,

You are hereby summoned to attend a meeting of the **COUNCIL** to be held in the Council Chamber at these Offices on Wednesday 31 January 2024 at 6.00 pm for the transaction of the business set out in the Agenda.


Chief Executive

Members of the Council:

G Cowan (Chairman)	M F Hibbert	D J Parks
D G Cronk (Vice-Chairman)	S Hill	M P Porter
J S Back	N S Kenton	J L Pout
T J Bartlett	R M Knight	O C de R Richardson
M Bates	J P Loffman	M W Rose
D G Beaney	S M S Mamjan	C A Vinson
S H Beer	S C Manion	H M Williams
E A Biggs	K Mills	C F Woodgate
S B Blair	M W Moorhouse	L M Wright
P M Brivio	D P Murphy	C D Zosseder
D R Friend	M J Nee	

AGENDA

1 **APOLOGIES** (Page 8)

To receive any apologies for absence.

2 **MINUTES** (Page 9)

To confirm the Minutes of the meetings held on 18 October 2023 and 29 November 2023 (to follow).

3 **DECLARATIONS OF INTEREST** (Page 10)

To receive any declarations of interest from Members in respect of business to be

transacted on the agenda.

4 **ANNOUNCEMENTS** (Page 11)

To receive any announcements from the Chairman of the Council, the Leader of the Council, Members of the Cabinet or the Head of Paid Service.

5 **LEADER'S TIME** (Page 12)

To receive an oral report at the meeting from the Leader (and Cabinet) on the business of the Executive or on any topic or subject that it is felt should be brought to the attention of the Council.

In accordance with Council Procedure Rule 10 (Leader's Time):

- (a) The Leader (and Cabinet) shall have up to 15 minutes to make within this report any statements that they wish on any topic or subject that they feel should be drawn to the attention of the Council.
- (b) The Leader of the Main Opposition Group (or their nominee) shall be allowed up to 10 minutes to respond.
- (c) The Leader of the Council shall be allowed up to 5 minutes to exercise a right of reply (or 25% of the time given to the Opposition Group Leader(s), whichever is the greatest).

6 **SEAT ALLOCATION AND GROUP APPOINTMENTS** (Page 13)

To receive from Group Leaders any changes to seat allocations or appointments.

(Note: Any changes must be within the approved allocation of seats to political groups in accordance with the political balance rules (where applicable).)

7 **QUESTIONS FROM THE PUBLIC** (Page 14)

To receive answers in respect of questions from the public to Members of the Executive asked in accordance with Rule 11 of the Council Procedure Rules.

- (a) Questions will be asked in the order in which notice of them was received, except that the Chairman may group together similar questions.
- (b) The period for questions by the public shall be limited so that no further questions shall be put after the elapse of 15 minutes from the commencement of the first question.
- (c) A maximum of three minutes is allowed for the each question to be read.
- (d) A questioner who has put a question in person may also put one supplementary question without notice to the member who has replied to his or her original question. A supplementary question must arise directly out of the original question or the reply.
- (e) Afterwards, any other Member at the Chairman's discretion may speak for up to two minutes on a question or reply.

Questions from the Public

The questions received during the notice period are set out in the agenda papers.

8 **QUESTIONS FROM MEMBERS** (Pages 15 - 16)

Up to 60 minutes is allowed for this part of the meeting unless extended by the Chairman of the Council or on a motion moved, duly seconded and approved by the Council. Members may ask one supplementary question in addition to their original question.

Members may ask one supplementary question in addition to their original question.

The questions received are set out in the order received in the agenda papers.

9 **DRAFT CALENDAR OF MEETINGS 2024/25** (Pages 17 - 25)

To consider the attached report of the Head of Corporate Services and Democracy.

10 **REVISION TO CONTRACT STANDING ORDERS** (Pages 26 - 41)

To consider the attached joint report of the Head of Finance & Investment and the Monitoring Officer.

11 **RISK MANAGEMENT STRATEGY** (Pages 42 - 86)

To consider the attached report of the Head of Corporate Services and Democracy.

12 **COUNCIL TAX BASE AND COUNCIL TAX REDUCTION SCHEME 2024/25**
(Pages 87 - 101)

To consider the attached report of the Strategic Director (Finance and Housing).

Section 106 Local Government Finance Act 1992

Section 106 of the Local Government Finance Act 1992 applies to this item of business. If any member of the Council who is present at the meeting at which this report is considered owes any sum in respect of council tax which has remained unpaid for at least two months, they shall at the meeting and as soon as practicable after its commencement disclose the fact that section 106 applies to them and shall not vote on any question with respect to the matter.

Recorded Vote

A recorded vote will be required in accordance with Council Procedure Rule 18.6 (Voting on Budget Decisions).

13 **URGENT BUSINESS TIME** (Page 102)

To consider any other items deemed by the Chairman of the Council to be urgent in accordance with the Local Government Act 1972.

Access to Meetings and Information

- 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 step free access via the Council Chamber entrance and an accessible toilet is available in the foyer. In addition, there is a PA system and hearing loop within the Council Chamber.
- In order to facilitate the broadcast of meetings there have been cameras set up in the Council Chamber that communicate with Microsoft Teams Live. This enables meetings held in the Council Chamber to be broadcast for public viewing through the Council's website.
- The meetings in which these cameras will be used include meetings of: (a) Council; (b) Cabinet; (c) Dover Joint Transportation Advisory Board; (d) General Purposes Committee; (e) Electoral Matters Committee; (f) Governance Committee; (g) Planning Committee; (h) General Purposes Committee and (i) Overview and Scrutiny Committee. Only agenda items open to the press and public to view will be broadcast.
- These recordings will be retained for 30 days from the date of the meeting. The recordings will be uploaded to YouTube as soon as practicable after the day of the meeting. In normal circumstances this would be within 2 working days of the meeting. However, there may be circumstances where it will take longer. The recordings can be viewed on the Council's YouTube Channel - [Council meetings - YouTube \(@doverdc\)](#)
- The broadcasts and recordings are the copyright of the Council and may not be copied, displayed or published to the public, adapted or dealt with in any other way restricted by the Copyright, Designs and Patents Act 1988.
- The Council will not make available copies of the recordings either in whole or in part other than in compliance with a legal requirement arising under The Freedom of Information Act 2000, UK GDPR, The Data Protection Act 2018 or some other enactment, rule of law or direction of a court or tribunal which is binding on it.
- 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.
- Members of the Committee may receive confidential information relating to personal data as part of an item of an exempt or confidential business on the agenda. It is each Member's responsibility to ensure that this information is handled securely and confidentially as required under data protection legislation. This information must only be retained for as long as necessary and when no longer required disposed of via a shredder or the Council's secure disposal arrangements.

For further information about how this information should be processed, please view the Council's Data Protection Policy and Appropriate Policy Document at www.dover.gov.uk/Corporate-Information/PDF/Data-Protection-Policy.pdf

- 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 Democratic Services, democraticservices@dover.gov.uk, telephone: (01304) 872304 or email: democraticservices@dover.gov.uk for details.

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

APOLOGIES

To receive any apologies for absence.

MINUTES

To confirm the Minutes of the meetings held on 18 October 2023 and 29 November 2023 (to follow).

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.

ANNOUNCEMENTS

To receive any announcements from the Chairman of the Council, the Leader of the Council, Members of the Cabinet or the Head of Paid Service.

LEADER'S TIME

To receive an oral report at the meeting from the Leader (and Cabinet) on the business of the Executive or on any topic or subject that it is felt should be brought to the attention of the Council.

In accordance with Council Procedure Rule 10 (Leader's Time):

- (a) The Leader (and Cabinet) shall have up to 15 minutes to make within this report any statements that they wish on any topic or subject that they feel should be drawn to the attention of the Council.
- (b) The Leader of the Main Opposition Group (or their nominee) shall be allowed up to 10 minutes to respond.
- (c) The Leader of the Council shall be allowed up to 5 minutes to exercise a right of reply (or 25% of the time given to the Opposition Group Leader(s), whichever is the greatest).

AGENDA ITEM 6: SEAT ALLOCATION AND GROUP APPOINTMENTS

To receive from Group Leaders any changes to seat allocations or appointments.

(Note: Any changes must be within the approved allocation of seats to political groups in accordance with the political balance rules (where applicable).)

Questions Raised on Notice by Members of the Public

(a) To the Executive

In accordance with Rule 11 of the Council Procedure Rules, notice was given by a member of the public to ask the following question:

(1) Graham Wanstall will ask the Leader of the Council, Councillor K Mills:

“2024 marks a century since Pencester Gardens was opened to the public in 1924. What plans does Dover District Council have to celebrate this important anniversary for Dover?”

In accordance with Council Procedure Rule 11.7, the Chairman will invite the questioner to put the question exactly as submitted to the Member named in the notice. If a questioner who has submitted a written question is unable to be present, they may ask the Chairman to put the question on their behalf. The Chairman may ask the question on the questioner's behalf, indicate that a written reply will be given or decide, in the absence of the questioner, that the question will not be dealt with.

In accordance with Council Procedure Rule 11.8, a questioner who has put a question in person may also put one supplementary question without notice to the member who has replied to his or her original question. A supplementary question must arise directly out of the original question or the reply.

A maximum of three minutes shall be allowed for the question to be read. The period for questions by the public shall be limited so that no further question shall be put after the elapse of 15 minutes from the commencement of the first question.

Any questions which cannot be dealt with during public question time, either because of lack of time or because of the non-attendance of the member to whom it was to be put, will be dealt with by a written answer.

COUNCIL

Questions Raised on Notice by Members

(a) To Chairmen/Vice-Chairmen of Committees

There were no questions received for Chairmen/Vice-Chairmen of Committees.

(b) To the Executive

To receive answers in respect of questions from Members of the Council to a Member of the Executive asked in accordance with Rule 12 of the Council Procedure Rules.

- (1) Councillor D G Beaney will ask the Portfolio Holder for Community and Corporate Property, Councillor C D Zosseder:

“Please could the portfolio holder explain what steps she has taken to address the use of the main Kearsney Abbey car park by Southern Water sewage tankers, which caused a significant reduction in the number of available parking spaces over the Christmas holidays and continue to limit visitor numbers to this award-winning park?”

- (2) Councillor M Bates will ask the Portfolio Holder for Transport, Licensing and Environmental Services, Councillor J L Pout:

“Can the portfolio holder provide any data as to the amount of diseased meat that Port Health along with Border Force intercepted in 2023?”

- (3) Councillor M Bates will ask the Leader of the Council, Councillor K Mills:

“Can the Leader of the Council explain why the Head of Community and Digital Services role, which includes responsibility for parking services and led on the now cancelled transformation programme, has remained vacant for over six months?”

- (4) Councillor D R Friend will ask the Portfolio Holder for Planning and Built Environment, Councillor E A Biggs:

“Can the portfolio holder provide an update on planning enforcement action being taken to address the long-standing issue of the condition of 57 New Street in Sandwich?”

- (5) Councillor D R Friend will ask the Portfolio Holder for Community and Corporate Property, Councillor C D Zosseder:

“Can the portfolio holder provide an update on progress to deliver the planned improvements to The Bulwarks play in Sandwich?”

- (6) Councillor C A Vinson will ask the Portfolio Holder for Community and Corporate Property, Councillor C D Zosseder:

“Can the portfolio holder detail what plans are in place to spend the following s106 contributions detailed on p18 of the Council’s 2022/23 Infrastructure Funding Statement:

1. £22,765.19 “towards to the provision of additional play equipment at Market Wood Play Area”
2. £29,334.87 “towards refurbishment of a playing pitch at Marke Wood Recreation Park”
3. £10,945.20 “towards increasing the capacity of existing open space within the Marke Wood site”

Subject:	DRAFT CALENDAR OF ORDINARY MEETINGS 2024-25
Meeting and Date:	COUNCIL – 31 JANUARY 2024
Report of:	HEAD OF CORPORATE SERVICES AND DEMOCRACY
Classification:	UNRESTRICTED

Purpose of the report: The Constitution requires that the Calendar of Ordinary Meetings be set at the Annual Meeting of the Council.

Recommendation: That the Draft Calendar of Ordinary Meetings for 2024-25 be approved in principle subject to final ratification at the Annual Meeting of Council on Wednesday 22 May 2024.

1. **Summary**

1.1 In order to provide Members, Officers, other partner local authorities and the general public with as much notice as possible, a provisional Programme of Ordinary Meetings is presented to the Council in January of each year prior to its final ratification at the Annual Meeting of the Council in May.

2. **Introduction and Background**

2.1 The Programme of Ordinary Meetings for 2024-25 is based on a cycle that commences with a meeting of the Cabinet and ends with a meeting of the Council. In between those two points all other committee business takes place.

2.2 Wherever possible efforts have been made to avoid school holiday dates in keeping with a previous Council resolution. It has not been practicable to avoid the school holidays completely, not least because not all schools follow the Kent County Council (KCC) term dates that this report uses as its basis, and the following 3 meetings are scheduled for KCC non-term dates: Planning Committee (29 August 2024), Dover Joint Transportation Board (25 July 2024) and the Overview and Scrutiny Committee (7 April 2025). There are no clashes with Autumn Party Conference dates for the Labour Party or the Conservative Party.

2.3 The Council sets its draft Calendar of Ordinary Meetings independently and usually in advance of those of the town and parish councils. It is not realistically possible to completely avoid clashes with meeting dates of town/parish councils during the course of the year without moving to a daytime meeting schedule, but we have tried to avoid clashes with town council Annual Meeting/Mayor Making dates as these are likely to have the greatest impact on dual-hatted Members. These dates are as follows:

- Sandwich Town Council – To be confirmed
- **Dover District Council – 22 May 2024**
- Dover Town Council – 29 May 2024
- Deal Town Council – 28 May 2024

2.4 It is intended that a copy of the draft dates for 2024-25 will be provided to the town and parish councils for information once approved in principle by the full Council. A copy will also be available on the council's website.

2.5 It should also be emphasised that the calendar set out in Appendix 1 only applies to committees with scheduled meetings. It does not apply to any committees that are

called on an ad-hoc basis as business warrants, such as the General Purposes Committee, or the meetings of any sub-committees or project advisory groups.

3. Identification of Options

3.1 There are three options available to the Council:

3.2 Option A – To approve in principle the Calendar of Ordinary Meetings for 2024-25 as set out in Appendix 1.

3.3 Option B – To approve in principle the Calendar of Ordinary Meetings for 2024-25 as set out in Appendix 1 with amendments.

3.4 Option C – To not approve in principle the Calendar of Ordinary Meetings for 2024-25.

4. Evaluation of Options

4.1 The recommended option is Option A as this supports the existing decision route cycle and avoids wherever possible school holidays and political party conferences.

4.2 Option B is not the recommended as it may require adjustments to the existing decision route cycle. If any Member wishes to propose an amendment to the proposed meeting dates (Option B) they are requested to discuss these with the Democratic and Corporate Services Manager prior to the date of the Council meeting at which this report is considered in order that the feasibility of any proposals can be established.

4.3 Option C is not recommended as it will adversely impact on advance planning for committee meetings. If this option is chosen, Members are asked to identify issues with the proposed Calendar of Ordinary Meetings to enable officers to produce an amended draft Calendar to be brought back to Council in March 2024.

5. Resource Implications

There are no resource implications arising from this report as set out. However, if significant changes were to be made to the Calendar of Ordinary Meetings, then this may need to be re-evaluated.

6. Climate Change and Environmental Implications

6.1 There are no climate change implications directly arising from the report.

7. Appendices

Appendix 1 – Calendar of Ordinary Meetings 2024-25

Appendix 2 – List of KCC School Holidays

Appendix 3 - Public Holidays 2024-25 and Party-Political Conference Dates 2024-25

8. Background Papers

None

Contact Officer: Rebecca Brough, Head of Corporate Services and Democracy, 01304 872304

CALENDAR OF COUNCIL MEETINGS 2024/25

Committee	Start at (B)	2024								2025				
		May (G)	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May (G)
Cabinet	6.00pm	13	3	1		2	7	4	2	13	3 24 ^(E)	3 31		12
Council	6.00pm	22 ^(A)		17			16			29 ^(D)		5 ^(C)		21 ^(A)
Dover Joint Transportation Advisory Board	6.00pm			25		12			12			20		
Governance Committee	6.00pm		27			26			5			27		
Licensing Committee	varies ^(I)	22 ^(K)		17				27		29		5		
Overview and Scrutiny Committee	6.00pm	20	10	8		9	14	11	9	20	10	10	7	19
Planning Committee	6.00pm	16	13	11	29	19	24	21	19	16	13	13	3	15
Regulatory Committee	10.00am		4 25	23		24	15	26	10	28	25	25	1	20
Joint Health, Safety & Welfare Consultative Forum Joint Staff Consultative Forum ^{(F) (J) (L)}	2.30pm			3			2			15			2	
Publication Date for the Notice of Forthcoming Key Decisions ^(H)	N/A	1 31			2	6	4	1	12	3, 24 & 31	28		10	

Footnotes

- | | |
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| <p>(A) Denotes the Annual General Meeting of the Council.</p> <p>(B) All meetings generally commence at the times indicated but are subject to change.</p> <p>(C) Denotes Budget setting meeting</p> <p>(D) Denotes Council Tax Base setting meeting</p> <p>(E) Cabinet meeting to receive recommendations from scrutiny on the budget</p> <p>(F) Denotes that these meetings are not open to the public.</p> <p>(G) Elections will be held that month. The Police and Crime Commissioner elections will be held in May 2024 and the Kent County Council elections will be held in May 2025.</p> | <p>(H) This is not a committee meeting but the date of the publication of the Notice of Forthcoming Key Decisions.</p> <p>(I) Licensing Committee start times to be agreed with the Chairman depending on the business to be conducted.</p> <p>(J) Meetings are only held as required. The meetings of the Joint Staff Consultative Forum will be held immediately upon the rising of the Joint Health, Safety and Welfare Consultative Forum if both are called.</p> <p>(K) The Licensing Committee is required to appoint a number of Sub-Committees to conduct hearings. The meetings of the Licensing Sub-Committees are only held as required.</p> <p>(L) These meetings are held remotely on Microsoft Teams</p> |
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These meetings will be held at the Council Offices, White Cliffs Business Park, Dover CT16 3PJ unless otherwise indicated

CALENDAR OF COUNCIL MEETINGS 2024/25

Access to Meetings and Information

Members of the public are welcome to attend meetings of the Council, Cabinet, Committees and Sub-Committees. You may remain present throughout them except during the consideration of exempt or confidential information.

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Agenda papers are published five clear working days before the meeting and all agendas, reports and minutes can be viewed and downloaded from our website www.dover.gov.uk. Alternatively, a limited supply of agendas will be available at the meeting, free of charge.

All publicly available agenda papers and minutes are available on the Council's website for inspection for a period of six years from the date of the meeting.

In addition to the Council's website, agendas and minutes can be downloaded to an Apple iPad, Android Device or Windows Device using the modern.gov App from the appropriate App Store and selecting Dover District Council from the list of authorities.

The reporting of meetings by social media, photography and/or use of audio/visual recording devices is permitted at Council, Cabinet and Committee meetings that are open to the public in accordance with the provisions of the Openness of Local Government Bodies Regulations 2014.

The Council broadcasts some of its meetings in accordance with its adopted policy. To facilitate the broadcast of meetings there have been cameras set up in the Council Chamber that communicate with Microsoft Teams Live. This enables meetings held in the Council Chamber to be broadcast for public viewing through the Council's website. These meetings are only available for viewing live and the Council does not retain copies of the broadcast.

Public Speaking and Governance Arrangements

The Council has adopted arrangements for public speaking at Planning Committee and Overview and Scrutiny Committee. There are also arrangements for asking questions on notice at ordinary meetings of the full Council. Requests to speak at meetings where public speaking is permitted should be sent to:

Planning Committee: publicspeaking@dover.gov.uk

Council: councilquestions@dover.gov.uk

Overview and Scrutiny Committee: speakingatscrutiny@dover.gov.uk

If you require any further information about the contents of a committee agenda, your right to gain access to agendas and minutes held by the Council or have questions concerning the arrangements for public speaking, please contact a member of the Democratic Services team.

The Strategic Director (Governance & Regulatory) is Louise May.

Rebecca Brough

Head of Corporate Services and Democracy

Telephone: (01304) 872304

Email: democraticservices@dover.gov.uk

Kate Batty-Smith

Democratic Services Officer

Telephone: (01304) 872303

Email: democraticservices@dover.gov.uk

Jemma Duffield

Democratic Services Officer

Telephone: (01304) 872305

Email: democraticservices@dover.gov.uk

Determined

School Term dates for 2023-24

Standard School Year 2023/24 based on 6 terms with additional INSET days:

Term	School Days	Start Date	End Date	Bank holidays which fall within the term
1	36 days	1 September 2023	20 October 2023	
2	35 days	30 October 2023	15 December 2023	
3	29 days	2 January 2024	9 February 2024	
4	29 days	19 February 2024	28 March 2024	
5	29 days	15 April 2024	24 May 2024	6 May 2023
6	37 days	3 June 2024	23 July 2024	

INSET/ Non-contact days for teachers:

Over a school year, pupils are required to attend for 190 days/380 sessions. In total, teachers may be required to be available for work on up to 195 days, with the additional days specified by individual schools as non-contact days. Schools may also require teachers to work additional hours before or after school sessions, as an alternative to full non-contact days, provided that any teacher is not required to work in aggregate more than 1,265 hours during a school year. Schools may therefore choose to require teachers to make up the full equivalent of the 5 non-contact days wholly through additional hours or use a mixture of additional hours and non-contact days.

Bank Holidays

Monday 28 August 2023 - August Bank Holiday
Monday 25 December 2023 - Christmas Day
Tuesday 26 December 2023 - Boxing Day
Monday 1 January 2024 - New Year's Day
Friday 29 March 2024 - Good Friday
Monday 1 April 2024 -Easter Monday
Monday 6 May 2024 - May Day
Monday 27 May 2024 - Late May Bank Holiday
Monday 26 August 2024 - August Bank Holiday

Determined

August 2023						
M	T	W	T	F	S	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

September 2023						
M	T	W	T	F	S	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

October 2023						
M	T	W	T	F	S	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

November 2023						
M	T	W	T	F	S	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

December 2023						
M	T	W	T	F	S	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

January 2024						
M	T	W	T	F	S	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February 2024						
M	T	W	T	F	S	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29			

March 2024						
M	T	W	T	F	S	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

April 2024						
M	T	W	T	F	S	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

May 2024						
M	T	W	T	F	S	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

June 2024						
M	T	W	T	F	S	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

July 2023						
M	T	W	T	F	S	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				




August 2024						
M	T	W	T	F	S	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

INSET/ Non-contact days for teachers:
 Over a school year, pupils are required to attend for 190 days/380 sessions. In total, teachers may be required to be available for work on up to 195 days, with the additional days specified by individual schools as non-contact days. Schools may also require teachers to work additional hours before or after school sessions, as an alternative to full non-contact days, provided that any teacher is not required to work in aggregate more than 1,265 hours during a school year. Schools may therefore choose to require teachers to make up the full equivalent of the 5 non-contact days wholly through additional hours, or use a mixture of additional hours and non-contact days.

2023/24

Standard School
 Year based on
 6 terms with
 additional INSET
 days

- Term 1 36 days 01/09/23 - 20/10/23**
- Term 2 35 days 30/10/23 - 15/12/23**
- Term 3 29 days 02/01/24 - 09/02/24**
- Term 4 29 days 19/02/24 - 28/03/24**
- Term 5 29 days 15/04/24 - 24/05/24**
- Term 6 37 days 03/06/24 - 23/07/24**

-  School day
-  School holiday
-  Bank holiday

Determined School Term dates for 2024-25

Standard School Year 2024/25 based on 6 terms with additional INSET days:

Term	School Days	Start Date	End Date	Bank holidays which fall within the term
1	40 days	02/09/24	25/10/24	
2	35 days	04/11/24	20/12/24	
3	30 days	06/01/25	14/02/25	
4	30 days	24/02/25	04/04/25	
5	23 days	22/04/25	23/05/25	5/05/2025
6	37 days	02/06/25	22/07/25	

INSET/ Non-contact days for teachers:

Over a school year, pupils are required to attend for 190 days/380 sessions. In total, teachers may be required to be available for work on up to 195 days, with the additional days specified by individual schools as non-contact days. Schools may also require teachers to work additional hours before or after school sessions, as an alternative to full non-contact days, provided that any teacher is not required to work in aggregate more than 1,265 hours during a school year. Schools may therefore choose to require teachers to make up the full equivalent of the 5 non-contact days wholly through additional hours or use a mixture of additional hours and non-contact days.

Bank Holidays

26 August 2024 - August Bank Holiday
25 December 2024 - Christmas Day
26 December 2024 - Boxing Day
1 January 2025 - New Year's Day
18 April 2025 - Good Friday
21 April 2025 - Easter Monday
5 May 2025 - May Day
26 May 2025 - Late May Bank Holiday
25 August 2025 - August Bank Holiday

August 2024						
M	T	W	T	F	S	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

September 2024						
M	T	W	T	F	S	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

October 2024						
M	T	W	T	F	S	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

November 2024						
M	T	W	T	F	S	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

December 2024						
M	T	W	T	F	S	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

January 2025						
M	T	W	T	F	S	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

February 2025						
M	T	W	T	F	S	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28		

March 2025						
M	T	W	T	F	S	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

April 2025						
M	T	W	T	F	S	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				




May 2025						
M	T	W	T	F	S	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

June 2025						
M	T	W	T	F	S	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

July 2025						
M	T	W	T	F	S	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

August 2025						
M	T	W	T	F	S	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

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 School day
 School holiday
 Bank holiday

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- Term 5 23 days 22/04/25 - 23/05/25**
- Term 6 37 days 02/06/25 - 22/07/25**

2024/25

Standard School
 Year based on
 6 terms with
 additional INSET
 days

List of Bank Holidays 2023-24

Bank Holidays (England and Wales)¹

2024

Monday 1 January	New Year's Day
Friday 29 March	Good Friday
Monday 1 April	Easter Monday
Monday 6 May	Early May bank holiday
Monday 27 May	Spring bank holiday
Monday 26 August	Summer Bank holiday
Wednesday 25 December	Christmas Day
Thursday 26 December	Boxing Day

2025

Wednesday 1 January	New Year's Day
Friday 18 April	Good Friday
Monday 21 April	Easter Monday
Monday 5 May	Early May Bank Holiday
Monday 26 May	Spring Bank Holiday

List of Party-Political Autumn Conference Dates

Party Political Conference Dates 2023-24 ²

Political Party	Location	Dates (inclusive)
Labour Party	Liverpool	22 September – 25 September
Conservative Party	Birmingham	29 September – 2 October

¹ Source: GOV.UK (<https://www.gov.uk/bank-holidays>)

² Reflects the current party political composition of the Council.

Subject:	REVISION TO CONTRACT STANDING ORDERS
Meeting and Date:	Council – 31st January 2024
Report of:	Head of Finance & Investment and Monitoring Officer
Decision Type:	Non- Executive
Classification:	Unrestricted

Purpose of the report: The purpose of this report is to propose revisions to Contract Standing Orders to the Council for adoption.

Recommendation: That the Council, acting on the recommendation of the Governance Committee and the Monitoring Officer, adopts the revised Contract Standing Orders appended to this report.

1. Summary

- 1.1 A requirement of the existing Contract Standing Orders (CSO's) is that they are reviewed and updated on a regular basis with any such recommendations made by the Monitoring Officer being agreed and adopted by the Council (after consideration by the Governance Committee).
- 1.2 The Governance Committee considered the revised Contract Standing Orders at its meeting of 28th September 2023 and resolved: -

“That the Council be recommended to adopt the revised Contract Standing Orders appended to the report of the Head of Finance & Investment and Monitoring Officer”

2. Introduction and Background

- 2.1 Contract Standing Orders were last updated by Council on the 25th January 2023. Following their agreement, it has come to notice that there was a typographical error in the version adopted and in addition, there are two further amendments proposed for clarity in respect of the Council's obligations under the Local Government Transparency Code.
- 2.2 This report sets out the amendments proposed, and the revised Council's Contract Standing Orders (attached at Appendix A). The amendments are summarised below.
- 2.3 **Publishing Contracts on the Councils Contract Register** - It is proposed to amend this to read: -

5.4.7 that all contracts of a value of £5,000 or more are included on the Councils Contract Register (This includes purchase orders that meet the £5000 threshold).
- 2.4 The proposed amendment ensures full compliance with the Local Government Transparency Code and provides clarity that contracts shall also deem to include all purchase orders that also meet the £5,000 threshold (currently only Contracts over £15,000 are included on the Council's Contract Register).

- 2.5 **Financial Thresholds and Procedures** - In accordance with Part 4 of the Public Contracts Regulations 2015 and guidance issued by the Cabinet Office, it is proposed to amend to read:

7.4.1 All contract opportunities with a value of £30,000 inclusive of VAT and above must be published on 'Contracts Finder' where the Council has advertised such opportunity in the form of a notice or advertisement as set out in 7.3 above.

- 2.6 The proposed amendment (adding the wording 'inclusive of VAT') clarifies the position regarding the inclusion of VAT.

- 2.7 **Extensions and Other Variations to Existing Contracts** - In order to rectify the typographical error in the version adopted by Council on the January 23, it is proposed to re-instate the wording highlighted in bold below that was omitted error from the previous version: -

*14.2.2 Subject to a written report in an approved format to be submitted to the Monitoring Officer (or his nominee) and Section 151 Officer (or his nominee); which shall include reasons for the extension or other variation which demonstrate that the need for the extension or other significant variation is genuinely exceptional **or provisions are made for extension in the existing contract.***

*14.2.3 Subject to approval by the Monitoring Officer and Section 151 Officer (or his nominee), who shall record that they have considered the reasons for the extension or other significant variation and that they are satisfied that the circumstances justifying the extension are genuinely exceptional **or provisions are made for extension in the existing contract.***

3 Identification of Options

- 3.1 Option 1: To note the report and adopt the revised Contract Standing Orders appended to this report.
- 3.2 Option 2: To not note the report nor adopt the revised Contract Standing Orders appended to this report.

4. Evaluation of Options

- 4.1 Option 1 is the recommended option to ensure Contract Standing Orders are reflective of current legislation and working practices.
- 4.2 Option 2 is not the recommended option as it will mean Contract Standing Orders are not reflective of current legislation and working practises.

5. Resource Implications

- 5.1 There are no resource implications arising from this report.

6. Appendices

Appendix 1 – Revised Contract Standing Orders

7. Background Papers

Public Contract Regulations 2015

Local Government Transparency Code

Contact Officer:

Dean Coulls, Procurement Manager, dean.coulls@dover.gov.uk 01304 872424

CONTRACT STANDING ORDERS

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Contract Standing Orders

1. Introduction – Purpose of the Contract Standing Orders

1.1 Purchasing decisions and processes are important because the money involved is public money. The purpose of these Contract Standing Orders is to provide a structure within which procurement decisions are made and implemented (including the grant of service concessions) and which ensure that the Council:

1.1.1 Furthers its corporate objectives

1.1.2 Uses its resources efficiently

1.1.3 Purchases quality goods, services and works

1.1.4 Safeguards its reputation from any implication of dishonesty or corruption.

1.1.5 Improves the economic, social and environmental well being of the district

1.2 Procurement by the Council, from planning to delivery, shall incorporate (where appropriate) principles of sustainability, efficiency, whole life costings and cost savings.

1.3 These Contract Standing Orders are made in accordance with the requirements of Section 135 of the Local Government Act 1972.

1.4 These Contract Standing Orders do not provide guidelines on what is the best way to purchase works, supplies (goods) and services and grant service concessions. They set out minimum requirements to be followed. Further information and guidelines are set out in the Council's Procurement Guide and the guidance documents available on the Intranet.

2. General Principles – Application and Compliance with Contract Standing Orders

2.1 These Contract Standing Orders apply to the purchase by or on behalf of the Council of works, supplies (goods) and services and the granting of service concessions.

2.2 These Contract Standing Orders apply to all contracts including all purchase orders, service concessions and contractual arrangements entered into by or on behalf of the Council, except for the specific types of contracts and purchasing methods which are listed in 2.3.

2.3 These Contract Standing Orders do not apply to:

2.3.1 Employment contracts

2.3.2 Contracts relating solely to the purchase or sale of interests in land

- 2.3.3 Contracts for retention of legal counsel and the appointment of expert witnesses in legal proceedings
- 2.3.4. Service level agreements setting out the conditions which the Council applies to its funding of particular voluntary sector bodies.

3. **General Principles Applying to All Contracts**

- 3.1 All purchases however small shall be in writing.
- 3.2 All contracts of a value of £15,000 or more shall be made using either:
 - 3.2.1 the Councils *Standard Terms & Conditions of Contract* or
 - 3.2.2 a standard form of contract (e.g. New Engineering Contract (NEC), Joint Contracts Tribunal (JCT), etc) or
 - 3.2.3 the Suppliers Terms & Conditions

Advice and agreement must be sought from Legal Services prior to award.

- 3.3 As a minimum, all contracts of a value of £15,000 or more shall include clauses which set out:
 - 3.3.1 The works, supplies (goods), services, service concessions, material, matters or things to be carried out or supplied
 - 3.3.2 Specify the price to be paid, the estimated price or the basis on which the price is to be calculated
 - 3.3.3 The time within which the contract is to be performed
 - 3.3.4 Quality requirements and/or standards which must be met
 - 3.3.5 Requirements on the contractor to hold and maintain appropriate insurance
 - 3.3.6 What happens in the event that the contractor fails to comply with its contractual obligations (in whole or in part)
 - 3.3.7 Requirements on the contractor to comply with all relevant equalities and health and safety legislation
 - 3.3.8 That the Council shall be entitled to cancel the contract and recover losses in the event that the contractor does anything improper to influence the Council to give the contractor any contract or commits an offence under the Bribery Act 2010 or s117(2) Local Government Act 1972.
- 3.4 Written contracts shall not include non-commercial terms unless these are necessary to achieve best value for the Council and necessary to enable or facilitate the Council's compliance with the public sector equality duty¹

¹ Section 149 Equality Act 2010

imposed on it by the Equality Act 2010. In this context, "non commercial" means requirements unrelated to the actual performance of the contract.

- 3.5 All contracts shall include relevant specifications and/or briefs/technical requirements which are prepared taking into account the need for effectiveness of delivery, quality, sustainability and efficiency (as appropriate) and the information set out in the Council's Procurement Guide.

4. Regulatory Context

- 4.1 All purchasing shall be conducted in accordance with Regulatory Provisions which are:

4.1.1 All relevant statutory provisions

4.1.2 The Public Contract Regulations 2015 (PCR2015)

4.1.3 The Council's Constitution including these Contract Standing Orders, the Council's Financial Procedure Rules and Scheme of Delegation

4.1.4 The Council's Procurement Guide and other policies and procedures of the Council as appropriate.

- 4.2 In the event of conflict between the above, the Public Contract Regulations 2015 will take precedence, followed by the Council's Constitution, then the Council's Procurement Guide and guidelines, policies and procedures.

5. Responsibilities of Directors, Heads of Service and Responsible Officers

- 5.1 Each Director shall have overall responsibility for the purchasing undertaken by his/her Directorate.

- 5.2 Each Head of Service shall be responsible for the purchasing undertaken by his or her service and shall

5.2.1 be accountable to the Executive for the performance of his/her duties in relation to purchasing

5.2.2 comply with the Council's decision making processes including, where appropriate, implementing and operating a Scheme of Delegation

5.2.3 appoint a Responsible Officer in writing who shall be an authorised signatory

5.2.4 take immediate action in the event of breach of these Contract Standing Orders which will include as a minimum promptly informing the Council's Monitoring Officer of such breach.

- 5.2.5 consider any procurement risk(s) as part of any overall risk assessment

- 5.3 A Responsible Officer is an officer with responsibility for conducting purchasing processes for the purchase of works, supplies (goods) or services on behalf of the Council.

- 5.4 A Responsible Officer's duties in respect of purchasing are to ensure:
- 5.4.1 compliance with all Regulatory Provisions (see 4.1) and integrity of the tender process
 - 5.4.2 that all relevant officers are reminded of the statutory provisions and the Council's requirements relating to declarations of interest affecting any purchasing process in order for them to comply with these requirements
 - 5.4.3 that there is an appropriate analysis of the requirement, timescales, procedure and documentation to be used
 - 5.4.4 the purchasing process, from planning to delivery incorporates (where appropriate) principles of sustainability, efficiency, whole life costings and cost savings
 - 5.4.5 compliance with the Council's decision making processes, in particular in relation to Key Decisions
 - 5.4.6 that all quotations or tenders sought of a value of £15,000 or more are undertaken in partnership with the Procurement Manager to ensure a corporate approach and delivery of the works, supplies (goods) or services
 - 5.4.7 that all contracts of a value of £5,000 or more are included on the Councils Contract Register (This includes purchase orders that meet the £5,000 threshold).
 - 5.4.8 that proper records of all contract award procedures, waivers, exemptions and extensions are maintained, with separate files for each purchase of a value of £15,000 or more
 - 5.4.9 that value for money is achieved
 - 5.4.10 that adequate and appropriate security (such as a bond or guarantee) is taken to protect the Council in the event of non-performance.
- 5.5 In considering how best to procure works, supplies and services, Directors, Heads of Service and/or Responsible Officers (as appropriate in the context), shall consult with the Procurement Manager to take into account wider contractual delivery opportunities and purchasing methods including the use of Purchasing Schemes and e-procurement/purchasing methods, and the availability of local authority charging and trading powers under the Local Government Act 2003.
- 5.6 It is a disciplinary offence to fail to comply with these Contract Standing Orders and the Council's Procurement Guide. All employees have a duty to report breaches of Contract Standing Orders to the Monitoring Officer.
- 5.7 Any officer or Member who suspects any misconduct or corruption in relation to the purchase by or on behalf of the Council of works, supplies (goods) and services must immediately report that suspicion to the Council's Monitoring Officer.

6. Scheme of Delegation

- 6.1 Council procurement may only be undertaken by officers with the appropriate delegated authority to carry out such tasks as set out in the Council's Scheme of Delegation. Officers with delegated authority may only delegate to other officers who have the appropriate skills and knowledge for the task and such delegation shall be recorded in writing by the officer delegating the task and notified to the relevant Director/Head of Service.
- 6.2 Officers shall, where appropriate, be informed by their Director/Head of Service of the extent of any delegated authority and applicable financial thresholds.

7. Financial Thresholds and Procedures

- 7.1 The table below sets out the general rules applying to the choice of purchasing procedure for contracts at the stated threshold values.
- 7.2 There is a general presumption in favour of competition. Wherever possible contract opportunities should be advertised by way of a public notice. The Council should consider the potential effect of a contract on interstate trade (at a European level). If a contract may be of interest to contractors from EU member states then this may result in a need to advertise in a manner which ensures that potential contractors from EU member states are aware of the opportunity, even for small value contracts or contracts under the PCR2015 Threshold levels outlined below.
- 7.3 The public notice referred to at 7.2 may take the form of a notice or advertisement in an electronic or paper format, on an easily accessible website or other electronic media and/or in the press, trade journals, Contracts Finder or Find a Tender Service ("FTS") (as appropriate). The Responsible Officer may choose to place one or more public notices in different media.
- 7.4 In accordance with Part 4 of the Public Contracts Regulations 2015 and guidance issued by the Cabinet Office:
- 7.4.1 All contract opportunities with a value of £30,000 inclusive of VAT and above must be published on 'Contracts Finder' where the Council has advertised such opportunity in the form of a notice or advertisement as set out in 7.3 above.
- 7.4.2 All contract opportunities for which a Contract Notice was sent to FTS for publication must also be published on 'Contracts Finder'.

Table setting out financial thresholds and procedures

Total Value £	Type of contract	Procedure to be used
0 to £15,000	Works, Supplies and Services	At least one written quote in advance (there is a general presumption in favour of competition and as such Officers may seek additional quotations where possible)

£15,000 to £100,000	Works, Supplies and Services	At least three written quotes obtained by Procurement in advance using the Councils <i>Invitation to Quote</i> document
£100,000 to £177,898* **	Supplies and Services	At least three written tenders obtained by Procurement in advance, using the Councils <i>Invitation to Tender</i> document
£177,898* ** plus ** *PCR2015 Threshold for supplies and services ex VAT Note: £552,950 threshold applies for social and some specific services listed within the Public Contracts Regulations 2015	Supplies and Services	PCR2015 Rules apply – full competitive process following advertisement in the FTS for supplies and some services. For social and some specific services reduced requirements apply under the PCR2015 Rules but there is a presumption in favour of advertising and a competitive process*
£100,000 to £4,447,448**	Works	At least three written tenders obtained by Procurement in advance, using the Councils <i>Invitation to Tender</i> document
£4,447,448** plus **PCR2015 Threshold for works ex VAT	Works	PCR2015 Rules apply – full competitive process with tenders following FTS advertisement

* The PCR2015 Rules apply to service contracts to differing degrees depending on the service. Responsible Officers should act cautiously and seek advice when considering the procedure to be used and application of the PCR2015 Rules to services contracts

** or relevant threshold in force at the time under the PCR2015 Rules

Note: Whilst the new PCR2015 thresholds now include VAT (due to the UK's obligations under the WTO), thresholds above are shown excluding VAT for ease and alignment with the Councils sub thresholds

7.5 Where contracts are of a type and value which means that they are subject to the PCR2015 Rules then there are five main types of PCR2015 procedures available. These are the open, restricted, competitive dialogue, competitive procedure with negotiation and innovation partnership procedures. Care must be taken to ensure that the correct and most appropriate procedure is used and assistance on the choice and use of PCR2015 procedure should be sought from the Procurement Manager and Legal Services.

8. Financial Thresholds and Processes Applying to Approval and Execution of Contracts

8.1 For contracts over the relevant PCR2015 threshold (in force at the time), the choice of purchasing procedure to be used and the decision to proceed to

advertisement must be authorised in writing by the relevant Director/Head of Service in advance acting in consultation with the Procurement Manager and/or Solicitor to the Council where appropriate.

8.2 When a decision is made to award a contract then the Responsible Officer must, in addition to complying with his/her general obligations under these Contract Standing Orders ensure, in particular, that:

8.2.1 the appropriate approvals have been obtained to authorise that decision; and

8.2.2 where appropriate, a standstill period complying with the PCR2015 Rules is incorporated into the final award process.

8.3 Any contracts valued at £100,000 or above shall be executed as a deed or be signed by at least two officers of the council with appropriate delegated authority or made under seal of the Council and attested by at least one officer. All other contracts may be signed by officers with appropriate delegated authority. £100,000 shall be the threshold for the purposes of Regulation 8 of the Local Authority (Executive Arrangements) (Modification of Enactments and Further Provisions) (England) Order 2001.

8.4 Electronic signatures may be used in accordance with the Electronic Signature Regulations 2002 provided the sufficiency of security arrangements has been approved by the Senior ICT Manager.

9. **Calculating the Contract Value**

9.1 The starting point for calculating the contract value for the purposes of these Contract Standing Orders is that the contract value shall be the genuine pre-estimate of the value of the entire contract excluding Value Added Tax. This includes all payments to be made, or potentially to be made, under the entirety of the contract and for the whole of the predicted contract period (including proposed extensions and options).

9.2 There shall be no artificial splitting of a contract to avoid the application of the provisions of the PCR2015 Rules and/or these Contract Standing Orders.

9.3 The PCR2015 Rules can cover contracts, which are below the stated PCR2015 threshold, where they constitute repeat purchases and/or purchases of a similar type in a specified period. Responsible Officers should therefore seek advice from the Procurement Manager on the application of the PCR2015 Rules where they envisage that they may require repeat purchases and/or purchases of a similar type.

10. **Principles Underlying Tendering Processes and Tender Evaluation**

10.1 All tendering procedures (including obtaining quotes), from planning to contract award and signature, shall be undertaken in a manner so as to ensure:

10.1.1 Sufficient time is given to plan and run the process

10.1.2 Equal opportunity and equal treatment

10.1.3 Openness and transparency

10.1.4 Probity

10.1.5 Outcomes which deliver sustainability, efficiency and cost savings (where appropriate).

11. Submission and Opening of Tenders

11.1 An Invitation to Tender shall be issued by the Council for all contracts over £100,000 via the Councils e-tendering system and tenders shall be submitted in accordance with the requirements of the Invitation to Tender Document.

11.2 Any tenders received shall be kept secure electronically and unopened until the time and date specified for the opening

11.3 No tender received after the time and date specified for its opening shall be accepted or considered by the Council unless agreed by the Monitoring Officer in exceptional circumstances.

11.4 Tenders shall be opened, certified and recorded electronically by an Officer appointed by the Monitoring Officer via the Councils e-tendering system.

12. Evaluation of Quotes and Tenders

12.1 All quotes and tenders shall be evaluated in accordance with evaluation criteria notified in advance to those submitting quotes/tenderers.

12.2 Tenders subject to the PCR2015 Rules shall be evaluated in accordance with the PCR2015 Rules.

12.3 Save in exceptional circumstances approved in advance by the Monitoring Officer all contracts shall be awarded on the basis of the quote or tender which represents best value for money to the Council and not on the basis of lowest price.

13. Waivers

13.1 The requirement for the Council to conduct a competitive purchasing process for contracts in excess of £15,000 may be waived in the following circumstances.

13.1.1 For contracts which are not subject to the PCR2015 Rules, the work, supply or service or grant of service concession is required as a matter of urgency and a delay would be likely to lead to financial loss, personal injury or damage to property; or

13.1.2 the circumstances set out in the Public Contract Regulations 2015 Regulation 32 apply or

13.1.3 if the goods or materials to be purchased are available from only one manufacturer; or

- 13.1.4 where the supply is for parts for existing machinery, or where the terms of supply of equipment require that maintenance be undertaken by a specified provider; or
 - 13.1.5 where the Work is of a specialist nature, the skill of the contractor is of primary importance, and the supply market has been tested and found to be limited; or
 - 13.1.6 where the supply is for maintenance to existing IT equipment or software, including enhancements to current software, which can only be performed by the licensed developer or owner of the system; or
 - 13.1.7 at the discretion of the relevant Head of Service who may proceed in a manner most expedient to the efficient management of the service/Council with reasons recorded in writing.
- 13.2 A Responsible Officer who seeks a waiver of Contract Standing Orders, shall do so only in advance and only in exceptional circumstances. Further guidance on what may constitute exceptional circumstances permitting waiver of these Contract Standing Orders is set out in the Council's Procurement Guide.
- 13.3 All waivers from these Contract Standing Orders must be:
- 13.3.1 Fully documented
 - 13.3.2 Subject to a written report in an approved format to be submitted in advance to the Monitoring Officer (or his nominee) or Section 151 Officer (or his nominee), which shall include reasons for the waiver which demonstrate that the waiver is genuinely required
 - 13.3.3 Subject to approval in advance by the Monitoring Officer (or his nominee) or Section 151 Officer (or his nominee) who shall record that they have considered the reasons for the waiver and that they are satisfied that the circumstances justifying the waiver are genuinely exceptional.
- 13.4 All decisions on waivers must take into account:
- 13.4.1 Probity
 - 13.4.2 Best value/value for money principles.
- 13.5 For contracts subject to the PCR2015 Rules, any waiver from the requirement for competition must meet the conditions set out in the PCR2015 Rules in addition to the general requirements above.
- 13.6 A waiver shall not be applied for reasons of poor contract planning.

14. **Extensions and Other Variations to Existing Contracts**

- 14.1 Where extensions or other variations to existing contracts are made the extensions must be determined in accordance with the contract terms, for a specified period and made in accordance with the principles set out in the Council's Procurement Guide.
- 14.2 Any extension or other significant variation must be:
 - 14.2.1 Fully documented
 - 14.2.2 Subject to a written report in an approved format to be submitted to the Monitoring Officer (or his nominee) and Section 151 Officer (or his nominee); which shall include reasons for the extension or other variation which demonstrate that the need for the extension or other significant variation is genuinely exceptional or provisions are made for extension in the existing contract.
 - 14.2.3 Subject to approval by the Monitoring Officer (or his nominee) and Section 151 Officer (or his nominee), who shall record that they have considered the reasons for the extension or other significant variation and that they are satisfied that the circumstances justifying the extension are genuinely exceptional or provisions are made for extension in the existing contract.
- 14.3 Any extension or other variation must take into account:
 - 14.3.1 Probity
 - 14.3.2 Best value/value for money principles.
- 14.4 For contracts subject to PCR2015 Rules, any extension must meet the conditions set out in the PCR2015 Rules in addition to the more general requirements set out above.

15. **Purchasing Schemes**

- 15.1 A Responsible Officer may use Purchasing Schemes subject to the following conditions and the Council's Procurement Guide.
- 15.2 Responsible Officers must check in advance with the Procurement Manager to ensure that
 - 15.2.1 The Council is legally entitled to use the Purchasing Scheme
 - 15.2.2 The purchases to be made do properly fall within the coverage of the Purchasing Scheme
 - 15.2.3 The establishment and operation of each Purchasing Scheme is in compliance with the PCR2015 Rules (where they apply) and meets the Council's own requirements.
- 15.3 A "Purchasing Scheme" may include:
 - 15.3.1 Contractor prequalification lists/select lists

- 15.3.2 Framework arrangements (including those set up by The Crown Commercial Service)
 - 15.3.3 Purchasing arrangements set up by central purchasing bodies and commercial organisations
 - 15.3.4 Consortium purchasing
 - 15.3.5 Collaborative working arrangements
 - 15.3.6 Formal agency arrangements
 - 15.3.7 E-procurement/purchasing schemes and methods
 - 15.3.8 Other similar arrangements such as the Government eMarketplace
- 15.4 Where a Purchasing Scheme is used then there shall be a whole or partial exemption from the obligations under these Contract Standing Orders in respect of the choice and conduct of procedures to the extent permitted and indicated in the Council's Procurement Guide.

16. Review and Changes to these Contract Standing Orders

- 16.1 These Contract Standing Orders shall be reviewed and updated on a regular basis. Save in the case of revisions to the PCR2015 Thresholds in Contract Standing Order 7, amended Contract Standing Orders shall be recommended by the Monitoring Officer and shall be agreed and adopted by the Council after consideration by the Governance Committee. The Solicitor to the Council will make revisions to the PCR2015 Thresholds as and when they occur.

17. Suspension of these Contract Standing Orders

- 17.1 These Contract Standing Orders may be suspended in accordance with Article 16 of the Constitution.

Subject:	RISK MANAGEMENT STRATEGY
Meeting and Date:	Governance Committee – 7 December 2023 Cabinet – 15 January 2024 Council – 31 January 2024
Report of:	Head of Corporate Services & Democracy
Portfolio Holder:	Councillor S H Beer, Portfolio Holder for Finance, Governance, Climate Change and Environment
Decision Type:	Non-Key
Classification:	UNRESTRICTED

Purpose of the report: To seek agreement to the proposed new Risk Management Strategy.

Recommendation:

Governance Committee: *To recommend to Council that the new Risk Management Strategy and accompanying tool kit be adopted.*

Cabinet: *To recommend to Council that the new Risk Management Strategy and accompanying tool kit be adopted.*

Council: *That the Council adopt the new Risk Management Strategy and accompanying tool kit.*
That the Risk Management Strategy be incorporated into the Local Code of Corporate Governance.

1. Summary

1.1 The Council’s Corporate Risk Strategy and the Risk Register have not undergone a detailed review since 2016/17. In August 2022, the opportunity arose for the Council to have Zurich Resilience Solutions (ZRS) undertake a Risk Management Desktop Review of the Council’s Corporate Risk Strategy and Risk Register and this work identified several areas for review in the current adopted Risk Management Framework. The revised Risk Management Strategy seeks to address those concerns.

2. Introduction and Background

2.1 The ZRS Desktop Review concluded that the existing Corporate Risk Management Strategy, while containing the key elements that they expected to see, had a number of areas for improvement. These were in summary that:

- It lacked depth and definition.
- That it needed review after five years.
- There were inconsistencies in vocabulary.
- There were questions over the suitability of the three-point scale risk matrix in the existing strategy. The report recommended that moving to a four-point scale

would allow for greater distinction and clearer prioritisation of risks. In a subsequent meeting with ZRS following production of the Desktop Review it was suggested that the Council should consider at least a four-point scale. The benefits of a five-point scale were discussed.

- In respect of the Risk Register, the review highlighted concerns that there was an inconsistent risk score across the inherent and residual assessments which made it difficult to assess the direction of travel for a risk.
- That risk descriptions were inconsistent, and the lack of a defined structure limited how useful the information was. It was suggested that the Council adopt a defined structure to assist risk owners in properly defining risks.

2.2 The Desktop Review made the following recommendations:

- That consideration be given to replacing the three-point risk matrix to allow for better distinction between risk levels.
- That enhanced descriptions be developed for the Risk Methodology segment to make the process clearer and define how each step is conducted and by whom.
- Provide further clarity on how and when risk identification exercises or discussions should be conducted.
- Define and communicate what information must be included in risk descriptions. It would improve clarity of the risk itself as well as what was at risk if the risk category or related objective was listed.
- Consider integrating risk management in the performance management framework to better integrate risk thinking and principles.
- That climate change had not been adequately addressed in the current Risk Register.

2.3 In light of these comments, colleagues in the Kent Risk Network were consulted on their models of corporate risk management and examples of best practice elsewhere were sought.

2.4 Additionally, as part of the process of review, the East Kent Audit Partnership were asked to provide feedback on the initial draft of the Strategy and these comments were integrated into the final document.

Intended Audience for the Risk Management Strategy

2.5 The Risk Management Strategy will form part of the Council's overall Local Code of Corporate Governance.

2.6 The document is predominantly for internal use by officers to report risks to Corporate Management Team and Members. As such it is acknowledged that it is written as a technical document and were it to be a document intended to be used by the public then it would be written differently. However, the emphasis has been on producing a thorough and robust document that will assist officers in capturing, describing and (where practicable and possible) mitigating risks. Additionally, officers will have access to the Corporate Services team to assist them if required with completing the risk assessment. However, it is not envisaged to be an onerous process but rather a rigorous one providing challenge where it is necessary to do so.

2.7 It should be noted that testing on the accessibility for the proposed new Risk Management Strategy has found that it is an improvement when compared to the current version of the Risk Management Strategy.

2.8 However, it is recognised that the public should be able to see the risks facing the Council in an accessible way and this will be done through a redesigned Risk Register that will include an ‘at-a-glance’ style summary sheet.

Proposed Changes in the Risk Management Strategy

2.9 The key differences between the current Risk Management Strategy and the proposed Risk Management Strategy are as follows:

Current	Proposed
Three Point Risk Matrix (3 x 3)	Five Point Risk Matrix (5 x 5)
Inconsistencies in vocabulary	Definitions of Terms Used
Five Stage Risk Management Process <ul style="list-style-type: none"> • Identification • Analysis • Evaluation • Mitigation and Control • Monitoring 	Six Stage Risk Management Process <ul style="list-style-type: none"> • Establish Objectives • Identify Risks • Analyse & Evaluate • Mitigate and Manage • Record and Report • Monitor and Update
Impact Categories (10) <ul style="list-style-type: none"> • Communication and publicity • Corporate governance • Efficiency and savings • Financial/fundings • Health and safety • IT • Project aims • Personnel resourcing • Service delivery • Statutory responsibilities 	Impact Categories (8) <ul style="list-style-type: none"> • Environmental • Financial • Health and Safety • Legal & Regulatory • Partner Relationship • Reputational • Service Delivery • Community Impact
High, Medium and Low Risk Score	Numerical 1 – 25 Risk Score
Quarterly Reporting of Risk Register to CMT	Quarterly Reporting of Risk Register to Corporate Management Team (CMT) Monthly (or other timeframe agreed by CMT) for red risk scores
Annual Report to Governance Committee Quarterly Performance Report	Annual Report to Governance Committee Quarterly reporting to Governance Committee on changes to Risk Register for previous quarter Key risks in Quarterly Performance Report

- 2.10 The Risk Management Strategy once adopted will form part of the Corporate Governance Local Code.
- 2.11 The proposed Risk Management Strategy is accompanied by a toolkit that takes the risk owner through the steps needed to complete the Risk Register and provides an example of a risk for reference.
- 3. Rollout of New Corporate Risk Management Strategy**
- 3.1 Once the necessary governance decision route has been completed, Corporate Services will work with every current risk owner to support the conversion of current Risk Register entries to the new format. In addition, Corporate Services will be available, as they are now, to assist any risk owners with new risks to be entered on the Risk Register.
- 3.2 An 'at-a-glance' summary of all the risks on the Risk Register would be produced to accompany the individual risk register entries when submitted to Corporate Management Team and Governance Committee.
- 4. Identification of Options**
- 4.1 Option 1 – For Council to adopt the new Risk Management Strategy.
- 4.2 Option 2 – For Council to adopt an amended Risk Management Strategy.
- 4.3 Option 3 – For Council to maintain the current Risk Management Strategy.
- 5. Evaluation of Options**
- 5.1 Option 1 - This is the preferred option as it enables the Council to update its Risk Management Strategy in line with best practice and resolve the issues raised in the desktop review.
- 5.2 Option 2 – This is not the preferred option. If anything other than minor textual amendments are made then it is suggested that officers be requested to bring back a revised report to a future meeting of the Governance Committee.
- 5.3 Option 3 – This is not the preferred option as it would not address the concerns raised in the Desktop Review.
- 6. Resource Implications**
- 6.1 It is intended that the new Corporate Risk Management Strategy and Risk Register would be managed within existing resources in Corporate Services.
- 6.2 It is not expected to take a risk owner significantly more time to complete the risk register entry, but it is intended to ensure that all aspects of potential risk have been considered.
- 7. Climate Change and Environmental Implications**
- 7.1 There are no direct climate change and environmental implications arising from this report. However, the addition of a dedicated environmental risk impact category does enable risks to consider climate change and environmental implications.
- 8. Corporate Implications**
- 8.1 Comment from the Director of Finance (linked to the MTFP): The Head of Finance & Investment has been consulted on this report and has no further comments to add.
- 8.2 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.

8.3 Comment from the Equalities Officer: This report recommending the adoption of the new Risk Management Strategy does not specifically highlight any equality implications, however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15/section/149>

9. **Appendices**

Appendix 1 – Risk Management Strategy Toolkit

Appendix 2 – Risk Management Strategy

10. **Background Papers**

Local Code of Corporate Governance

Contact Officer: Rebecca Brough, Head of Corporate Services and Democracy

DDC CORPORATE RISK TOOLKIT

Corporate Services

December 2023

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Introduction

This Risk Toolkit is intended as a reference document to be used with the Corporate Risk Management Strategy and contains a step-by-step summary for evaluating and recording risks or opportunities for inclusion in the Corporate Risk Register.

At the end of this toolkit is a form to complete. A copy of this form will be provided on the intranet and is also available from Corporate Services on request.

If you have any questions during the completion of your Risk Register entry, please contact Keeley McEvelly in Corporate Services.

The completed Risk Register form should be sent to Keeley McEvelly in Corporate Services for inclusion in the Risk Register.

In order to assist you in completing your risk register entry, the example of a Corporate Complaints Risk Assessment is used to guide you through the process.

Risk Management Process

This toolkit will set out each of the six stages of the Corporate Risk Management Process and refer you to the relevant pages in the Strategy. Please ensure that you read the relevant sections of the Strategy in completing your assessment of the risk.

The Council's Risk Management Process is a six-stage approach as follows:



STEP 1: ESTABLISH OBJECTIVES

Please read page 14 of the Corporate Risk Management Strategy before completing this section.

The risk owner will need to consider the following points to establish the objectives:

- What are you seeking to achieve?
- When are you seeking to achieve it? And...
- Who is responsible for achieving it?

This list while not exhaustive sets out the key points you need to consider when establishing your objectives.

This includes understanding what the Council wants to achieve and the resources it has available – in both capacity and capability – to deliver. For reference, the Council has set out its corporate objectives in the Corporate Plan.

Clarifying objectives will allow a greater understanding of what will stop the achievement of those objectives and what opportunities need to be grasped to meet the objective. Setting objectives clearly will also reveal links to internal and external stakeholders that will need to be relied upon as well as other external factors that will impact objectives.

Example – Corporate Complaints Process

Q. What are you seeking to achieve?

A. An efficient and effective complaints process that complies with statutory requirements and codes.

Q. When are you seeking to achieve it?

A. This is an on-going matter.

Q. Who is responsible for achieving it?

A. Head of Corporate Services and Democracy

STEP 2: IDENTIFY RISKS

Please read pages 14 - 16 of the Corporate Risk Management Strategy before completing this section.

The risks identified must be described in clear terms that can easily be understood and must specify what the tangible risk is. The description of the risk should help determine how the risk will be managed and treated.

To identify potential risks, the risk owner may need to:

- Undertake a risk assessment exercise.
- Research and consider the risks that have affected others. This can also involve keeping up to date with new local, national, and international policies, legislation, and events.
- Measuring current and historical performance and identifying weaknesses.
- Review relevant reports about Council services including those issued by internal and external auditors.

In identifying risks, consideration needs to be given to both internal and external risks.

- Internal risks are those faced by the Council from within the organisation. They arise from routine day-to-day activities such as managing staff, safeguarding, health and safety, financial challenges, legal risks, operating IT systems, etc.
- External risks are those that arise from outside the Council but may still have an adverse impact on its activities. For example, the failure of a partner organisation, a major cyber-attack, extreme weather conditions or adverse national economic conditions. External risks are harder to manage as the Council has less control over whether they occur.

Risks should be described in a couple of sentences, explaining the risk through Cause, Event and Effect.

In instances where there are multiple risks attached to an objective, they should be described individually.

Example – Corporate Complaints Process

The issue:

The failure to maintain effective Corporate Governance arrangements for complaints due to management or resourcing issues, (e.g., poor record keeping; failure to adequately investigate complaints, insufficient staffing or failure to meet procedural or Ombudsman deadlines) could lead to a risk of increased findings of maladministration or injustice from the Ombudsman resulting in reputational damage, failure to address performance issues and increased costs through awards of compensation by the Council or the Ombudsman.

STEP 3: ANALYSE AND EVALUATE

Please read pages 16 - 21 of the Corporate Risk Management Strategy before completing this section.

The aim of risk analysis is to build an understanding of the nature of risk and its characteristics including, wherever possible, the level of risk. It involves consideration of uncertainties, risk sources, consequences, likelihood, events, scenarios, controls, and their effectiveness.

Risk Analysis considers factors such as:

- the likelihood of events and consequences occurring
- the type and scale of consequences
- time-related factors
- the effectiveness of existing controls
- sensitivity and confidence levels

As part of the risk analysis, an assessment will be undertaken of the (a) likelihood of the risk occurring and (b) the impact of the risk should it occur.

The eight areas of risk to be considered (the risk categories also known as the risk taxonomy) are as follows:

- Environmental
- Financial
- Health & Safety
- Legal & Regulatory (including information management and security)
- Partner Relationship
- Reputational
- Service Delivery
- Community Impact

The probability of the risk occurring is considered as one of five levels:

- Rare (least likely)
- Unlikely
- Possible
- Likely
- Very Likely (most likely)

The impact of the risk should it occur is considered as one of five levels:

- Minimal (lowest impact)
- Minor
- Moderate
- Major
- Critical (highest impact)

The tables to be used in conducting this assessment can be found on pages 18 – 20 of the Corporate Risk Management Strategy.

Example – Corporate Complaints Process

Using the tables on pages 18 – 20 of the Strategy each of the eight categories will need to be scored against the impact of the risk and the probability of the risk occurring.

Each risk is scored between 1 and 5.

The result of the assessment will be a score between 1 (lowest risk) and 25 (highest risk) for each of the eight areas, with the highest individual score from the eight areas of risk being the score assigned to the overall risk. This will give the 'Inherent Risk Score' – the current level of risk faced by the Council. A higher numerical score indicates a higher level of risk.

PROBABILITY x IMPACT = INHERENT RISK SCORE

Risk Category	Impact	Multiply	Probability	Total
Environmental	1	x	1	1
Financial	2	x	2	4
Health & Safety	1	x	1	1
Legal & Regulatory	3	x	2	6
Partner Relationship	1	x	1	1
Reputational	3	x	3	9
Service Delivery	3	x	2	6
Community Impact	3	x	2	6

The highest number is what will be known as the Inherent Risk Score. In the case of this example, which would be the reputational category with a score of 9.

STEP 4: MITIGATE AND MANAGE

Please read pages 22 - 25 of the Corporate Risk Management Strategy before completing this section.

Having identified the level of 'Inherent Risk' involved, the risk owner must next consider what mitigation measures are available to reduce the risk to a level that the Council is willing to accept in pursuit of its goals. This does not necessarily mean that the risk in each area will be managed and mitigated down to zero risk. The level of tolerable risk will depend on the Council's level of risk appetite.

Identifying and ranking risks is important, but the key element thereafter is to determine the strategy for managing them and determining the amount of risk that the Council is willing to take.

Having identified the required actions needed to Tolerate, Treat, Transfer or Terminate the risk, a new scoring will need to be completed. The outcome of this will be the Residual Risk Score.

Example – Corporate Complaints Process

In this example, the level of acceptable risk is considered to be 'Averse' as the risks relates to legal and regulatory and therefore wherever possible steps have been taken to Treat the risk (see Page 23 of the Strategy).

The Inherent Risk Score of 9 meant that the highest risk falls into the Tolerate/Accept or Treat category. There were three other scores also in that range of 5 – 9.

5 – 9 Legal Reputational Service Delivery Community Impact	A risk at this level may be acceptable. Efforts should still be made to reduce the risk, provided this is not disproportionate. If not acceptable depending on the Council's level of risk appetite. Existing controls should be monitored or adjusted.	Tolerate/Accept or Treat (Control)
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Excluding those risks that had a score of 1, there was an additional risk that scored a 4.

2 – 4 Financial	An acceptable risk in most situations. If opportunities arise to mitigate the risk further, they should be considered. However, further action or additional controls may not be required. Risk at this level should be monitored and reassessed at appropriate intervals.	Tolerate/Accept or Treat (Control)
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The actions considered for the risks associated with the Corporate Complaints Process are as follows:

- Recognise that despite best efforts some complaints will progress through the DDC complaints process and be appealed to the Ombudsman. In such cases, the complainant must be provided with the Ombudsman’s details at the relevant stages of the process. (TOLERATE/TREAT)
- Ensure that where complaints result in findings against the Council that the knowledge is disseminated to the right officers and lessons are learnt. (TREAT)
- Training on the corporate complaint’s procedures to ensure managers effectively deal with Stage 1 complaints and, where possible, resolve the matter effectively. (TREAT)
- Publicising good practice within the Council. This includes providing examples of relevant Ombudsman decisions relating to the Council or other local authorities to raise awareness of good and bad practices. (TREAT)
- Cross-training members of Corporate Services to ensure resilience to support the corporate complaints process framework and particularly ensuring that Stage 2 complaints are dealt with effectively. (TREAT)
- Introduction of a new in-house IT solution for the corporate complaints system to assist in managing complaints, ensuring the deadlines are met and enable performance monitoring. (TREAT)

The reassessment and scoring of the risk following these actions is as follows:

PROBABILITY x IMPACT = RESIDUAL RISK SCORE

Risk Category	Impact	Multiply	Probability	Total
Environmental	1	x	1	1
Financial	2	x	2	4
Health & Safety	1	x	1	1
Legal & Regulatory	3	x	2	6
Partner Relationship	1	x	1	1
Reputational	3	x	2	6
Service Delivery	3	x	2	6
Community Impact	3	x	2	6

This is based on the proposed actions reducing the probability of reputational damage. The impact itself remains unchanged in this example.

The Residual Risk Score is the level of risk remaining after actions to mitigate it have been taken.

STEP 5: RECORD AND REPORT

Please read pages 25 - 26 of the Corporate Risk Management Strategy before completing this section.

Once you have completed the form at the end of this toolkit, you will need to undertake the following steps:

Reporting to Corporate Services

A copy of the completed form which will form the basis for the Risk Register entry should be sent to Corporate Services (corporateservices@dover.gov.uk)

Reporting the Risk - Projects

The risk management arrangements for projects will need to be considered on a case-by-case basis when each project is developed. This will be dependent upon the nature of the project, its scale, objectives and most importantly the risk it represents to the Council. It is likely that for many projects the risks will change frequently and require the Council to respond accordingly through regular reporting to the appropriate management level.

The reporting arrangements for projects will be recommended by the relevant Head of Service and Strategic Director and agreed by the Corporate Management Team. This should not be any less frequent than quarterly.

Reporting to Corporate Management Team

The Corporate Risk Register will be reviewed and reported quarterly to the Corporate Management Team.

Where there is a residual risk of 15 or greater (usually considered an unacceptable level of risk) the risk should be reported monthly to Corporate Management Team or at intervals as determined by the Corporate Management Team.

Dover District Council has always promoted a culture of accessibility to its Corporate Management Team. If a risk owner feels that they need to escalate the reporting of their risk, they should speak to their Head of Service and/or Strategic Director about adding the matter to the Corporate Management Team agenda.

Reporting to Councillors

Those risks with a Residual Risk Score of 10 or greater will be reported in summary form in the quarterly Strategic Dashboard considered by Cabinet and the Overview and Scrutiny Committee.

The Governance Committee will consider the complete Corporate Risk Register on an annual basis and will receive quarterly updates on changes (risks added to the register, risks removed from the register, changed risks) to the Corporate Risk Register in that quarter.

STEP 6: MONITOR AND UPDATE

Please read pages 26 - 27 of the Corporate Risk Management Strategy before completing this section.

The completion of the Risk Register entry is not the end of the process.

You will receive an email from Corporate Services on a quarterly basis asking you to review your Risk Register entry and amend, as necessary. However, if changes are required to the Risk Register entry you should not wait for the quarterly reminder and should contact Corporate Services with an update to the risk as soon as practicable to do so.

If the residual risk score is 15 or greater of an amended risk register entry, then the risk should be reported to the next meeting of the Corporate Management Team regardless of where it falls within the quarterly reporting cycle. Please speak with your Head of Service or Strategic Director about adding the matter to the Corporate Management Team agenda.

Risk Title:	Corporate Complaints Example								
Risk Owner:	Head of Corporate Services and Democracy				Date Risk Created:	27/10/23			
Describe the Risk:	The failure to maintain effective Corporate Governance arrangements for complaints due to management or resourcing issues, (e.g., poor record keeping; failure to resolve issues, insufficient staffing or failure to meet procedural deadlines) could lead to a risk of increased findings of maladministration from the Ombudsman resulting in reputational damage, failure to address performance issues and increased costs through awards of compensation by the Council or the Ombudsman.								
	INHERENT RISK SCORE				9	RESIDUAL RISK SCORE			6
Risk Score	Risk Category	Impact	Probability	Total	Risk Category	Impact	Probability	Total	
	Environmental	1	1	1	Environmental	1	1	1	
	Financial	2	2	4	Financial	2	2	4	
	Health & Safety	1	1	1	Health & Safety	1	1	1	
	Legal & Regulatory	3	2	6	Legal & Regulatory	3	2	6	
	Partner Relationship	1	1	1	Partner Relationship	1	1	1	
	Reputational	3	3	9	Reputational	3	2	6	
	Service Delivery	3	2	6	Service Delivery	3	2	6	
	Community Impact	3	2	6	Community Impact	3	2	6	
What are we doing to control (mitigate) the risk?	<ul style="list-style-type: none"> • Training on the corporate complaint's procedures to ensure managers effectively deal with Stage 1 complaints. • Publicising good practice within the Council and relevant Ombudsman decisions relating to other local authorities. • Cross-training members of Corporate Services to ensure resilience to support the corporate complaints process framework and particularly ensuring that Stage 2 complaints are dealt with effectively. • Introduction of new corporate complaints system to assist in managing complaints. 								
Additional Comments or Updates									
Reviewed by:					Date:				



CORPORATE RISK MANAGEMENT STRATEGY

CORPORATE SERVICES

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INTRODUCTION

The Corporate Management Team and Councillors of Dover District Council are committed to effective risk and opportunity management as part of everyday service delivery and decision-making. Risk management is an integral and vital part of good governance and corporate management. This includes fostering a culture where integrity, objectivity, accountability, and transparency is embraced by Members and Officers alike in the identification, assessment and management of risks and where constructive challenge, collaboration and consultation are championed.

The Council's risk management framework harnesses the activities that identify and manage uncertainty. It allows the Council to identify, evaluate and manage risks, not simply avoid them, and provides a framework to anticipate and prepare for successful outcomes. It is a key element of the framework of governance.

Accordingly, the Council is not averse to taking a degree of calculated risk, but it will always exercise a prudent approach to risk taking and decisions will be made within the parameters of the Council's internal control arrangements. The Financial and Contract Procedure Rules are particularly important in ensuring that the Council does not expose itself to financial risks above an acceptable level.

“In successful organisations, risk management enhances strategic planning and prioritisation, assists in achieving objectives and strengthens the ability to be agile to respond to the challenges faced. If we are serious about meeting objectives successfully, improving service delivery and achieving value for money, risk management must be an essential and integral part of planning and decision-making.”

The Orange Book - Management of Risk – Principles and Concepts, HM Government, 2020

DEFINITIONS

What is Risk?

Risk is commonly held to mean a 'danger' or 'threat' and is something to be avoided. While there is an element of this in every 'risk' there is equally a potential 'opportunity' to be seized if successfully managed.

Maintaining and improving public services requires innovation and a willingness to seize new opportunities and manage the risks involved. In this context risk is more appropriately considered as an uncertainty of outcome, whether positive opportunity or negative threat of actions and events. It is the combination of likelihood and impact.

What is Risk Management?

Risk Management is the culture, processes and structures that are directed towards effective management of potential threats, and potential opportunities, to the Council achieving its objectives.

This strategy is intended to reaffirm and improve effective Risk Management within the Council by building on the existing foundation of good practice, ensuring comply with best practice and, in doing so, effectively managing potential opportunities and threats to the Council and its corporate priorities.

What is the Corporate Plan?

The Corporate Plan is a document that sets out the Council's future priorities and objectives. It provides a focus for the Council to work to and a framework for evaluating the Council's performance. Elements of the priorities in the Corporate Plan are likely to feature in the Corporate Risk Register.

What are Business Plans?

The individual sections of the Council will have business plans that set out how that section will deliver on its key corporate priorities, the risks that may prevent it from doing so, and the performance indicators that will measure success. The priorities in the business plan will reflect those in the Council's Corporate Plan.

What is the Risk Register?

This risk register records the risks and opportunities that may affect the delivery of the Corporate Plan. It will contain details such as the risk category, a brief description of the risk, the likelihood of its occurrence and the impact it may have.

Types of Risk?

Risk is defined as anything that may have an impact on the Council's ability to achieve its objectives. The risks can be internal, external, corporate (also known as strategic) or those arising from major projects. Risk can be categorised for recording purposes under the following headings:

- Strategic (corporate)
- Operational (departmental)
- Partnership
- Project

What are Corporate (Strategic) Risks?

Strategic risks affect or are created by the Council's business strategy and strategic objectives. They can be defined as the uncertainties and untapped opportunities embedded in strategic intent and how well they are executed. As such, they are key matters for the Council's Corporate Management Team (CMT) and impinge on the whole organisation, rather than just an isolated department. Inclusion of a risk in the Strategic Risk Register indicates that it is one of a number of risks that the Council, both corporate and elected leadership, need to be aware of and ensure appropriate management arrangements are in place to manage and mitigate them.

What are Operational Risks?

Operational risk is defined as the risk of loss resulting from inadequate or failed processes, people, and systems or from external events. Operational risks are usually departmental based and should link to each area's service planning.

What is Partnership & Project Risks?

Dover District Council works with a range of partners to deliver services. It is important that those partners are brought into the risk management framework to ensure that risks to the Council are not overlooked. Risks are identified and addressed in formal partnership agreements and contracts as appropriate. The primary risks are:

- Financial – failure to understand the potential financial liabilities associated with partnership arrangements.
- Reputation – loss of public confidence.
- Contractual – contract requirements not delivered.
- Legal – failure to understand the potential legal liabilities associated with partnership arrangements.
- Service failure – the associated risk of increased costs.

Dover District Council will also have a number of major projects that require risk management. These projects will have inherent risks and opportunities. Where the project poses a significant risk or is of strategic importance to the delivery of the Corporate Plan an overall risk should be identified within the corporate risk register. The project itself should have a project risk register that is managed by the Project lead/ Project Sponsor. The project risk register will typically be compiled by holding workshops with the key stakeholders. The initial risk register will be signed off by the appropriate Project Board and then reported to them on an exceptional basis via the normal project highlight reports. These risks will also be considered by the Cabinet when making decisions related to the project.

Who are the Corporate Management Team?

The Council's Corporate Management Team consists of the Chief Executive and the Strategic Directors. These are the Strategic Director (Corporate and Regulatory), the Strategic Director (Environment and Place) and the Strategic Director (Finance and Housing).

What is Risk Appetite?

Risk Appetite is the amount of risk that the Council is willing to accept in pursuit of its objectives. It is in effect an organisation's willingness to engage in 'risk taking' and is closely linked to Risk Tolerance.

What is Risk Tolerance?

Risk Tolerance in essence sets the limits of risk taking that the Council will not exceed in pursuit of its objectives. It is about 'controlling risk' and is closely linked to Risk Appetite.

What are Categories of Risk?

The categories of risk, also known as the Risk Taxonomy, are a comprehensive, common and stable set of risk categories that are used within an organisation.

What is Risk Treatment?

The process of deciding how to manage a risk once it has been identified (transfer, tolerate, terminate, treat, or take).

What is the Corporate (Strategic) Risk Register?

The Corporate Risk Register will comprise the identified corporate and key project risks of the Council.

What is meant by the Risk Owner?

The risk owner is the officer responsible for recording, managing, mitigating, and monitoring the risk.

RISK MANAGEMENT OBJECTIVES

Dover District Council acknowledges that it is exposed to a very wide range of risks and opportunities in its service delivery. The Council recognises that it has a responsibility to identify, evaluate and manage risk whilst still creating a positive climate for innovation.

The Council therefore supports a structured approach to negative risk (threats) and positive risk (opportunities) management through its Corporate Risk Management Strategy, the aims, and objectives of which are described below.

1. Adopt a strategic approach to risk management to enable Members and Officers to make well informed decisions and ensure that the Council's key corporate priorities are delivered.
2. Embed risk (and opportunity) management as an integral part of strategic, service, financial planning, project planning and policy making. It is a key and effective element of our corporate governance.
3. Establish a standard systematic approach to risk identification, analysis, control, monitoring and reviewing.
4. Provide a robust and transparent framework for managing risk and supporting decision-making.
5. Manage and mitigate project risks.
6. Support a culture of well measured risk taking throughout the Council including setting risk ownership and accountabilities but accept that even with good risk management and our best endeavours, things can go wrong. We will learn lessons where this happens.
7. Anticipate and prevent injury, damage and losses through effective risk management and reduce the cost of risk.
8. Ensure that the Council continues to meet all statutory requirements in relation to risk management.
9. Anticipate and respond to changing social, economic, political, environmental, legislative, and technological requirements.

BENEFITS OF GOOD RISK MANAGEMENT

The integration of risk, and opportunity, management into the corporate culture and working practices of the Council and its partnerships has numerous benefits, which include:

Improved Strategic Management

- Protecting and adding value to the Council and its stakeholders by supporting the achievement of the Council's vision and corporate priorities
- Improved delivery against the Council's corporate objectives and targets
- Improved decision making, planning and prioritisation through a comprehensive and structured understanding of activity and volatility.
- Mitigation of key threats and taking advantage of key opportunities.
- Protecting and enhancing assets and reputation.
- Promotion of innovation and change.
- Ensures the Council's approach is aligned to best practice.

Improved Operational Management

- Contributing to more efficient use of resources within the Council and its partners.
- Greater operational resilience by having plans in place to mitigate and respond to risks when they occur.
- Satisfying Corporate, Member and partner organisations expectations on the Council's internal controls.

Improved Financial Management

- Optimising operational efficiency and therefore delivering efficiency gains and value for money
- Reducing the chance of unexpected financial risks arising.

Improved Customer Service

- Improved customer service delivery.
- Reduced chance of service disruption to our residents.

Enhanced Corporate Governance

- Risk Management is essential to effective corporate governance. Key risks are included in the Annual Governance Assurance Statement which is published alongside the Statement of Accounts.

RISK MANAGEMENT APPROACH

The Council continues to embed the process and raise awareness of the importance of good risk management. The Council's Risk Management objectives will be achieved by:

- Assigning ownership and responsibility for each identified risk in the Council's Risk Register.
- Regularly reviewing and updating risks identified in the Council's Risk Register.
- Incorporating risk management considerations into all levels of business planning.
- Providing opportunities for shared learning on risk management across the Council.
- Integrate risk management into the culture of the Council as part of the everyday work.
- Monitoring of arrangements, at all levels, on an on-going basis by management.
- Provide training as necessary.

Risk management is an important part of the service planning process. This will enable strategic, operational, and cross cutting risks and opportunities, as well as the accumulation of risks and opportunities from a number of areas to be properly considered.

FRAMEWORK

The Council maintains the Strategic Risk Register of significant risks that impact the aims and objectives of the Council. These are risks, which can be both internal and external, will potentially hinder or stop successful achievement of corporate priorities and aims. These are generally but not exclusively of a medium to long-term nature.

Operational Risk are recorded by services in their Business Plans. These are risks affecting the day-to-day operation of a specific service or project.

Both registers detail the following:

- The nature of the risk and the potential consequences of the risk identified, both negative (risks and threats) and positive (opportunities).
- The potential impact and likelihood of the risk identified.
- The controls in place to mitigate the risks.

Daily operational risks will only become Strategic risks if there is a major failure in the internal control systems and processes are in place that will then escalate a problem organisation wide.

Risk ownership can be broadly broken down as follows:

- The Strategic Risk Register is owned by the Corporate Management Team.
- Business Plans (effectively operational risk registers) are maintained by the relevant Head of Service and Service Manager, reporting to their Strategic Director.
- Project Risk Registers are owned by the Project Manager and the Project Sponsor.

ROLES AND RESPONSIBILITIES

The Council will establish clear roles, responsibilities, and reporting lines within the Council for risk management. This will include:

- Corporate Management Team will review the Strategic Risk Register on a quarterly basis.
- Strategic Directors and Heads of Service will identify risks arising from and within partnerships and other joint working arrangements.
- Project managers will identify risks linked to their project's objectives and delivery.
- Members will be kept informed of Strategic and Project Risks.

Members

- The Governance Committee has specific responsibility included in its terms of reference for providing independent assurance on the adequacy of the control and risk management framework and the associated control environment.
- The Governance Committee also has responsibility for the independent scrutiny of the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment.
- The quarterly Strategic Performance Dashboard will inform the Cabinet and the Overview and Scrutiny Committee of the key strategic risks. The Overview and Scrutiny Committee has responsibility for the independent scrutiny of the Council's financial and non-financial performance.

Corporate Management Team

- The Corporate Management Team is responsible for identifying key risks as part of their strategic responsibilities.
- The Head of Corporate Services and Democracy, in consultation with the Strategic Director (Corporate and Regulatory), will undertake an annual strategic risk review to be reported to the Governance Committee.
- The Strategic Director (Corporate and Regulatory), supported by the Head of Corporate Services and Democracy, has overall responsibility for ensuring the agreed level of risk management is undertaken.

Head of Service and Managers

- Heads of Service and Managers in conjunction with members of their teams and other parties/partners (where applicable), will review and monitor operational, project and strategic risks relating to their services.

All Staff

- Staff will be expected in the first instance, to refer risk management concerns to their line managers. Should such concerns remain outstanding, then employees can refer their concerns elsewhere as prescribed in the Council's Whistleblowing Policy.

Insurance

The Head of Corporate Services and Democracy will:

- Ensure that a regular review of the Council's insurance requirements and arrangements is conducted and arrange insurance cover as necessary.
- Annually review the adequacy of the Council's internal insurance provisions and advise the Strategic Director (Corporate and Regulatory) on action to be taken.
- The Corporate Services Team will advise Officers and Members on insurance cover available and/or in place and advise Officers on claims procedures, and process claims arising.
- The Corporate Services Team will assist in the development and provision of claims data to aid future risk control.

RISK MANAGEMENT PROCESS

Overview

Risk should not be considered solely as a threat but also as an opportunity. An effective approach to risk and opportunity management should assist the Council in achieving the best outcomes and meeting its corporate objectives.

The approach adopted to risk management by the Council has been developed with the following points in mind:

- Where possible risk management should complement the Council's existing corporate and governance management processes rather than creating parallel processes.
- Risk management needs to be flexible while adhering to key principles.
- The process should provide for a proportionate rigour in identifying and analysing risk but avoid becoming overly burdensome. It should minimise the use of jargon where possible or clearly define terms where it is not possible.
- Risks must be continually monitored and managed as they will change with time, as the situation changes and as we take measures to manage the risk.

Risk Management Process

The Council's Risk Management Process is a six-stage approach as follows:



1. ESTABLISH OBJECTIVES

The risk owner will need to consider the following points to establish the objectives:

- What are you seeking to achieve?
- When are you seeking to achieve it?
- Who is responsible for achieving it?

This includes understanding what the Council wants to achieve and the resources it has available – in both capacity and capability – to deliver. The Council has set out its corporate objectives in the Corporate Plan.

The aim is to ensure that risk management supports the objectives of the Council. This link between Council objectives, through departmental or service objectives supported by risk management practices is called the 'Golden Thread'. When everyone at the Council is pulling in the same direction, the Council will have a much greater chance of being able to achieve its objectives.

Clarifying objectives will allow a greater understanding of what will stop the achievement of those objectives and what opportunities need to be grasped to meet the objective. Setting objectives clearly will also reveal links to internal and external stakeholders that will need to be relied upon as well as other external factors that will impact objectives.

The starting point for the management of risks and opportunities should be the Corporate Plan, Business Plans, Project Plans and the objectives and strategies that underpin them.

Depending on the area under consideration, the relevant objectives and outcomes may already be detailed in existing documents.

2. IDENTIFY RISKS

The first step in identifying risks is to establish the context by looking at what it is the Council is trying to achieve and the proposed outcomes.

The risks identified must be described in clear terms that can easily be understood and must specify what the tangible risk is. The description of the risk should help determine how the risk will be managed and treated.

To identify potential risks, the risk owner may need to:

- Undertake a risk assessment exercise.
- Research and consider the risks that have affected others. This can also involve keeping up to date with new local, national, and international policies, legislation, and events.
- Measuring current and historical performance and identifying weaknesses.
- Review relevant reports about Council services including those issued by internal and external auditors.

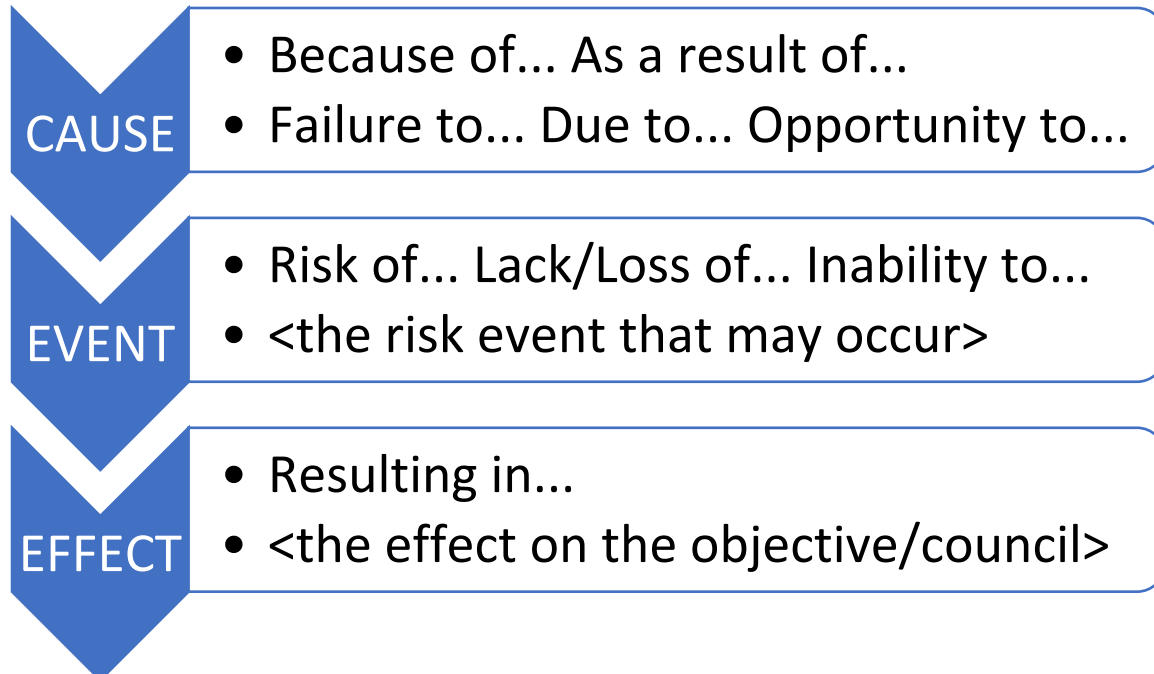
In identifying risks, consideration needs to be given to both internal and external risks.

- Internal risks are those faced by the Council from within the organisation. They arise from routine day-to-day activities such as managing staff, safeguarding, health and safety, financial challenges, legal risks, operating IT systems, etc.
- External risks are those that arise from outside the Council but may still have an adverse impact on its activities. For example, the failure of a partner organisation, a major cyber-attack, extreme weather conditions or adverse national economic conditions. External risks are harder to manage as the Council has less control over whether they occur.

Examples of Potential Categories of Risk/Opportunity

- | | | |
|-----------------------|--------------------------|--------------------|
| • Business continuity | • Information Management | • Reputational |
| • Climate change | • Legal & Regulatory | • Safeguarding |
| • Contractual | • Operational | • Security |
| • Economic | • Partnerships | • Service delivery |
| • Environmental | • Physical assets | • Social/Community |
| • Finance | • Political | • Staffing |
| • Fraud | • Projects | • Technology |
| • Health & Safety | | • Transformational |

Risks should generally be described in a couple of sentences, explaining the risk through Cause, Event and Effect. In instances where there are multiple risks attached to an objective, they should be described individually.



Two examples of this being applied to risks are as follows:

The **FAILURE TO** maintain effective Corporate Governance arrangements for complaints due to management issues, (e.g., poor record keeping; failure to resolve issues or meet procedural deadlines) could lead to a **RISK OF** findings of

maladministration from the Ombudsman **RESULTING IN** reputational damage and increased costs through awards of compensation from the Ombudsman.

The **OPPORTUNITY TO** increase the levels of inward investment as part of the growth agenda could be missed due to a **RISK OF** pressures on officer resourcing leading to being unable meet the deadlines for decisions **RESULTING IN** a failure to maintain the growth agenda along with the Council's financial base.

The risk description may include additional information if it is considered necessary to accurately describe the risk.

The intention is that this approach will generate a structured, comprehensive, and easy to understand list that is relevant to Corporate Management Team, Heads of Service, Managers and Members and all staff alike. These risks will reflect corporate objectives, business plans and associated projects.

3. ANALYSE AND EVALUATE

The aim of risk analysis is to build an understanding of the nature of risk and its characteristics including, wherever possible, the level of risk. It involves consideration of uncertainties, risk sources, consequences, likelihood, events, scenarios, controls, and their effectiveness.

Risk Analysis considers factors such as:

- the likelihood of events and consequences occurring
- the type and scale of consequences
- time-related factors
- the effectiveness of existing controls
- sensitivity and confidence levels

As part of the risk analysis, an assessment will be undertaken of the (a) likelihood of the risk occurring and (b) the impact of the risk should it occur.

The assessment will look at eight areas of risk and score each of them based on the likelihood and impact of each. **The assessment should only take into consideration any actions or measures which are already in place when the risk or opportunity is identified but not new mitigation measures specifically taken following the identification of the risk. Any new mitigation measures will be addressed with at the next stage of the process.**

The eight areas of risk to be considered and scored (the risk categories also known as the risk taxonomy) are as follows:

- Environmental
- Financial
- Health & Safety
- Legal & Regulatory (including information management and security)
- Partner Relationship
- Reputational
- Service Delivery
- Community Impact

The probability of the risk occurring is considered as one of five levels:

- Rare (least likely)
- Unlikely
- Possible
- Likely
- Very Likely (most likely)

The impact of the risk should it occur is considered as one of five levels:

- Minimal (lowest impact)
- Minor
- Moderate
- Major
- Critical (highest impact)

A guide to assessing each of these criteria is set out in the next three pages.

The result of the assessment will be a score between 1 (lowest risk) and 25 (highest risk) for each of the eight areas, with the highest individual score from the eight areas of risk being the score assigned to the overall risk. A higher numerical score indicates a higher level of risk. This will give the '**Inherent Risk Score**' – the current level of risk faced by the Council. The individual scores for the eight areas of risk and the Inherent Risk Score are recorded on the risk template as per the attached risk toolkit.

	SCORE	RISK LEVEL	ENVIRONMENTAL	FINANCIAL	HEALTH & SAFETY	LEGAL & REGULATORY
IMPACT	1	MINIMAL	Localised incident - would be dealt with immediately with no lasting detrimental effects	Financial impact manageable (and less than £10,000)	Minor Incident – no lost time First aid level injuries	Legal or Regulator action unlikely – breaches of procedures or non-reportable matter
	2	MINOR	Minor impact with short-term contamination or effect	Financial impact of between £10,000 - £49,999	Medical treatment required, potential short-term injury or sickness	Corporate complaint likely but Legal or Regulator action unlikely – may need self-reporting to a Regulator
	3	MODERATE	Short term public health or environmental incident (weeks)	Financial impact of between £50,000 - £249,999	Medical treatment required, long-term injuries or sickness	Legal or Regulator action possible - breaches of law punishable by fines
	4	MAJOR	Long term major public health or environmental incident (1 year or more)	Financial impact of between £250,000 - £500,000	Medical treatment required, significant permanent or long-term injury	Breaches of law punishable by imprisonment or significant fines
	5	CRITICAL	Permanent, major environmental or public health damage	Financial impact of over £500,000	Threat to Life	Potentially significant prosecution or fines

	SCORE	RISK LEVEL	PARTNER RELATIONSHIP	REPUTATIONAL	SERVICE DELIVERY	COMMUNITY IMPACT
IMPACT	1	MINIMAL	No impact to partnership relationships	Unlikely to cause adverse publicity	Service disruption up to 1 day	Minimal or no impact
	2	MINOR	Difficulty in aligning strategies with a partner to support objective	Local interest – minor adverse local or industry publicity	Marginal reduction in performance. Service disrupted or stopped for 1-2 days	Minor community impact or specific vulnerable group(s)
	3	MODERATE	Difficulty in aligning strategies with a partner to support collaborative working	Adverse national publicity or significant adverse local publicity	Unsatisfactory performance. Service disrupted or stopped for 2 - 3 days	Moderate impact on community or specific vulnerable group(s)
	4	MAJOR	Unable to reach an agreement with a partner leading to termination of a project and/or deterioration of working relationship	Significant adverse national publicity	Failure to deliver Council priorities. Disruption for 5 Days or more	Major impact on community or specific vulnerable group(s)
	5	CRITICAL	Unable to reach an agreement with a key partner leading to non-delivery of a key objective and/or relationship with a key partner severely damaged	Sustained negative national publicity	An on-going failure to provide an adequate service	A significant and on-going impact on community or specific vulnerable group(s)

	SCORE	RISK LEVEL	PROBABILITY	DESCRIPTION
PROBABILITY	1	Rare	0 – 10%	It may not apply or is highly unlikely to occur under normal circumstances but may in exceptional circumstances. For example, a 1 in 100 years event has a 1% chance of occurring each year.
	2	Unlikely	10 – 25%	Not expected to happen but there is a low possibility it may occur.
	3	Possible	25 – 50%	The event could occur in certain circumstances. It may have occurred elsewhere in similar organisations or previously at the Council.
	4	Likely	50 – 80%	The event will probably occur in most circumstances. However, it may not be a persistent issue.
	5	Very Likely	80 – 100%	This is very likely to occur in most circumstances, probably imminently and/or frequently. This includes frequent/Imminent near misses. There may be a history of very frequent occurrences (annually or more frequently) at the council or at similar or partner organisations.

RISK TABLE

Having identified the probability and impact of risk in a category, a 5 x 5 scoring matrix is used to carry out the overall assessment to ensure that the risks are rated in a consistent way.

PROBABILITY x IMPACT = RISK SCORE

PROBABILITY	Very Likely (5)	5	10	15	20	25
	Likely (4)	4	8	12	16	20
	Possible (3)	3	6	9	12	15
	Unlikely (2)	2	4	6	8	10
	Rare (1)	1	2	3	4	5
		Minimal (1)	Minor (2)	Moderate (3)	Major (4)	Critical (5)
	IMPACT					

4. MITIGATE AND MANAGE

Having identified the level of 'Inherent Risk' involved, the risk owner must next consider what mitigation measures can be taken to reduce the risk to a level that the Council is willing to accept in pursuit of its goals. This does not necessarily mean that the risk in each area will be managed and mitigated down to zero risk. The level of tolerable risk will depend on the Council's level of risk appetite.

Colour	Inherent Risk Score	Action	Risk Control (See below)
RED	15 - 25	Usually considered to be an unacceptable risk. An Immediate decision must be taken – in most circumstances this should be to mitigate and manage the risk and several control measures may be required. However, for some risks a decision to Tolerate the risk may be agreed by the Corporate Management Team.	All options should be considered. Treat, Transfer or Terminate. Tolerate (if agreed by the Corporate Management Team)
AMBER	10 - 14	Not normally an acceptable risk. Efforts must be made to reduce or remove the risk within a specified timescale. Determine the need for improved control measures.	Treat or Transfer.
YELLOW	5 - 9	A risk at this level may be acceptable. Efforts should still be made to reduce the risk, provided this is not disproportionate. If not acceptable depending on the Council's level of risk appetite. Existing controls should be monitored or adjusted.	Tolerate/Accept or Treat and Control
GREEN	2 - 4	An acceptable risk in most situations. If opportunities arise to mitigate the risk further, they should be considered. However, further action or additional controls may not be required. Risk at this level should be monitored and reassessed at appropriate intervals.	Tolerate/Accept or Treat and Control.
PALE GREEN	1	An acceptable risk. No further action or additional controls are normally required. Risk at this level should be monitored and reassessed at appropriate intervals.	Tolerate/Accept

Identifying and ranking risks is important, but the key element thereafter is to determine the strategy for managing them. The table provides guidance on the level of management intervention that is likely to be necessary or appropriate.

In re-assessing the risks, the risk owner should consider which of the eight risk factors drove the original assessment that resulted in the Inherent Risk Score. Was the impact most severe in financial terms? Or reputational terms? Consideration should be given to where action can be most efficiently taken to reduce the score of the risk, not forgetting that it is often preventative measures that limit the probability of a risk becoming an event that are the most effective.

In determining the potential management and mitigation measures consideration should be given to the level of risk appetite and the options for risk control.

Risk Appetite

The level of acceptable risk is known as 'risk appetite'. It is strategic and reflects the organisation's risk management philosophy, and in turn influences the organisation's culture and operating style. Risk appetite guides resource allocation and provides the governance framework necessary to effectively respond to and monitor risks.

The appetite for risk can be:

- **Averse** - Preference for safe business delivery options that have a low degree of inherent risk and only a potential for limited reward.

Risks affecting health and safety and legal and regulatory issues would normally be considered areas where the Council's appetite for risk is to be risk adverse.

- **Cautious** - Preference for safe delivery options that have a medium degree of residual risk and may only have limited potential for reward.

Risks affecting environmental and financial issues would normally be considered areas where the Council's appetite for risk is to be risk cautious.

- **Aware** - Willing to consider all potential delivery options and choose the one that is most likely to result in successful delivery while also providing a good level of reward.

- **Hungry** - Eager to be innovative and to choose options offering potentially higher business rewards, despite greater inherent risk.

The acceptance of risk is subject to ensuring that all potential benefits and risks are fully understood and that appropriate measures to mitigate risk are established before final decisions are made. The Council recognises that the appetite for risk will vary according to the activity undertaken and hence different appetites and tolerances to each risk will apply.

The Council should always seek to minimise exposure to compliance, regulation/governance, safeguarding, and reputational risk, whilst accepting and encouraging a calculated degree of risk in other areas in pursuit of the Council's strategic objectives.

Risk Control

The Council has several options available to it in considering the controls that can be applied. Not all of these will be suitable actions depending on the level of risk and the category of risk involved.

TOLERATE This means accepting the likelihood and consequences of a risk occurring. This should only be considered as an option if the risk is within the risk appetite of the organisation, which is to say if it is rated PALE GREEN, GREEN, YELLOW.

AMBER risks would not normally be considered an acceptable risk to be tolerated. However, there may be specific circumstances where the Corporate Management Team deem it acceptable to do so on a case-by-case basis.

RED risks are beyond the risk tolerance of the organisation. All options should be considered to mitigate the risk. However, there may be exceptional circumstances, which must be agreed by the Corporate Management Team, where the risk will be tolerated.

For clarity, “tolerate” does not mean that no action should be taken. A tolerated risks must still be monitored, and contingency plans should be put in place, in case the risks occur. If opportunities to mitigate the risk further are available, they should always be considered.

The Council may decide to tolerate a risk/opportunity where for example:

- The risk opens up greater benefits.
- The risk is already effectively mitigated by controls, even if it is high risk.
- The risk cannot be mitigated cost-effectively (i.e., the cost of mitigating it would be greater than the cost of the risk materialising)

TREAT This is the most widely used approach. The purpose of treating a risk is to continue with the activity which gives rise to the risk, but to bring the risk to an acceptable level by taking action to control it through either containment actions (which lessen the likelihood or consequences of a risk and are applied before the risk materialises) or contingency actions (these are put into action after the risk has happened, reducing the impact, and must be pre-planned). Taking management action is the main difference between ‘treat’ and ‘tolerate’.

TRANSFER This means shifting the risk, in whole or part, to a third party. This option is particularly good for mitigating financial risks, or risks to assets. This could be achieved, by example, by seeking insurance to cap financial losses at a certain level or by seeking partners for a project and so sharing the risk.

TERMINATE Doing things differently and therefore removing the risk. This means stopping the activity which gives rise to the risk. This will not always be possible as the Council must deliver some specific services by law but will often be an option when considering a new project or opportunity.

RESIDUAL RISK SCORE

Once you have determined your appetite for risk and the controls that can be applied, you should again assess the eight areas of risk as you did at Stage 3 (Analyse and Evaluate) but

this time considering the mitigations you have put in place. The resulting highest individual score from the eight areas of risk is the score assigned as the overall '**Residual Risk Score**'. The scores for the reassessment of the eight areas of risk and the Residual Risk Score are recorded on the risk template as per the attached risk toolkit.

5. RECORD AND REPORT

The risk culture of the Council must embrace openness and clear communication, support transparency, welcome constructive challenge and promote collaboration, consultation, and co-operation.

An important part of this is to ensure that there are processes in place to enable the recording and reporting of risks as well as having a process to escalate a risk to the appropriate management level.

The Council's risk management framework should anticipate, recognise, and respond to changes and events in an appropriate and timely manner to ensure that the right information is given to the right people, at the right level, and at the right time.

The regular reporting of risk enhances the quality of organisational decision-making, informs prioritisation of activity, and strengthens organisational oversight.

The Good Practice Guide to Risk Reporting identifies the following benefits of regular risk reporting:

- Embedding a consistent understanding of principal and emerging risks, thereby reducing the uncertainty of outcomes within an organisation.
- Monitoring progress in achieving or maintaining tolerable or optimal risk appetite positions across an organisation.
- Enabling an organisation to understand the effectiveness of internal controls and take direct, timely and informed interventions as required.
- Integrating risk, planning, performance, and prioritisation discussions to enable informed consequence-based decisions.
- Providing assurance to stakeholders, including oversight bodies, that risks are understood and being effectively managed.
- Providing oversight of business activities, enabling a dynamic response to unplanned events threatening delivery of priorities and strategic objectives.

Recording the Risk – The Risk Toolkit

The Risk Toolkit accompanying the Corporate Risk Management Strategy contains a summary of the key points of this strategy and a form that needs to be completed to record the details of the Risk, the Inherent and Residual Risk Scores and mitigating/management measures. The completed form will summarise the risk in a common, easy to understand format.

The completed form must be submitted to Corporate Services for collation in the Corporate Risk Register.

Reporting the Risk - Projects

The risk management arrangements for projects will need to be considered on a case-by-case basis when each project is developed. This will be dependent upon the nature of the project, its scale, objectives and most importantly the risk it represents to the Council. It is likely that for many projects the risks will change frequently and require the Council to respond accordingly through regular reporting to the appropriate management level.

The reporting arrangements for projects will be recommended by the relevant Head of Service and Strategic Director and agreed by the Corporate Management Team. This should not be any less frequent than quarterly.

Reporting to Corporate Management Team

The Corporate Risk Register will be reviewed and reported quarterly to the Corporate Management Team.

Where there is a residual risk of 15 or greater (usually considered an unacceptable level of risk) the risk should be reported monthly to Corporate Management Team or at intervals as determined by the Corporate Management Team.

Dover District Council has always promoted a culture of accessibility to its Corporate Management Team. If a risk owner feels that they need to escalate the reporting of their risk, they should speak to their Head of Service and/or Strategic Director about adding the matter to the Corporate Management Team agenda.

Reporting to Councillors

Those risks with a Residual Risk Score of 10 or greater will be reported in summary form in the quarterly Strategic Dashboard considered by Cabinet and the Overview and Scrutiny Committee.

The Governance Committee will consider the complete Corporate Risk Register on an annual basis and will receive quarterly updates on changes to the Corporate Risk Register in that quarter.

6. MONITOR AND UPDATE

The Corporate Risk Register is a living document and therefore must be regularly reviewed and amended as required. The Corporate Risk Management Strategy requires that risks recorded on the Corporate Risk Register are reviewed a minimum of every quarter by the risk owner.

Risk Owners should consider the following matters when reviewing their risks:

- Is the risk still relevant?
- Is there any movement in the risk score?
- Are the controls still in place and operating effectively?
- Has anything occurred which might change its impact and/or likelihood?

- Have any significant control failures or weaknesses occurred since the last monitoring exercise? If so, does this indicate whether the risk is increasing or decreasing?
- If the risk is increasing, do I need to devise more controls or think of other ways of mitigating the risk?
- If the risk is decreasing, can I relax some existing controls?
- Are controls / actions built into appropriate documented action plans?
- Are there any new or emerging risks?
- Have any of the existing risks ceased to be an issue? (and can therefore be removed)
- Have potential opportunities been considered and maximised?

Where a new risk arises or changes between the quarterly updates, Corporate Services should be notified, and a new or updated entry submitted. If the residual risk score is 15 or greater of the new or amended risk, then the risk should be reported to the next meeting of the Corporate Management Team regardless of where it falls within the quarterly reporting cycle.

Subject:	COUNCIL TAX BASE AND COUNCIL TAX REDUCTION SCHEME 2024/25
Meeting and Date:	Council – 31 January 2024
Report of:	Mike Davis, Strategic Director (Finance & Housing)
Portfolio Holder:	Councillor Sue Beer, Portfolio Holder for Finance, Governance, Climate Change, and Environment
Classification:	Unrestricted

Section 106 Local Government Finance Act 1992

Section 106 of the Local Government Finance Act 1992 applies to this item of business. If any member of the Council who is present at the meeting at which this report is considered owes any sum in respect of council tax which has remained unpaid for at least two months, they shall at the meeting and as soon as practicable after its commencement disclose the fact that section 106 applies to them and shall not vote on any question with respect to the matter.

Purpose of the report: To set the Council Tax Base for 2024/25, to determine Council Tax discounts and premiums, to agree to retain the current Council Tax Reduction Scheme (CTRS) for the financial year 2024/25 (subject to the usual annual uplift of the 'income grid'). To also agree to the implementation of Council Tax premiums on second homes, to agree to implement a 100% Council Tax premium on 'long term empty' properties after 1 year, rather than 2 years as at present, and to agree the discontinuation of Council Tax 'Class D' discount, effective 1 April 2024.

Recommendation: It is recommended that Council:

1. Determine that for the financial year 2024/25, the empty homes discount for properties unoccupied and unfurnished ('Class C' properties) remains at 0%, so that Council Tax will be payable in full on these properties.
2. Approve the District's Council Tax Base for 2024/25 as 40,874.50 and the tax base for the towns and parishes in the Council's administrative area, as set out in the table at Appendix 2.
3. Formally approves the application of the 100% Council Tax premium on properties empty for 1 year but less than 5 years, applicable from 1 April 2024, in line with the Levelling-Up and Regeneration Act 2023.

Determines the "Long Term Empty Premium" for properties that have been left empty and substantially unfurnished:

- (a) for periods of 1 year but less than 5 years, a Long Term Empty premium to be charged at 100%; and
- (b) for periods of 5 years but less than 10 years, a Long Term Empty premium to be charged at 200%; and
- (c) for periods of 10 years or more a Long Term Empty premium to be charged at 300%.

4. Formally approves ceasing new applications for the council Tax 'Class D' discount, for properties undergoing structural alteration and/or major repair, on 1 April 2024.

5. Formally approves the CTRS as set out in this report, effective from 1 April 2024.

6. Formally approves the application of a 100% Council Tax premium on properties that are unoccupied and furnished, often referred to as 'second homes' ('Class B' properties), applicable from 1 April 2025, in line with the Levelling-Up and Regeneration Act 2023.

1. Summary

1.1 The Council Tax base for the coming year is set by Dover District Council, and is used by Kent County Council, the Police and Crime Commissioner for Kent, Kent and Medway Fire and Rescue Authority and the various town and parish councils when setting their Council Tax and their precepts.

1.2 The council tax base for 2023/24 was 39,974.37 Band D equivalents. The proposed tax base for 2024/25 is 40,874.50 Band D equivalents. This is an increase of 900.13 Band D equivalents, or 2.25%.

2. Introduction and Background

2.1 The Council is required to set its tax base by 31 January every year, for the following financial year. The tax base is defined mainly in terms of the number of Band D equivalent properties, but it is then adjusted to reflect the collection rate, various discounts and the level of CTRS claimed.

2.2 The Council is also required, on an annual basis:

- (a) To determine whether and, if so, the extent to which it will add or reduce any Council Tax discounts;
- (b) To determine the Long Term Empty premium;
- (c) To approve, by 11th March, a CTRS for the coming financial year.

2.3 The tax base for 2024/25 has been prepared in accordance with the current regulations¹ which came into force on 30 November 2012. The calculations are shown in Appendix 1.

2.4 As the Council Tax base is defined in terms of “Band D equivalent” dwellings, and Band D dwellings are treated as “average” houses, all other properties are defined as a ratio against Band D houses, and pay Council Tax in accordance with that ratio.

2.5 The table below illustrates how this works.

Council Tax Band	Ratio to Band D	Number of Dwellings (based on the Valuation Office list)²
Band A	6/9	7,221
Band B	7/9	17,234
Band C	8/9	14,477
Band D	9/9	7,635
Band E	11/9	4,569
Band F	13/9	2,543
Band G	15/9	1,571
Band H	18/9	74

2.6 The basis of the calculation is to multiply the number of dwellings in each band by their respective ratio, then add the totals together to produce a “Band D equivalent” total. This is followed by adjustments, the most significant of which is for single person discounts.

2.7 Final adjustments are required to allow for non-collection and assumptions in the level of CTRS required in the year. The council is required to estimate what its collection rate is likely to be and apply this to its council tax base. It is proposed to use a collection rate of 98.0%. This results in a tax base of 40874.50 Band D equivalent properties.

3. Underlying assumptions

¹ “Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI:2012:2914)”

² In the actual calculation this is adjusted for anticipated new build, demolitions, etc. expected during the year

- 3.1 Council Tax collection rate – a collection rate of 98.0%³ has been assumed for 2024/25. There is some uncertainty as to the overall level of Council Tax collection that will be achieved, in the coming and possibly future years, due to the current cost of living crisis, and challenging economic situation. The long-term collection rate is being monitored and reported to the council's Section 151 officer on a 6-monthly basis.
- 3.2 Council Tax Reduction (CTR) - A prudent assumption has been made in terms the cost of CTR. No growth rate has been applied. Essentially, any CTR growth equates to Taxbase reduction. The current CTR caseload fluctuates very slightly month by month, but is expected to hold steady over the course of the coming year.

4. Reduction of Council Tax discounts

- 4.1 From the year 2013/2014 and subsequently, the Council removed the following Council Tax discounts in order to offset some of the cost of operating the CTRS:
- (a) Second Home discount of 10% removed;
 - (b) Empty property exemption (Class C) removed.
- 4.2 Reductions in Council Tax discounts are required to be determined on an annual basis, and it is recommended that the existing Council Tax discounts are continued for the year 2024/25, along with the removal of 'Class D' discount – see section 8 below.

5. Council Tax Reduction Scheme

- 5.1 The Welfare Reform Act 2012 abolished Council Tax Benefit from April 2013 and, in accordance with Section 13A of the Local Government Finance Act 1992 the Council approved a local CTRS, with effect from 1 April 2013.
- 5.2 The current scheme, which has been in place since April 2020, was agreed and approved at full council on 29 January 2020. The Local Government Finance Act 1992 requires that for each financial year, the Council must consider whether to revise its scheme or to replace it with another scheme. Where a new scheme is proposed or revisions to an existing scheme are proposed, there must be prior consultation with major precepting authorities, and such other persons as are likely to have an interest in the operation of the scheme.
- 5.3 It is proposed that no changes are made to the CTRS for 2024/25, other than uprating the income bands (the 'income grid') in line with the previously agreed methodology of the scheme reflecting the level of the National Living Wage in force at 1 April each year.

5.4 National Living Wage (NLW)

³ This is the 'ultimate' collection rate (the rate of collection the council can expect after 5 years) rather than the 'in year' collection rate. The 'in year' collection rate is expected to be 96.84%

- 5.5 The starting point for the figures contained within the grid is the hourly rate of the National Living Wage (NLW) for the relevant year. When the grid was first created this was £8.21 per hour. Currently it is £10.42 per hour .
- 5.6 The government has announced that the NLW will reach two thirds of median earnings by 2024, and has announced that with effect from 1 April 2024 it will be £11.44 per hour. Appendix 3 provides the current income grid, plus the grid based on NLW at £11.44 – this is the grid proposed for 2024/25.
- 5.7 It should be noted that the current income grid, whilst based on NLW at £10.42, also includes an element of transitional protection (a legacy issue from COVID) when the council protected claimants from the effects of Universal Credit being increased. As the NLW will be set at £11.00 per hour, that transitional protection will be removed, as the grid will exceed the transitionally protected amount.

6. Background to the Long Term Empty premium for properties empty (unoccupied and unfurnished) for more than 2 years

- 6.1 Legislation was passed in 2017 to allow Councils to increase the Long Term Empty premium currently being charged for domestic properties that have been left empty and substantially unfurnished for two years or more. This took effect from April 2019 and saw the premium increase from 50% to 100% extra Council Tax payable. This means that if a property is empty and unfurnished for two years or more, but less than 5 years, Council Tax was charged at 200% from April 2019. Dover introduced this premium from April 2019.
- 6.2 Further legislation was passed allowing billing authorities to charge an increased amount for properties left empty and substantially unfurnished for longer periods. Public consultation undertaken in December 2018 resulted in respondents being in favour of further increasing the Long Term Empty premium for properties empty for 5 years or more to 200%, with effect from April 2020. This meant that for properties empty and substantially unfurnished for 5 years or more, Council Tax was charged at 300% from April 2020. Dover introduced this premium from April 2020.
- 6.3 From April 2021, billing authorities have been able to further increase the premium for properties left empty and substantially unfurnished for 10 years or more. A council tax premium of 300% can be levied on such properties. This means that for properties left empty and substantially unfurnished for 10 years or more Council Tax can be charged at 400% from 1 April 2021. Dover introduced this premium from April 2021. Results from the public consultation which took place in December 2018 were put to Full Council on 30 January 2019, and all increases were approved.

7. Summary of the Levelling-Up & Regeneration Act 2023

- 7.1 The Levelling-Up & Regeneration Act 2023('the Act') received Royal Assent on 26 October 2023. The Act allows for, amongst other things, two important changes to Council Tax, at sections 79 and 80, as follows;

1. A change in the application of a Council Tax premium on 'Long Term Empty' properties. *Currently*, if a property has been unoccupied and unfurnished for 2 years but less than 5 years, then a 100% Council Tax premium can be applied to the property (Dover District Council currently applies this premium in line with the relevant regulations). The Act allows for that 2 year period to be shortened to 1 year. The change to long term empty (LTE) premium can be implemented from 1 April 2024, in accordance with [S11B\(5\) LGFA 1992](#) which allows for a decision to be varied or revoked providing the decision is taken before the start of the financial year. 'Long Term Empty' premiums are applied to encourage owners to bring properties back into use so they are not left empty for extended periods.
2. The ability to levy a Council Tax premium on 'second homes'. 'Second homes' are properties which are unoccupied but furnished. For some years now local councils have been able to apply a full Council Tax charge to second homes. Dover District Council applies such a charge. The Act allows councils to apply a Council Tax premium of '*not more than 100%*' on second homes (so, if Dover implemented the maximum premium permissible, that would mean an owner of property that is unoccupied and furnished in the district would pay double the normal council tax charge).

The council tax premium on 'second homes' requires a full year 'lead-in' period before it can be implemented. Therefore, the 'second home' premium could only be implemented from 1 April 2025 at the earliest, provided Full Council approves the charging of the 'second home' premium before 1 April 2024. Appendix 4 shows the relevant part of the Act.

Note: the Act states that the authority should, when exercising its functions under sections 79 & 80 of the Act, have regard to any guidance issued by the Secretary of State. No such guidance has yet been issued.

8.0 Changes to Council Tax 'Long Term Empty' premium

- 8.1 The Levelling-Up & Regeneration Act allows for a change in the application of a Council Tax premium on 'Long Term Empty' properties. The Act allows for the original 2 year period when the premium is applied to be shortened to 1 year.
- 8.2 Using figures as at 20 November 2023 there are 120 cases subject to the 'Long Term Empty' 100% Council Tax premium (empty for 2 years but less than 5 years). Using a Band D Council Tax figure of £2,072.85 this generates £248,742. Clearly, if the two year period is reduced to 1 year then that revenue will be received by the council one year earlier than at present. Based on a conservative assumption of collecting 75%, or £187k, the district's share (9.7%) of that revenue would be circa £18k, collected a year earlier than under existing legislation.

There will be properties currently empty that have not yet reached the 12 month milestone, and estimates of additional revenue can only ever be 'best estimate', as properties may be brought back into use before the milestone is reached.

- 8.3 The purpose is now to formally determine, for 2024/25, the charging of:
- (a) the 100% Long Term Empty premium for properties empty and unfurnished for periods of 1 year but less than 5 years;
 - (b) the 200% Long Term Empty premium for properties empty and unfurnished for periods of 5 years but less than 10 years; and
 - (c) the 300% Long Term Empty premium for properties empty and unfurnished for periods of 10 years or more

8.4 There are two exceptions

- First, where the property is left empty by a serving member of the armed forces, who is living elsewhere in accommodation provided by the Secretary of State for defence; or where the property is the sole or main residence of a serving member of the armed forces, who is subject to a job related discount at an alternative address provided by the Secretary of State for defence.
- Second, empty annexes are not subject to the Long Term Empty premium.

9.0 **Implementation of a 'second home' Council Tax premium for unoccupied but furnished properties**

9.1 The Levelling-Up & Regeneration Act allows councils to apply a Council Tax premium of '*not more than 100%*' on properties that are unoccupied and furnished (often referred to as 'second homes'. That would mean an owner of property that is unoccupied and furnished in the district would pay double the normal Council Tax.

9.2 The estimated revenue generated for Dover from implementing a 100% Council Tax premium on circa 1,316 second homes could be in the region of £198k per annum (again based on collecting 75% of the district's share of the yield).

9.3 In order to ensure that council records are accurate and that the Council Tax charged per property is correct, it is recommended that a formal review of properties that are shown on our data base as unoccupied and furnished (a second home) is undertaken during 2024/25. This would primarily be by way of written communication with the liable party, but could also include home visits in disputed cases. This process would ensure, as far as reasonably practicable, that the council tax charges applied from 1 April 2025 would be accurate.

9.4 The Act states that to apply the 'second home premium' approval to do so must be given *at least 12 months before the implementation date*. Therefore I am seeking approval now, on the basis we have the required 12 months lead-in period, in order to apply the premiums from 1 April 2025.

10 **Removal of the Council Tax 'Class D' discount – Properties undergoing structural alteration and/or major repair**

- 10.1 Currently, the council offers a council tax discount of 100% on properties that are empty and unfurnished and undergoing structural alteration and/or major repairs in order to make them habitable. This discount can apply for a maximum of 12 months. Currently there are 101 properties in the district attracting this discount.
- 10.2 It is recognised that Kent County Council is currently experiencing severe budget pressures. As the major Council Tax preceptor, KCC has sought the assistance of all Kent districts in terms of maximising the council Taxbase, through a review of any discounts being given to taxpayers. Currently for Dover the only discount that could be modified, to increase the Taxbase, is the 'Class D' discount.
- 10.3 KCC is willing to offer an incentive payment to any district that agrees to remove the Class D discount. 3 districts in Kent have already removed the discount in previous years. The incentive payment equates to 25% of any council tax gain that KCC make. Based on current numbers of Class D discounts in place that equates to: £162k, of which KCC share (71.3%) is £116k and DDC share (9.7%) is £16k. So, in total, DDC would receive 25% of £116k ie £29k + £16k = £45k.
- 10.4 We would have a hardship scheme, funded from the £45k, for exceptional cases where, for example, families have been victims of fire or flood, and to charge them Council Tax in that situation would add unnecessary financial and emotional stress. The expectation is that there would be no more than 2 or 3 such cases each year.
- 10.5 There is no formal requirement to consult on implementing the removal of this discount. Additionally, the current operation of the discount is administratively burdensome in terms of ascertaining what 'major works and/or structural repairs' look like and verifying that the property is unfurnished and not capable of being occupied. Removing the discount would alleviate that administrative burden, although that is not the main driver for recommending its removal.
- 10.6 Pre-existing Class D discounts in place as at 1 April 2024 would remain in place until the end of the 12 month discount period, or until the property becomes occupied, whichever is the earliest.
- 10.7 Applications for retrospective Class D discounts will cease on 1 April 2024.

11. Identification of Options for the Setting of the Council Tax Base

- 11.1 The setting of the Council Tax Base is mainly a mechanical process based on the projected number of properties, level of discounts and collection rates, and does not produce options for Councillors to consider, except for the recommended empty home discounts and the Long Term Empty property premium. Although Councillors do have the option to amend these discounts and the premium, it is recommended that Councillors approve them as recommended because:
- they send an important message to property owners about the use of property in a time of housing shortage;
 - the discounts and premiums are part of an overall package agreed with KCC and all Kent districts to introduce broadly equivalent schemes (when combined with the

Council Tax Reduction Schemes) in exchange for administrative / financial support from KCC, who are the main recipient of the Council Tax.

12. Corporate Implications

- 12.1 Comment from the Strategic Director (Finance & Housing): The Strategic Director (Finance & Housing) has been consulted in the preparation of this report and has nothing further to add (MD).
- 12.2 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.
- 12.3 Comment from the Equalities Officer: This report relating to the Council's Tax Base for 2024-2025 does not specifically highlight any equality implications, however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15/section/149>

13. Appendices

- Appendix 1 – The Council Tax Base Calculation for 2024/25
- Appendix 2 – The Council Tax Base for the Towns and Parishes
- Appendix 3 – CTRS 'income grids'
- Appendix 4 – Levelling- Up & Regeneration Act 2023 (sections 79 and 80)

14. Background Papers

Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI: 2012:2914)

Detailed calculations for District and Parish/Town Council Tax Bases

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The Council Tax Base Calculation for 2024/25

Council Tax Base = A x B:

- (i) A is the total of the "relevant amounts" (or Band D equivalents) for that year for each of the valuation bands which is shown or is likely to be shown for any day in that year in the authority's valuation list as applicable to one or more dwellings situated in this area.
- (ii) B is the authority's estimate of its collection rate for that year (98.0%)
- (iii) The "relevant amount" for a valuation band is the amount found by applying the formula: $(H - Q + E + J) \times (F/G)$
- (iv) H is the number of chargeable dwellings in the area of the Council (as billing authority) on calculated in accordance with the regulations at 30th November 2012
- (v) Q is the factor to take account of the discounts to which the amount of council tax payable was subject to that band, estimated in accordance with the regulations at 30th November 2012
- (vi) E is a factor to take into account any premiums, if any, to which the Council Tax payable was subject to that band, estimated in accordance with the regulations at 30th November 2012
- (vii) J is the estimated adjustments due to change in the number of dwellings, exemptions and discounts.
- (viii) Z is the total amount that the authorities estimates will be applied in relation to the Authorities council tax reduction scheme in relation to the band, expressed as an equivalent number of chargeable dwellings in the band.
- (ix) F is the number which is the proportion of dwellings in that band.
- (x) G is the number that, in that proportion, is applicable to dwellings in band D.

The amount calculated for Dover District Council's Council Tax Base in 2024/25 is 40,874.50 save for the following parts of the Council's administrative area where its Council Tax Base shall be the amounts shown against each part respectively.

Collection rate has been reviewed with regard to the changes, Council Tax Reduction discounts and exemptions. This report seeks the approval of the collection rate of 98.0%.

The Council Tax Base for the Towns and Parishes

Parish	2023/2024 Tax Base using collection rate	2024/2025 Tax Base using collection rate	Difference
Alkham	309.08	305.08	-4.00
Ash	1294.18	1296.38	2.20
Aylesham	1634.04	1690.93	56.89
Capel-Le-Ferne	669.42	668.76	-0.66
Deal	6884.60	7083.24	198.64
Denton-with-Wootton	177.57	184.47	6.90
Dover	8352.16	8516.39	164.23
Eastry	852.66	852.52	-0.14
Eythorne	799.85	812.87	13.02
Goodnestone	176.20	175.30	-0.90
Great Mongeham	292.75	327.85	35.10
Guston	446.39	443.98	-2.41
Hougham Without	179.54	177.96	-1.58
Langdon	241.89	239.85	-2.04
Lydden	298.29	299.62	1.33
Nonington	300.82	297.73	-3.09
Northbourne	278.97	278.78	-0.19
Preston	392.71	400.29	7.58
Ringwould with Kingsdown	1020.66	1089.59	68.93
Ripple	154.40	155.04	0.64
River	1487.94	1493.49	5.55
St Margarets-at-Cliffe	1325.39	1338.05	12.66
Sandwich	2048.68	2114.49	65.81
Sheperdswell-with-Coldred	784.02	803.54	19.52
Sholden	731.21	757.41	26.20
Staple	244.61	263.33	18.72
Stourmouth	115.75	113.69	-2.06
Sutton by Dover	311.66	319.93	8.27
Temple Ewell	675.93	689.70	13.77
Tilmanstone	162.40	159.21	-3.19
Walmer	3372.32	3414.40	42.08
Whitfield	2236.86	2366.21	129.35
Wingham	709.28	724.67	15.39
Woodnesborough	511.38	520.98	9.60
Worth	500.74	498.77	-1.97
<i>Total Band D Equivalents</i>	39974.37	40874.50	900.13

Appendix 3 – income grids

2023/24 – the current grid

23/24										
Income Band	Single		Couple		Family with 1 child		Family with 2+ children		Discount	
	From	To	From	To	From	To	From	To		
Band 1	0.00	109.10	0.00	149.10	0.00	199.10	0.00	249.10	90%	Covid uplift protection
Band 2	109.11	156.30	149.11	196.30	199.11	246.30	249.11	296.30	75%	
Band 3	156.31	208.40	196.31	248.40	246.31	298.40	296.31	348.40	60%	
Band 4	208.41	260.50	248.41	300.50	298.41	350.50	348.41	400.50	45%	
Band 5	260.51	312.60	300.51	352.60	350.51	402.60	400.51	452.60	30%	

Income grid based on £11.44 NLW (1 April 2024)

This is the grid proposed for 2024/25

Income Band	Single		Couple		Family with 1 child		Family with 2+ children		Discount	
	From	To	From	To	From	To	From	To		
Band 1	0.00	114.40	0.00	154.40	0.00	204.40	0.00	254.40	90%	
Band 2	114.41	171.60	154.41	211.60	204.41	261.60	254.41	311.60	75%	
Band 3	171.61	228.80	211.61	268.80	261.61	318.80	311.61	368.80	60%	
Band 4	228.81	286.00	268.81	326.00	318.81	376.00	368.81	426.00	45%	
Band 5	286.01	343.20	326.01	383.20	376.01	433.20	426.01	483.20	30%	

Appendix 4

Levelling-Up and Regeneration Act 2023 Sections 79 and 80

Council tax

79 Long-term empty dwellings: England

(1) In section 11B of the Local Government Finance Act 1992 (higher amount for long-term empty dwellings: England)—

(a) after subsection (1C) insert—

“(1D) In exercising its functions under this section a billing authority must have regard to any guidance issued by the Secretary of State.”;

(b) in subsection (8), for “2 years” substitute “1 year”.

(2) The amendments made by [subsection \(1\)](#) have effect for financial years beginning on or after 1 April 2024 (and, in relation to the amendment made by [subsection \(1\)\(b\)](#), it does not matter whether the period mentioned in section 11B(8) of the Local Government Finance Act 1992 begins before [this section](#) comes into force).

80 Dwellings occupied periodically: England

(1) The Local Government Finance Act 1992 is amended in accordance with [subsections \(2\)](#) and [\(3\)](#).

(2) After section 11B (higher amount for long-term empty dwellings: England) insert—

11 Higher amount for dwellings occupied periodically: England

(1) For any financial year, a billing authority in England may by determination provide in relation to its area, or such part of its area as it may specify in the determination, that if on any day the conditions mentioned in [subsection \(2\)](#) are satisfied in respect of a dwelling—

(a) the discount under section 11(2)(a) does not apply, and

(b) the amount of council tax payable in respect of that dwelling and that day is increased by such percentage of not more than 100 as it may specify in the determination.

(2) The conditions are—

(a) there is no resident of the dwelling, and

(b) the dwelling is substantially furnished.

(3) A billing authority's first determination under this section must be made at least one year before the beginning of the financial year to which it relates.

(4) In exercising its functions under this section a billing authority must have regard to any guidance issued by the Secretary of State.

(5) Where a determination under this section has effect in relation to a class of dwellings—

(a) the billing authority may not make a determination under section 11A(3), (4) or (4A) in relation to that class, and

(b) any determination that has been made under section 11A(3), (4) or (4A) ceases to have effect in relation to that class.

(6) A billing authority may make a determination varying or revoking a determination under this section for a financial year, but only before the beginning of the year.

(7) Where a billing authority makes a determination under this section it must publish a notice of the determination in at least one newspaper circulating in the area.

(8) The notice must be published before the end of the period of 21 days beginning with the date of the determination.

(9) The validity of the determination is not affected by a failure to comply with [subsection \(7\)](#) or [\(8\)](#).

11D Section 11C: regulations

(1) The Secretary of State may by regulations prescribe one or more classes of dwelling in relation to which a billing authority may not make a determination under [section 11C](#).

(2) A class of dwellings may be prescribed under [subsection \(1\)](#) by reference to such factors as the Secretary of State thinks fit and may, amongst other factors, be prescribed by reference to—

(a) the physical characteristics of, or other matters relating to, dwellings;

(b) the circumstances of, or other matters relating to, any person who is liable to the amount of council tax concerned.

(3) The Secretary of State may by regulations specify a different percentage limit for the limit which is for the time being specified in [section 11C\(1\)\(b\)](#).

(4) A statutory instrument containing regulations made under [subsection \(3\)](#) may not be made unless a draft of the instrument has been approved by resolution of the House of Commons."

(3) In consequence of the amendment made by subsection (2)—

(a) in section 11 (discounts), in subsection (2), after "11B" insert ", 11C";

(b) in section 11A (discounts: special provision for England), in subsection (4C), at the end insert "and 11C(5)";

(c)in section 13 (reduced amounts), in subsection (3), after “11B” insert “, 11C”;

(d)in section 66 (judicial review), in subsection (2)(b), after “11B” insert “, 11C”;

(e)in section 67 (functions to be discharged only by authority), in subsection (2)(a), after “11B” insert “, 11C”;

(f)in section 113 (orders and regulations), in subsection (3), after “under section” insert “11D(3),”;

(g)in Schedule 2 (administration), in paragraph 4(7), after “: England),” insert “11C(1)(b) (higher amount for dwellings occupied periodically: England),”.

(4)A determination for the purposes of section 11C of the Local Government Finance Act 1992 as inserted by [subsection \(2\)](#) may not relate to a financial year beginning before 1 April 2024 (but this does not affect the requirement for the determination to be made at least one year before the beginning of the financial year to which it relates).

URGENT BUSINESS

To consider any other items deemed by the Chairman of the Council to be urgent in accordance with the Local Government Act 1972.