
| | |
|--------------------------|---|
| Subject: | FINANCIAL OUTTURN 2023/24 |
| Meeting and Date: | Cabinet – 2 September 2024 Governance Committee – 26 September 2024 |
| Report of: | Helen Lamb, Head of Finance and Investment |
| Portfolio Holder: | Councillor Stacey Blair, Portfolio Holder for Finance, Governance, Climate and Environment |
| Decision Type: | Non-Key |
| Classification: | Unrestricted |

Purpose of the report: To provide details of the financial outturn for 2023/24.

Recommendation: Members note the report and the outturn positions for 2023/24.

1. Summary

- 1.1 The report has been produced in order to provide Members with a summary of the 2023/24 outturn and the financial standing of the Council.
- 1.2 The Draft 2023/24 Statement of Accounts will be published shortly and is subject to the external audit process, due to commence in October 2024. The Statement of Accounts and associated outturn figures remain draft until the completion of the audit process and final sign off by Governance Committee (anticipated to be March 2025).

2. Key Points for 2023/24

- 2.1 The key points in the financial outturn for the year are:

General Fund

- In February 2023 the Council approved the 2023/24 budget, forecasting a deficit of £1,130k, to be funded from the established Smoothing Reserve. During the year the forecast budget deficit was decreased to £935k. Overall the year-end position resulted in a £509k deficit for the year, which is £426k less than the forecast position.
- The deficit will be funded from the Smoothing Reserve to maintain the General Fund balance above the preferred level of £1.5m.
- The General Fund outturn of deficit of £509k against the original budget deficit of £1,130k mainly due to:
 - £923k Staff vacancy/salary savings
 - £460k increased investment returns
 - £373k increased costs from short term borrowing for cashflow purposes
 - £740k increase in emergency accommodation
 - See the table at paragraph 5.3 for further details of variances to the original budget.
- The net result of the items set out above and the transfers to reserves resulted in an in-year deficit of £509k and retained a year-end General Fund balance of £1.5m.

Housing Revenue Account (HRA)

- In 2023/24 the HRA outturn was a deficit balance of £2,161k compared to the original budget forecast of a deficit of £2,493k, a favourable variance of £332k.
- See the table at paragraph 7.1 for details of variances to the original budget.
- The working balance on the HRA was maintained at £1m.
- The Housing Initiatives Reserve was decreased by £2,165k which was allocated to support the HRA revenue budget.

- The remaining balance on the Housing Initiatives Reserve is £7m.

Projects

- The Council invested £28.5m in major projects in 2023/24, the major projects in year are:
 - £10.2m on Housing Revenue Account projects including £6m on Housing stock capital work; £4.2m on Affordable Housing Development Projects.
 - £7.4m on Bus Rapid Transit Route.
 - £5.9m on Restoration of Maison Dieu.
- Over £13m of the above projects were funded from external grants.
- See paragraph 9.1 for further details.

Treasury Management

- The total investment return received for the year was approximately £2,395k, which is £460k higher than the original budget estimate of £1,935k.
- The total costs of short term borrowing increased by £373k in the year to support cash flow management.
- The Council has invested a total of £50m into pooled investment funds which generate a higher rate of interest than call accounts and fixed term deposits. These investments are classed as long term as it is anticipated they will be held for a minimum of five years.
- The Council has remained within its Treasury Management guidelines and complied with the Prudential Code during the year.

- 2.2 When considering this report (and the Statement of Accounts), Members are reminded that the final accounts, budget and Medium Term Financial Plan (MTFP) should not be considered in isolation. Together they form a continuous process of financial management, and so the outturn will feed into budget monitoring and the next MTFP.

3. Purpose of the Accounts

- 3.1 The accounts are a statutory requirement and have a role in providing information to stakeholders and interested parties on the stewardship and management of public monies.
- 3.2 However, the accounts are a long and complex document which may not be easily accessible to Members, the public and other stakeholders. Therefore, in order to further promote accountability, this outturn report is also produced.
- 3.3 Under the Council's constitutional arrangements, the Governance Committee is charged with the responsibility for approving the Statement of Accounts on completion of the audit process. It is anticipated that the Draft 2023/24 Statement of Accounts will be presented to Governance Committee in September, with the final Statement presented in March 2025, subject to the completion of the audit process.

4. Changes to the Accounts

- 4.1 The Accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24. The Code is based on a hierarchy of approved accounting standards. There have been no material changes to the presentation of the Accounts for 2023/24.

5. General Fund Revenue Outturn

- 5.1 The starting point for considering the financial outturn is the 2023/24 Original budget which is shown, together with the 2023/24 Projected Outturn and the 2023/24 Outturn, at Appendix 1.
- 5.2 In February 2023 the Council approved the 2023/24 budget, forecasting a deficit of £1,130k, to be funded from the established Smoothing Reserve. During the year the

forecast budget deficit was reduced to £935k. Overall the year-end position resulted in a £509k deficit for the year, which is £426k less than the forecast position. The deficit will be funded from the Smoothing Reserve to maintain the General Fund balance above the preferred level of £1.5m.

5.3 The main variances during the year are as follows:

| | £000 |
|---|--------------|
| Original Budget Deficit | 1,130 |
| Emergency Accommodation increase | 740 |
| Inflation on waste contract and savings target not achieved | 480 |
| Reduction in planning application income | 170 |
| Kearsney Café forecast deficit and savings not achieved | 112 |
| Parking admin computer software maintenance reduction | (48) |
| Increase in Housing Benefit non-subsidy costs | (58) |
| Changes in bin purchase charge | (120) |
| Additional grant for homelessness | (223) |
| Port Health DDC certificate income increase | (315) |
| Staff vacancy/salary savings | (923) |
| Numerous other variances | (10) |
| Forecast Deficit | 935 |
| Increase in short term borrowing costs | 373 |
| Increased in year NDR funding | (209) |
| Decreased prior year income from NDR pooling arrangements | 370 |
| Application of NDR reserve to offset prior year pooling adjustments | (370) |
| Kearsney Café additional deficit | 100 |
| Reduction in garage and other rental streams | 100 |
| Reduction in Building Control income | 93 |
| Further increase in Homelessness pressures | 65 |
| Increased investment returns | (460) |
| Salary savings across services | (244) |
| Parking income above forecast | (123) |
| Increased Council Tax penalties and fines income | (100) |
| Dover Museum NDR saving from appeal | (67) |
| Numerous other variances | 46 |
| Actual Budget Deficit | 509 |

6. **General Fund Reserves and Balances**

6.1 The Council maintains both general and earmarked reserves. General reserves are to meet general future expenditure and earmarked reserves are for identified purposes.

6.2 General Balances are held at a prudent level in order that the Council can cope with unanticipated variations in spend. Earmarked General Reserves are funds set aside for planned purposes. The protocols for the application of these reserves is set out in the MTFP, and their anticipated use is generally included in the revenue or capital budgets.

6.3 As reported above, the 2023/24 Outturn was a deficit of £491k. This was after transfers made from earmarked reserves and the use of those reserves for agreed purposes.

| Movement in General Fund Balances | £000 |
|--|--------------|
| Balance at start of the year | 1,506 |
| Deficit for 23/24 | (509) |
| Transfer from Smoothing Reserve | 510 |
| Balance at the end of the year | 1,507 |

6.4 Contributions to and from the Earmarked Reserves are managed to ensure there are sufficient reserves to meet anticipated commitments. The reserves held are as follows:

| | Opening Balance £000 | Receipts in year £000 | Applied in year £000 | Closing Balance £000 |
|------------------------------------|----------------------------|-----------------------------|----------------------------|----------------------------|
| Special Projects & Events | 26,146 | 1,018 | (3,763) | 23,401 |
| Periodic Operations | 8,205 | 3,558 | (3,887) | 7,877 |
| Smoothing Reserve | 4,000 | 0 | (510) | 3,490 |
| Regeneration | 2,791 | 479 | (191) | 3,080 |
| ICT Equipment & Servers | 1,709 | 115 | (256) | 1,568 |
| Business Rates & Council Tax | 3,655 | 55 | (811) | 2,898 |
| Operational and Fee Income Reserve | 4,494 | 466 | (240) | 4,721 |
| Total | 51,000 | 5,691 | (9,658) | 47,034 |

- **Special Projects & Events** – This reserve is set aside to continue to fund one-off General Fund projects as they arise and to support major events in the district. It can be used for both revenue and capital projects.
- **Periodic Operations** – This reserve is to cover costs of cyclical / periodic events such as elections, “carry forward requests” and to hold grants or other income streams for specific purposes, such as the Homelessness grant and On-Street parking surpluses.
- **Smoothing Reserve** – This reserve is to mitigate the risk and the volatility of the budget to enable the council to take a measured approach to the forecast pressures. This will enable the projections for future revenue budgets to be based on “mid case” assumptions and if subsequently an overspend is incurred due to unanticipated pressures, this will be met from the Smoothing Reserve and remedial action (including rebuilding of the Smoothing Reserve) will be planned for future years.
- **Regeneration** – In order to support the Local Development Framework process and associated regeneration projects a Regeneration Reserve has been established.
- **ICT Equipment & Servers** – The current ICT Equipment & Servers reserve is held in order to support the requirements of the current and future ICT Strategies.
- **Business Rates & Council Tax** – This reserve has been established to allow for the risk of unforeseen pressures from the Redistribution of Business Rates and the new Council Tax Support scheme and future changes for Universal Credit. As there are still many uncertainties around these areas, such as the unknown collection rates achievable and the level of business rates appeals, etc., this reserve has been retained and will be reviewed on an annual basis.
- **Operational and Fee Income Reserve** – This reserve is required to provide the flexibility to cope with areas of fee income uncertainty including the volume of fees raised, the fee level per transaction and therefore the total income stream, the cost base and any more significant structural changes to the service that may arise.

6.5 In considering the earmarked reserves and general balances, Members are reminded that there is an “opportunity cost” of maintaining these reserves and balances when the resources could be applied to meet service or capital investment requirements. At the same time, maintaining cash backed reserves generates additional income from interest on cash balances, which is used as an additional income stream. However, the key judgement is to ensure that the reserves are set at levels that facilitate the prudent financial management of the authority, provide sufficient resources to meet anticipated future demands, and to provide for a margin for unanticipated variation.

6.6 It is the view of the Strategic Director (Finance and Housing) (Section 151 officer) that the General Fund balances and reserves are adequate for the Council's current spending plans. However, these remain under regular review due to the ongoing changes to Local Government finance and the uncertain economic climate.

7. Housing Revenue Account Outturn

7.1 In 2023/24 the HRA outturn was a deficit of £2,161k compared to the original budget forecast of a deficit of £2,493k, a favourable variance of £332k. The main variances in year were:

| | |
|--|--------------|
| Original Budget Deficit | 2,493 |
| Increase in Revenue work costs | 1,203 |
| Decrease in Capital Expenditure | (1,277) |
| Decrease in Rents income received | 543 |
| Increase in service charge income received | (248) |
| Reduced Management Costs (including recharges) | 107 |
| Savings as MRP allowance provided instead of borrowing | (1,085) |
| Increase in property management costs | 143 |
| HRA share of short term borrowing costs | 295 |
| Other variances | (13) |
| HRA deficit for the year | 2,161 |
| Application of Housing Initiatives Reserve | (2,165) |
| HRA surplus after application of reserves | (3) |

7.2 The HRA holds the following reserves and balances:

| | Housing Initiatives Reserve | HRA MRP Allowance | Total |
|---|------------------------------------|--------------------------|----------------|
| | £000 | £000 | £000 |
| Balance as at 31st March 2023 | (8,740) | (475) | (9,215) |
| Transfer between reserve | 340 | (340) | 0 |
| Contribution to HRA | 2,165 | 0 | 2,165 |
| Balance as at 31st March 2024 | (6,235) | (815) | (7,050) |

- **Housing Initiatives** – This reserve has been established to provide a source of funding for special initiatives arising in respect of affordable housing
- **Minimum Revenue Provision Allowance** – This reserve has been established to set aside a provision to be applied to reduce future borrowing requirements. It is calculated in a similar manner to the GF Minimum Revenue Provision but is not required by regulations and so can be used flexibly if required.

7.3 With effect from 1 April 2012 Housing Finance Reform brought the housing subsidy system to an end and replaced it with a self-financing system. This change required a one-off payment to Central Government of £90,473k on 28 March 2012. To fund this payment the Council borrowed the same sum from the Public Works Loan Board on a 30-year repayment basis at a fixed interest rate. £2,362k was paid off the PWLB loan principle sum during 2023/24, the balance outstanding on the loan is £64m.

7.4 Right-to-buy sales also continued, in 2023/24 there were 4 sales completed.

8. Collection Fund Outturn

8.1 This account reflects the statutory requirement for billing authorities to maintain a separate Collection Fund, which shows the transactions of the billing authority in relation to Non-Domestic Rates (NDR) and Council Tax and illustrates the way in which these have been distributed to precepting authorities and the General Fund. The billing authority's share of the Collection Fund is consolidated with the other accounts of the billing authority. These are explained in more detail in the Collection Fund section of the Statement of Accounts. The estimated surplus or deficit is then shared between the District Council, Central Government, Kent County Council, The Police and Crime Commissioner for Kent, and Kent and Medway Fire & Rescue Authority as appropriate.

- 8.2 The Collection Fund shows a total surplus of £1,430k for 2023/24. This is split between Council Tax (a deficit of £291k) and NDR (a surplus of £1,721k). Any surplus balance on the fund is distributed to the precepting authorities in proportion to their respective precept amounts (for Council Tax) and statutorily defined shares (for NDR). However, surpluses are on an accruals basis and are not fully cash backed and calculations for distribution of any surpluses form part of the following year's budget, initially based on an earlier estimate of the distributable balance expected at 31 March 2024. Separately, deficits have to be contributed back to the fund by preceptors, also based on an earlier estimate of the expected deficit at 31 March 2024.
- 8.3 The calculation and forecasting of NDR income, and the accounting treatment for it, have to reflect the legislative and other government requirements, which are complex.

9. Capital Investment

- 9.1 The Council invested £28.5m in major projects in 2023/24, the most significant of which were shown below:

| Major Projects | £000 |
|---|---------------|
| HRA – Affordable Housing Development Projects | 4,175 |
| HRA – Housing Stock Capital Works | 6,056 |
| Fast Track - BRT | 7,361 |
| Bench Street Demolition | 425 |
| Dover Beacon – Enabling Project | 1,174 |
| Disabled facility grants | 2,445 |
| Restoration of Maison Dieu | 5,903 |
| Sandwich Guildhall Forecourt improvements | 443 |
| Tides Leisure Centre replacement | 41 |
| Other smaller projects | 495 |
| Total Capital Investment | 28,518 |

- 9.2 The main sources of capital financing applied in the year were:

| Financed by | £000 |
|---|---------------|
| Grants from external bodies (incl. KCC Better Care Fund, Homes England, and the Environment Agency) | 15,193 |
| Major Repairs Reserve | 2,161 |
| Earmarked Reserves | 3,602 |
| Capital Receipts (incl. Private Sector Housing loan receipts and excess RTB receipts) | 1,659 |
| HRA Revenue | 3,924 |
| Borrowing requirement | 1,979 |
| Total Capital Financing | 28,518 |

- 9.3 Overall, the capital programme is within budget.

10. Special Projects Outturn

- 10.1 The Special Projects reserve is mainly used to finance major one-off revenue projects, because, as revenue projects, they cannot be financed from the various capital financing sources listed in the section above. It is also used to provide a source of additional financing for a small number of capital projects.
- 10.2 The expenditure on Special Projects in the year was £701k. The major projects were:
- £253k on Garden Waste Containerisation Project
 - £190k on UK Shared Prosperity Fund
 - £41k on Corporate Assets Repairs & Maintenance.

- 10.3 The Special Projects programme is dynamic and is adjusted as new projects are approved. These changes are reported to Members during the year, however, “in year” variations in spend against approved budget for individual projects are mainly due to timing changes. There are no material variations to individual projects’ total budget, and the whole programme is fully financed.
- 10.4 The main sources of financing for the programme in the year were as follows:
- £248k – Special Project Reserve
 - £253k – other DDC reserves
 - £200k – other contributions.
- 10.5 £3,414k Special Project Reserve funding was also allocated to the Capital Programme to finance capital projects in 2023/24.

11. Treasury Management

- 11.1 The Council adopted the CIPFA (Chartered Institute of Public Finance and Accountancy) revised Code of Practice for Treasury Management in November 2009.
- 11.2 At 31 March 2024 the Council had investment balances and day-to-day cash balances managed in-house of approximately £46.2m.
- 11.3 The Council's long-term investment return for the period to 31 March was 7.10% (annualised), which outperformed the benchmark by 1.87%. DDC uses as benchmark to assess its performance the 3-month Sterling Overnight Rate (SONIA) rate and this averaged 5.23% over the period to 31st March.
- 11.4 The total forecast interest and dividends income for the year was £2,395k, which was £460k higher than the original budget estimate of £1,935k.
- 11.5 The Council has invested a total of £50m into pooled investment funds which generate a higher rate of interest than call accounts and fixed term deposits. The current balance sheet valuation of these investments is £45.9m due to the normal fluctuations in investment values. These investments are classed as long term as it is anticipated they will be held for a minimum of five years.
- 11.6 The Council has just under £68m of borrowing from the Public Works Loans Board (PWLB).
- 11.7 During 2023/24 the Council employed the services of Arlingclose Limited as treasury management advisers.

12. Assets and Liabilities

- 12.1 At the end of each year a Balance Sheet is drawn up that represents how much the Council's land and buildings are worth, how much is owed to others, how much others owe the Council and the amount of cash the Council has:

| As at 31 March | 2023 | 2024 |
|---|----------------|----------------|
| | £000 | £000 |
| Value of land, property and other assets | 460,132 | 475,646 |
| Investments held and cash at bank | 47,034 | 46,201 |
| Money owed to DDC for goods and services | 32,203 | 34,046 |
| Loans owed to DDC (short and long term) | 2,443 | 2,687 |
| Money owed by DDC for goods and services | (52,047) | (25,936) |
| Loans owed by DDC (short and long term) | (86,177) | (109,114) |
| Grants for assets received but not yet used | (638) | (3,861) |
| Share of pension scheme liabilities owed by DDC | (23,791) | (20,224) |
| Total Assets less Total Liabilities | 379,159 | 399,445 |

Financed by:

| | | |
|--------------------------------|------------------|------------------|
| Usable reserves ¹ | (82,153) | (78,837) |
| Unusable reserves ² | (297,005) | (320,608) |
| Net Worth of Council | (379,159) | (399,445) |

¹ Usable reserves are made up of:

| | | |
|-----------------------------|-----------------|-----------------|
| Capital receipts and grants | (19,422) | (22,233) |
| Revenue balances | (2,516) | (2,521) |
| Earmarked reserves | (60,215) | (54,083) |
| | (82,153) | (78,837) |

² Unusable reserves mainly comprise revaluations of assets from their original purchase value and the Pensions Reserve.

12.2 The main points to note against the prior year comparative are:

- Value of land, property and other assets
The main changes in the values are due to:
 - Disposals – council house and other sales.
 - Revaluations –
 - Council has a policy of revaluing its property assets on a rolling programme, such that the intervals between valuations do not exceed 5 years as detailed in the accounting policies. Assets valued at over £1m are revalued on an annual basis.
 - All properties held for investment are revalued annually. The basis for valuation is the Fair Value as there is sufficient evidence of market transactions. Housing stock is valued using existing use value – social housing.
 - Impairments – caused either by a consumption of economic benefits or by a general fall in prices.
- Investments held and cash at bank
 - The decrease in investments and cash at bank reflects a decrease in investment values and a decrease in liquid funds held at year end for cash flow purposes.
- Money Owed to / from DDC for Goods and Services
 - Levels of debtors and creditors vary at year end between years due to the timings of payments to suppliers, income from funding bodies, the stages of current projects and commitments, etc.
- Loans owed by DDC (short and long term)
 - The net increase relates to the principal repaid on the PWLB loan for “HRA self-financing” (£2.4m), offset by temporary short term borrowing for strategic treasury management purposes (£25.5m).
- Pension Scheme Liabilities
 - The Pension Scheme has been assessed by Barnett Waddingham, an independent firm of actuaries, on behalf of Kent County Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The triennial valuation took effect from April 2022 and set the contributions for the period 1 April 2022 to 31 March 2025. The next actuarial valuation of the Fund will be carried out as at 31 March 2025 and will set contributions for the period from 1 April 2025 to 31 March 2028. The net liability at 31 March 2024 was £20m (£24m at 31 March 2023).

- The liabilities show the underlying commitments that the Authority has in the long run to pay post-employment (retirement) benefits.
- The total liability has a substantial impact on the net worth of the Authority as recorded in the Balance Sheet. However, statutory arrangements for funding the deficit mean that the financial position of the Authority remains healthy.
- Usable Reserves
 - The main reasons for the decrease in usable reserves in 2023/24 are:
 - The application of the Housing Initiatives Reserve to support the HRA revenue budget.
 - The application of GF earmarked reserves to fund approved projects.

13. **Production of the Accounts**

- 13.1 Governance Committee requires assurance that the accounts are robust and that they can place reliance upon them. The Council's auditors, Grant Thornton, are responsible for reviewing the Council's procedures which ensure that money is spent economically, efficiently and effectively, to achieve high-quality local services for the public.
- 13.2 A summary of the controls operated by the Strategic Director (Finance and Housing) is provided at Appendix 2.

14. **The Future**

- 14.1 The Council, in common with others, will need to continue to make progress on, or give consideration to:
- The economic impact affecting Council's finance e.g. energy prices, inflation and income, including council tax and fees and charges, as cost of living pressures deepen,
 - Development and regeneration of the local economy,
 - Welfare Reform and cessation of the administration of housing benefits for working age claimants,
 - The sustainability of the NHB scheme and what will follow,
 - The ongoing impact of the localisation of council tax support,
 - Climate change agenda and associated costs,
 - Proposals to transfer the Land Charges function to HM Land Registry and to devolve the setting of planning fees.

15. **Corporate Implications**

- 15.1 Comment from the Head of Finance and Investment: No further comments to add.
- 15.2 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.
- 15.3 Comment from the Equalities Officer: This report detailing the financial outturn for 2023/24 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>.

16. **Appendices**

Appendix 1 – General Fund Budget Summary

Appendix 2 – Summary of the Main Controls Applied in Production of the Accounts

17. **Background Papers**

The draft version of the Statement of Accounts is published at [Accounts and Budgets \(dover.gov.uk\)](https://www.dover.gov.uk/accounts-and-budgets)

Contact Officer: Helen Lamb, extension 42063

APPENDIX 1

General Fund Summary – 2023/24 Outturn

| <u>2022/23</u> <u>Actual</u> £000 | | <u>2023/24</u> <u>Original</u> <u>Budget</u> £000 | <u>2023/24</u> <u>Revised</u> <u>Budget</u> £000 | <u>2023/24</u> <u>Actual</u> £000 |
|--|---|--|---|--|
| | <u>Directorate</u> | | | |
| 301 | Chief Executive | 1,322 | 1,148 | 740 |
| 1,578 | Corporate and Regulatory | 4,916 | 4,149 | 5,162 |
| 13,919 | Finance and Housing | 8,615 | 9,165 | 9,572 |
| 11,615 | Place and Environment | 10,361 | 10,558 | 9,743 |
| 1,031 | Special Revenue Projects | 0 | 0 | 757 |
| 0 | Vacancy Allowance | (150) | (150) | 0 |
| 0 | Target Savings | (103) | (103) | 0 |
| 0 | Savings assumptions/Estimated Annual Underspend | (100) | (100) | 0 |
| 28,444 | Net Direct Expenditure | 24,862 | 24,667 | 25,974 |
| | Other Operating Income & Expenditure: | | | |
| 0 | Contingency | 125 | 125 | 0 |
| 83 | River Stour Drainage Board | 87 | 87 | 88 |
| (4,572) | Recharge Income from HRA, DPHA & Projects | (5,288) | (5,288) | (4,998) |
| 23,955 | Net Operating Expenditure | 19,786 | 19,590 | 21,065 |
| | Financing Adjustments: | | | |
| (1,740) | Revenue Expenditure Funded by Capital Under Statute | (1,276) | (1,276) | (2,480) |
| (1,921) | Interest Receivable | (1,935) | (1,935) | (2,395) |
| 200 | Interest Payable | 450 | 450 | 824 |
| 1,767 | Loan Principal Repayments/Borrowing Allowance | 1,777 | 1,777 | 1,811 |
| (1,694) | Total Financing Adjustments | (983) | (983) | (2,241) |
| | Contribution to/(from) Reserves: | | | |
| 245 | - Special Projects & Events Reserve | 1,018 | 1,018 | 752 |
| (7,952) | - Periodic Operations Reserve | (446) | (446) | (340) |
| 617 | - Dover Regeneration Reserve | 383 | 383 | 288 |
| (155) | - IT Equipment Reserve | 105 | 105 | (141) |
| 1,301 | - Business Rates & Council Tax Reserve | 0 | 0 | (530) |
| 2,275 | - Operational and Fee Income Reserve | 0 | 0 | 226 |
| (3,669) | Net Contribution to/(from) Reserves | 1,059 | 1,059 | 256 |
| 18,592 | Total Budget Requirement | 19,861 | 19,666 | 19,079 |
| | Financed by: | | | |
| 8,943 | Non-Domestic Rates | 8,562 | 8,562 | 8,401 |
| 501 | Revenue Support Grant | 1,148 | 1,148 | 1,148 |
| 8,038 | Council Tax | 8,321 | 8,321 | 8,321 |
| (109) | Council Tax - Collection Fund Surplus | 55 | 55 | 55 |
| 17 | Council Tax – Other S31 Grants | 0 | 0 | 0 |
| 1,229 | New Homes Bonus | 645 | 645 | 645 |
| 0 | New Burdens & Other Grants | 0 | 0 | 0 |
| 18,619 | Total Financing | 18,732 | 18,732 | 18,571 |
| (27) | General Fund (Surplus)/Deficit for the Year | 1,130 | 935 | 509 |
| (1,479) | General Fund Balance at Start of Year | (1,492) | (1,506) | (1,506) |
| 0 | Transfer to/(from) Smoothing Reserve | (1,150) | (935) | (510) |
| (1,506) | Leaving Year End Balances of | (1,512) | (1,506) | (1,507) |

Summary of the Main Controls Applied in Production of the Accounts

Production of the accounts in accordance with the Code of Practice on Local Authority Accounting requires a large number of tasks to be undertaken, and controls to be applied.

These include:

- Preparation of a closedown plan, communication with budget managers as appropriate and monitoring progress.
- Staff preparing the accounts have attended seminars / briefings with CIPFA and with the auditors.
- Staff preparing the accounts have access to the Code Practitioners Guidance Notes.
- The Council's financial feeder systems have been reconciled to the General Ledger.
- The General Ledger has been balanced.
- The value of fixed assets in the accounts has been reconciled to the asset register.
- Reconciliations between the cash balance in the General Ledger and the Council's bank accounts are undertaken.
- An analytical review has been undertaken and major variances have been explained.
- Significant variances have been included in the Outturn Report.
- Service expenditure in the Outturn Report has been reconciled to the Income and Expenditure Account.
- The entries on the Collection Fund have been reconciled to the Council Tax set by the Council and the other precepting authorities.
- The cash movement on the balance sheet is reconciled.
- The balances on reserves reported in the Movement in Reserves Statement has been reconciled to the balance sheet.