

Dorset County Council

Minutes of a meeting held at County Hall,
Colliton Park, Dorchester on 14 February 2013.

Present:

John Wilson (Chairman)

David Crowhurst (Vice-Chairman)

Les Ames, Michael Bevan, Richard Biggs, Alex Brenton, Geoffrey Brierley, David Budd, Derek Burt, Angus Campbell, Andrew Cattaway, Ronald Coatsworth, Robin Cook, Andy Cooke, Toni Coombs, Barrie Cooper, Hilary Cox, Janet Dover, Fred Drane, Brian Ellis, Peter Finney, Spencer Flower, David C Fox, David J Fox, Ian Gardner, Robert Gould, Alan Griffiths, Peter Hall, David Harris, Jill Haynes, Susan Jefferies, Mervyn Jeffery, David Jones, Rebecca Knox, Howard Legg, Mike Lovell, David Milsted, Tim Munro, Timothy Palmer, Nigel Reed, Peter Richardson and Karl Wallace.

Officers attending:

Debbie Ward (Chief Executive), Miles Butler (Director for Environment), Harry Capron (Acting Director for Adult and Community Services), Les Gardner (Head of Early Intervention Services), Jackie Last (Acting Director for Children's Services), Elaine Taylor (Director for Corporate Resources), Paul Kent (Chief Financial Officer), Lee Gallagher (Democratic Services Manager), Paul Goodchild (Senior Democratic Services Officer) and Fiona King (Senior Democratic Services Officer).

Apologies for Absence

1. Apologies for absence were received from Colin Jamieson, Trevor Jones and William Trite.

Code of Conduct

2.1 No declarations were received by members of any disclosable pecuniary interests under the Code of Conduct.

2.2 The Director for Corporate Resources confirmed that members' dispensation requests that had been received in order for members to take part and vote in relation to the budget and council tax setting items on the agenda had been granted by the Chief Executive. It was also clarified that any member who had not requested and been granted a dispensation, in accordance with the County Council's Code of Conduct, would be subject to the standing order requirement to withdraw from consideration of the item.

Minutes

3. The minutes of the meeting held on 8 November 2012 were confirmed and signed.

Business Brought Forward by the Chairman

4. The Chairman reported the following events since the last meeting:-

(i) Services of Remembrance

The Chairman reported that he had represented the County Council at the Remembrance Sunday Services on 11 November 2012 in Wimborne Minster and at Sherborne Abbey.

(ii) Thanks to Olympics Rota Staff

The Chairman and the Leader of the Council hosted an afternoon tea at County Hall for the many staff who had given up their free time when on the

emergency standby rota during the Olympic events in Dorset. Thanks were expressed to the staff on behalf of all members.

- (iii) Prince of Wales Opening County Hospital Ward
The Chairman announced that he had the honour to attend the Royal Visit of the Prince of Wales to the County Hospital in Dorchester on 21 November 2012, which included a tour of the hospital and unveiling of a plaque to commemorate the opening of the Fortuneswell Cancer Ward.
- (iv) High Sheriff's Legal Service Sherborne Abbey (25/11/12)
The Chairman reported that he had attended, together with the Chief Executive, the High Sheriff's church service for the judiciary at Sherborne Abbey on 25 November 2012.
- (v) Youth Parliament Elections (14/02/13)
The Chairman and the Cabinet Member for Children's Services watched students voting in this year's elections for the Youth Parliament on 7 February 2013. It was also noted that the results of the Youth Parliament election would be announced on the evening of 14 February.
- (vi) Farewell to Elaine Taylor
The Chairman reported that Elaine Taylor, Director for Corporate Resources, Monitoring Officer and the Deputy Chief Executive, would take early retirement on 31 March 2013 after 14 years service with the County Council. He paid tribute to her huge contribution to the success of the Council over many years, and wished her every success and happiness in the future. Elaine Taylor took the opportunity to thank members for their support over the years.
- (vii) County Council Member Long Service Awards
The Chairman was pleased to present long service awards to the County Council Member for Portland Tophill who had served for 28 years, and to the County Council Member for Christchurch Commons who had served for 37 years. Both members were presented with a certificate and commemorative gift.

Public Question Time

5. A question from Pamela Jefferies, Branch Secretary of the Dorset Branch Unison in relation to the County Council's budget was put to the Cabinet Member for Corporate Resources. The question and written answer provided are set out in Annexure 1 to these minutes.

Reports of the Cabinet

6.1 The reports of the meetings of the Cabinet held on 7 November 2012, 5 December 2012, 19 December 2012, 16 January 2013 and 6 February 2013 were presented and their adoption duly moved.

6.2 The following matter was raised under the minutes of the meeting held on 7 November 2012:-

Recommendation 113 – Withdrawal of Sunday Bus Services – Route 102 and X53 (Winter Only)

6.3 In relation to minute 546.1, the County Council Member for Lytchett asked for clarification regarding the future provision of the X53 bus route in the summer. The Cabinet

Member for Highways and Transportation confirmed that the route would be considered as part of the review of bus services, and that this decision related to the Sunday winter service only.

6.4 The following matters were raised under the minutes of the meeting held on 5 December 2012:-

DfT Consultation on Bus Subsidy Reform

6.5 In relation to minute 587, the County Council Member for Egdon Heath acknowledged that concerns were raised regarding rural areas not being disadvantaged by the reform, but asked how this would be addressed. The Cabinet Member for Highways and Transportation explained that a consultation process would be undertaken and that the Council was engaging with Travelwatch South West, and also highlighted that Dorset provided a good service in comparison to other South West Local Authorities.

6.6 The County Council Member for Westham asked a question about the inclusion of the Weymouth and Portland Borough Council in the consultation process for bus subsidy reform. The Cabinet Member for Highways and Transportation clarified the arrangements and also explained that changes to commercial routes were out of the control of the Council.

Asset Management and Capital Programme Update

6.7 Regarding minute 584.3, the County Councillor for Blandford asked about the 28.9% uplift in the value of disposals through the Dorset Development Partnership, and regarding the inclusion of appropriate levels of affordable housing in housing developments. The Cabinet Member for Community Services explained that the uplift was after all costs had been accounted for, and also explained that affordable housing was addressed through the planning process, but there was a system of compensating the levels housing depending on the viability of developments. The Cabinet Member for Environment also explained that the level of affordable housing would be required through the Local Plan of the relevant Local Authority.

Queen Elizabeth's School, Wimborne – Position Statement

6.8 In relation to minute 600, the County Council Member for Lytchett asked when the final impact and financial position regarding the Queen Elizabeth's School would be considered. The Leader of the Council confirmed that work was continuing to finalise the project, the Cabinet would continue to consider updates, and that the final impact would be reported as soon as possible.

Purbeck Reorganisation

6.9 The County Council Member for Egdon Heath, regarding minute 576.5, asked about the funding to be made available for the Bere Regis School through the Purbeck Review. The Cabinet Member for Children's Services explained that the school site was in the process of being acquired, but that the capital funding was dependant on the completion of other projects within the review, which were all currently on target.

6.10 The following matter was raised under the minutes of the meeting held on 19 December 2012:-

Asset Management and Capital Priorities

6.11 In relation to the Dorchester Transport and Environment Plan (DTEP), at minutes 612.3-4, one of the County Council Members for Dorchester (Richard Biggs) sought assurance that the Plan would not be deferred further than the decision made at the Cabinet to put DTEP back by one year due to the ongoing issues associated with pollution and

protection of buildings in the area. The Cabinet Member for Highways and Transportation confirmed that the intention was to go ahead with DTEP, but that more consultation was required to make sure that the solutions were absolutely right, and then a final decision would be made on the start date.

6.12 The following matter was raised under the minutes of the meeting held on 6 February 2013:-

6.13 The Chairman of the Council explained that the previous recommendations 610, 614 from 19 December 2012 and 11 from 16 January 2013 had all been subsumed into the recommendations 48 and 51 from 6 February 2013. The budget debate would therefore focus on the recommendations from 6 February 2013.

Recommendation 48 - Medium Term Financial Strategy 2013/14 to 2015/16

(Note: Members' dispensation requests that had been received in order to take part and vote in relation to the budget and council tax setting items on the agenda had been granted by the Chief Executive. The County Council Member for Blackmore Vale joined the meeting during the debate on the budget. He made a statement about his personal position regarding council tax and withdrew immediately from the Chamber following advice in accordance with the County Council's Code of Conduct and standing orders regarding dispensations.)

6.14 The Leader of the Council presented the budget for 2013/14 to 2015/16 (a copy of the Leader's speech is set out in Annexure 2 to these minutes). He proposed the recommendations put forward by the Cabinet. The proposal was seconded by the Deputy Leader.

6.15 The Leader of the Liberal Democrat Group then addressed the meeting and acknowledged that the take up of the Government's council tax freeze grant was acceptable in these austere times, and did not wish for a further burden to be put on hard pressed council tax payers. However, she challenged the budget in so far as she felt that spending needed to be addressed in relation to consultant and agency staff, which she identified as being £34M over the preceding 3 years, together with resultant financial impact of mismanagement of projects such as the Queen Elizabeth's School, the DES ICT System, Chalk and Cheese initiative, and the Bournemouth Spur Road. She explained that if the mismanagement had not occurred there would have been more than enough funding to keep libraries open, provide street lighting all night, and restore the savings relating to those Not in Employment, Education or Training (NEET), and public transport subsidy (particularly in rural areas). Objections were raised in respect of changes to bus network rationalisation of 500k, learning disability in-house residential services of 500k, and the connexions service of 300k. Cabinet Members responded to each of the individual points raised.

6.16 Members took the opportunity to ask questions regarding the budget setting process and particular items within the budget, to which Cabinet Members responded to each of the individual points raised. A number of members also indicated that they would not be willing to support the take up of the council tax freeze grant due to the financial impact on future years which would continue to reduce the base budget of the Council.

6.17 Following debate and on being put to the vote recommendation 48 was carried.

Resolved

7. That the reports of the Cabinet and the recommendations set out below be adopted:-

Medium Term Financial Plan 2013-14 to 2015-16

610. That the County Council be requested to take up the 2013-14 freeze grant, subject to the outcome of the finance settlement.

Asset Management and Capital Priorities

614.1 That the County Council be recommended to agree the continuation of the policy of moving towards a position of zero additional borrowing by 2015/16.

614.2 That the provisional grant settlement for Education for 2013/14 be passported where this exceeds the £7M already approved as part of Modernising Schools programme.

614.3 That the provisional budget for 2015/16 of £7M for the Modernisation Schools Programme be agreed.

Asset Management Capital Priorities

11. That the County Council be recommended to include the bids in the capital programme 2013/14 to 2015/16 as detailed in Appendix 3 of the Chief Financial Officer's report.

Medium Term Financial Strategy 2013-14 to 2015/16

48. That the County Council be recommended to approve:

- i) the revenue budget strategy for 2013-14 to 2015-16, including the savings proposals set out in appendix 2 of the report;
- ii) the budget requirement and precept for 2013-14 set out in the revised appendix 3 of the report, tabled at the meeting; and,
- iii) the position on general balances and reserves as set out in section 5.

Capital Budget 2013/14 to 2015/16

51.1 That the County Council agree the revised (planning) control totals for the capital programme 2013/14 to 2015/16 as referred to in Appendix 1 of the Chief Financial Officer's report, subject to overall consideration of the MTFs.

51.2 That the projects detailed in Appendix 2 of the report be included in the capital programme 2013/14 to 2015/16.

51.3 That the Council reaffirms its agreement to achieving a policy where the underlying need to borrow does not increase by 2016/17 unless funded from other sources.

51.4 That the Chief Financial Officer be authorised to make adjustments to the phasing of payments between years if necessary when the capital programme is finalised.

Treasury Management Strategy Statement and Prudential Indicators for 2013-14

54.1 That the County Council approve the Prudential Indicators and Limits for 2013/14 to 2015/16; The Minimum Revenue Provision (MRP) Statement; The Treasury Management Strategy; and The Investment Strategy

54.2 That the Chief Financial Officer determines the most appropriate means of funding the Capital Programme.

South West Audit Partnership Governance Arrangements

75. That the County Council be recommended to:

- (i) Approve the formation of a company limited by guarantee, to replace the existing SWAP Joint Committee.
- (ii) Elect to be a Member of SWAP Ltd. from 1 April 2013, on the terms and basis set out in the articles of association, deed and service agreement.

Public Health Transition (Governance)

79. That the County Council be recommended to:

- (i) Form a Public Health Overview Committee to take effect from the County Council Annual General Meeting in May 2013 (option 2a).
- (ii) Undertake the scrutiny of the County Council's fulfilment of its public health through the County Council's Audit and Scrutiny Committee (option 3a).
- (iii) Act as the host authority for the joint service with Bournemouth and Poole.
- (iv) Agree to receive the transfer of public health staff from the cluster PCT.
- (v) Enter into an agreement with Bournemouth Borough Council and Borough of Poole Council as to the shared service.

(Note: The Standards and Governance Committee at their meeting on 31 January 2013 supported this recommendation.)

Reports of Overview Committees

8.1 The reports of the following meetings held on the dates stated were presented:-

Environment Overview	10 January 2013
Adult and Community Services	14 January 2013
Children's Services Overview	22 January 2013

8.2 The following matters were raised under the minutes of the meeting of the Environment Overview Committee held on 10 January 2013:-

Petition relating to a bus service from Wimborne Road West, Leigh road and surrounding roads into Wimborne town centre

8.3 In relation to minutes 11-13, the County Council Member for Colehill and Stapehill asked the Chairman of the Committee to ensure that reference to her title be corrected to ensure that reference to Stapehill be included in the minutes at the next meeting as the petition under consideration was one that directly affected residents of Stapehill.

Part Night Street Lighting Policy

8.4 In relation to minutes 5-10, the County Council Member from Westham asked the Chairman of the Committee about variations to the timing of the part night lighting, which varied slightly in his division from 12:30am-5:30am to 12:55am-5.55am. The Cabinet Member for Highways and Transportation indicated that he would investigate the reasons for the variation and relay them to the member outside of the meeting.

8.5 The County Council Member for Shaftesbury raised concern regarding the increased problems in Shaftesbury due to the part night lighting, increased crime, safety issues, and that 250 people commuted in the hours of darkness, and asked about monitoring of the scheme. The Chairman of the Committee confirmed that this was a very emotive policy and that the Committee would look at the policy if problems occurred, but nationally accidents had dropped and there was less crime in areas that used part night lighting. The Cabinet Member for Highways and Transportation confirmed that regular contact was made with Dorset Police in the area and they had expressed no concern about the introduction of the scheme for Shaftesbury, and if they did raise any issues this would be looked at.

8.6 The following matter was raised under the minutes of the meeting of the Adult and Community Services Overview Committee held on 14 January 2013:-

Adult and Community Services Overview of Property Portfolio

8.7 In relation to minute 28.2, the County Council Member for Bridport asked a number of questions relating to the disposal of assets in the Bridport area including the introduction of allotments on the playing field behind the day centre, and the future arrangements for the day centre and the Oh Crumbs café. The Leader of the Council and Cabinet Member for Adult Social Care clarified that this was not an opportunity to explore these issues through these minutes as the item required questions to be put to the Chairman of the Committee rather than Cabinet members. However, the Cabinet Member clarified that the review of day centre provision was a Dorset wide initiative, and was at the early stages of the project, with no specific detail finalised to date. It was also confirmed that consultation would be carried out on any proposals at the appropriate time.

Resolved

9. That the reports be received.

Reports of Scrutiny Committees

10. The reports of the following meetings held on the dates stated were presented:-

Audit and Scrutiny	15 December 2012
Audit and Scrutiny	15 January 2013
Dorset Health Scrutiny	27 November 2012

Resolved

11. That the reports be received.

Reports of Quasi/Legal Committees

12.1 The reports of the following meetings held on the dates stated were presented:-

Planning	9 November 2012
Planning	23 November 2012
Planning	30 November 2012
Roads and Rights of Way	23 November 2012
Roads and Rights of Way	17 January 2013
Children's and Adult Services Appeals	19 November 2012
Children's and Adult Services Appeals	14 December 2012
Personnel Appeals	17/18 December 2012
Personnel Appeals	21/22 January 2013

12.2 In relation to the Children's and Adults Services Appeals Committee, the County Council Member Marshwood Vale asked that local members be informed of the outcome of school transport appeals when they had been directly involved with the appeal. Officers undertook to ensure that this was done.

Resolved

13. That the reports be received.

Reports of other Committees

14.1 The reports of the following committees held on the dates stated were presented:-

Staffing	6 November 2012
Staffing	12 December 2012

Staffing	1 February 2013
Pension Fund	22 November 2012
Standards and Governance	31 January 2013

14.2 The following matters were raised under the minutes of the meeting of the Standards and Governance Committee held on 31 January 2013:-

Issues Related to the County Council Elections – May 2013

14.3 In relation to recommendation 13.1, the Chairman of the Council reported that following consideration by the Standards and Governance Committee of the member induction programme the second sentence of the section regarding the provision of ICT equipment had been amended to read 'Any member who is without a PC or laptop and broadband connection of their own and who is able to demonstrate that there are particular difficulties for them in gaining access to the internet and e-mail communication will be supported by the County Council in achieving this in the interests of equality of access'.

Constitution Changes

14.4 In relation to recommendation 19(i), the Leader of the Liberal Democrat Group, as Vice-Chairman of the Committee, expressed her view that the term of the Leader of the Council should be varied to an annual appointment, which would be productive and provide a regular challenge over leadership, and would allow alternative parties to consider putting suggestions forward for possible alternative leaders. As such, she proposed that an annual appointment be made.

14.5 On being discussed, the County Council Member for Burton Grange explained that he felt that the arrangements were robust at present and that any challenge to the leadership of the Council could be raised through the existing rules regarding a vote of no confidence. He subsequently proposed an amendment to the proposal to retain the existing arrangements for the term of the Leader of the Council on a four yearly basis. On being put to the vote the amendment was agreed.

Resolved

15. That the reports be received and the following recommendations of the Staffing Committee on 1 February 2013 (Recommendations 15 and 18), and the Standards and Governance Committee meeting on 31 January 2013 (Recommendations 10, 13, 16 and 19) be adopted:-

Pay Policy Statement 2013/14

15. That the County Council approve the Pay Policy Statement for 2013/14.

Appointment of Monitoring Officer and Deputy Director for Corporate Resources

18.1 That the County Council appoint Mr Jonathan Mair, Head of Legal and Democratic Services, as the County Council's Monitoring Officer for the purposes of Section 5 of the Local Government and Housing Act of 1989, with effect from 1 April 2013.

18.2 That the salary for the appointment be as a plussage of 10% of Head of Service salary and that the County Council's Senior Pay Policy Statement be amended accordingly.

Transitional Report on Member Conduct Matters

10. That the Standards and Governance Committee Report on Member Conduct for Transitional Year 2012, including members' comments, be approved.

Issues Related to the County Council Elections – May 2013

13.1 That subject to the comments made by the Standards and Governance Committee and outlined in minute 14.3 above, the draft member induction programme be approved.

13.2 That a cross-party Executive Advisory Panel be established by the Cabinet immediately after the election to stock take progress towards member led development and to reflect upon members' wishes for their learning and development in the light of priorities contained in the corporate plan.

13.3 That the following changes to the Overview Committee Arrangements be approved:

- That the timing of member briefings be changed so that they follow rather than precede Committee meetings;
- That an additional item be included on committee agendas for members to decide what they want to be briefed on;
- That support be given to piloting the use of telephone/video conferencing for the briefings; and
- That reports with a recommendation 'to note' be made available by email to members and not as part of the formal agenda.

Public Health Changes

(Note: This item was considered by the Cabinet on 6 February and referred to at minute 7.)

Constitution Changes

19. That the County Council:

- (i) retain the existing arrangements for the term of the Leader of the Council on a four yearly basis; and,
- (ii) approve the proposed amendments to the Constitution in relation to the Scheme of Delegation – Senior Management Changes; the Access to Information Procedure Rules; the Delegation of powers under Section 36 of the Highways Act 1980 and the addition of the Dorset Local Transport Board as a Joint Executive Body between the County Council, Bournemouth Borough Council and the Borough of Poole.

Reports of Joint Committees

16.1 The reports of the following committees held on the dates stated were presented:-

Dorset Waste Partnership	29 November 2012
Dorset Waste Partnership	24 January 2013
Dorset Councils Working Together	29 January 2013
Dorset Shadow Health and Well-being Board	28 November 2012
Dorset Police and Crime Panel	14 December 2012
Dorset Police and Crime Panel	7 February 2013

16.2 The following matter was raised under the minutes of the meeting of the Dorset Councils Working Together Joint Committee held on 29 January 2013:-

Joint Member Governance – Suspension of the Dorset Councils Working Together Joint Committee

16.3 In relation to recommendation 14, the County Council Member for Westham raised concern that the partnership arrangements through the Committee had not worked and that the Committee would be suspended. He suggested that thought should be given to

the longer term delivery of services and the possibility of the introduction of one or two unitary authorities to replace the County Council and six district/borough councils.

Resolved

17. That the reports be received and the following recommendation of the Dorset Councils Working Together Joint Committee on 29 January 2013 be adopted:-

Joint Member Governance – Suspension of the Dorset Councils Working Together Joint Committee

14. That the constituent partner councils of the Joint Committee be asked to agree to the Dorset Councils Working Together Joint Committee being 'mothballed', with on-going joint governance being continued to be exercised through the Dorset Leaders and Chief Executives' Group.

Members' Allowances Scheme – Membership and Fundamental Review of Scheme

18.1 The County Council considered a report by the Director for Corporate Resources on a review of Independent Remuneration Panel Membership and a Fundamental Review of the Members' Allowances Scheme.

18.2 The Director for Corporate Resources introduced the report and explained that the Independent Remuneration Panel considered the Members' Allowances Scheme for the County Council and that a fundamental review of the scheme (adopted on a four yearly basis) was required in 2013 to introduce a new scheme from 1 April 2014. As such it was suggested that a refresh of the membership of the Panel be undertaken to enable the four year review to take place during the autumn.

Resolved

19.1 That delegated authority be granted to an Appointment Panel of the Chairman of the Council and the Group Leaders to undertake a review of the membership of the Independent Remuneration Panel in advance of the required four yearly review of the scheme.

19.2 That the four yearly review of the Members' Allowances Scheme be agreed and that it takes place in 2013, in line with the timetable detailed at paragraph 8 of the Director's report.

Reason for Decisions

20. To ensure compliance with the Local Government (Members' Allowances England) Regulations 2003, and to provide innovative and value for money services.

Dorset Fire Authority

21. The report of the meeting of the Dorset Fire Authority held on 6 December 2012 was received.

Questions

22.1 A question by the County Council Member for Bride Valley to the Cabinet Member for Highways and Transportation on white lines and cats eyes on roads in Dorset was presented under Standing Order 20. The question and written answer provided are attached as Annexure 3 to these minutes.

22.2 On receiving the answer to the question the County Council Member for Bride Valley asked a supplementary question which requested that a thorough investigation be undertaken regarding the circumstances relating to the coastal road which had increased the number of collisions by 21% and accidents by 17% despite figures for Dorset reducing by 25-27% between 2007 and 2011. The Cabinet Member replied to confirm that the

information presented through road safety audits would be the primary evidence on which to operate, and reiterated that the stage 4 audit would review the scheme in 2015.

Members of the Council

23.1 The Chairman of the Council allowed members who were not planning on standing for re-election at the forthcoming elections on 2 May 2013 to address the Council.

23.2 The Leader of the Council announced that he would be standing down after 16 years' service as an elected member, albeit with a gap of 8 years between periods of office, to explore new opportunities. He explained that it had been a privilege to serve for the County and that he was proud of staff and members, and in particular thanked the members' secretaries for their hard work and essential support during his tenure.

23.3 The County Council Member for Linden Lea reported that he would be retiring from public office following a total of 58 years in public service firstly as a council officer and 16 years as a County Councillor. He reflected on his former roles in his term of office, and made specific mention of the valuable work that he had contributed to in preventing 13 libraries from shutting in 2006 and a pivotal role in developing the community approach to library provision.

23.4 The County Council Member for Marshwood Vale also explained that he would be standing down following the elections following 60 years of public service through his military career including 12 years service as a County Councillor. He shared with members his philosophy on effective working with council officers by dealing with matters in person wherever possible, recalling his former nickname of 'Mr Blunt' from his military career. He wished all future members the best of luck for the future.

23.5 Earlier in the meeting, as part of the debate on the budget at minutes 6.14-17, the County Council Member for Cranborne Chase announced that he would not be standing for re-election. He indicated that partnership working would be the only way forward for the Council to meet its ongoing commitments and pressures. He urged members to be positive, courageous and to drive services forward in the future.

23.6 The Chairman summarised by thanking all for their comments, expressed that they would all be sorely missed, and wished them every success in the future.

Meeting Duration: 10.00am to 2.30pm

Annexure 1**Questions from Pamela Jefferies Branch Secretary, Dorset Branch UNISON to The Cabinet Member for Corporate Resources****Questions****1. Risks**

- How much of DCC reserves are being earmarked to protect the current level of services. In referring to this issue it is important to note the December 2012 Audit Commission Report 'Striking a Balance: Improving Councils' Decision Making on Reserves'
- Are there plans to support in-house service improvement plans prior to procurement.
- Will DCC attempt to reach a no compulsory redundancy agreement with Trade Unions?

2. Impact

- Has the equality impact and risks been identified in the budget and are there steps to mitigate these & other areas of high level vulnerability? i.e. changes in housing/council tax benefit; effect on support for vulnerable children, young people, older people, the sick & disabled; job losses due to budget decisions; the effect of the budget on the local economy?
- Is the budget needs or resource led? Did the council consider costing a needs led budget?

Answers**1 Risks**

- The use of reserves cannot protect services from budget reductions, it can only delay implementation of the necessary savings. The savings recommended by the Cabinet for approval by the Council are sufficient to ensure a balanced budget for 2013-14 such that there is no need to apply reserves.
- All options for achieving efficiency improvements will be considered before any service is offered to the private sector to provide. Any decision on outsourcing any service currently provided in-house would be subject to careful consideration and only taken in light of other options available.
- Since 2010, the Council has used voluntary redundancies to reduce the number of compulsory redundancies to a minimum. Of the redundancies made to date, 32.4% were compulsory. Unfortunately, the economic climate is such that compulsory redundancies cannot be ruled out.

2 Impact

- All proposals for savings will be screened for equality impacts and where appropriate a full equality impact assessment will be undertaken prior to implementation. Where there are specific risks as a result of policy change, these are outlined alongside the proposals in Appendix 2 to the Cabinet report.
- The social, environment and economic impacts of any proposals for savings are considered as part of the risk assessment of such changes, together with actions to mitigate risk. This is reflected in the Council's

Budget and Corporate Plan which is currently being refreshed.

- With regard to the final part of the question, the Medium Term Financial Strategy takes into account all commitments, including those arising from inflation, demographic changes and capital financing needs, before calculating the need for savings to balance the budget. Given the resource constraints placed on the Council, it would be unrealistic to produce a budget that covered every need.

Annexure 2

Budget Speech 2013 – Leader of the Council, Angus Campbell

Chairman Members –

Yet again, I must express my heartfelt gratitude to Paul Kent, Chief Financial Officer, the Chief Executive, our Directors and all their staff for the extraordinary effort that they have had to put into the budget process yet again. Not only do we continue to work through an extraordinarily difficult process of increasing financial austerity but the information needed to establish our position in this years' financial settlement came to us extraordinarily late. This meant that Paul and his team had to work over the Christmas break period in order to make sense of the figures so that we could continue to progress setting this budget on time. It was above and beyond the normal call of duty and I appreciate it tremendously.

It will have evaded no ones notice that today is the 14th of February. However, it may be too much to hope that love, sweetness and light will necessarily pervade the budget setting process in this, an election year. At the other end of the scale, of course, we have the example of the St Valentines Day Massacre when, on the 14th of February 1929, the 'South Side Italian Gang under Al Capone, slaughtered seven of the North Side Irish Gang in a Chicago Garage. It is to be hoped that today's business will not be as extreme!

Sticking doggedly to my St Valentines Day theme and attempting to apply it closer to the economy and budgeting, it was on this day in 1766 that Thomas Malthus was borne. He was a philosopher who came up with the demographic theory that as the population increased in times of plenty there would come a tipping point when the food ran out. The resulting famine, pestilence and war removed enough of the population to kick-start growth again! A little extreme for 2013 in the Western World, but this sort of cyclical theory still appears to have a parallel in the recession cycle as far as the strength of business and the economy is concerned - a financial 'Survival of the Fittest' or economic 'Darwinism'.

Time to get on with the job!

I will start with a few words to set the strategic context.

In his Autumn Statement on 5th December 2012 the Chancellor said "its taking time but the British economy is healing". Clearly it is important for him to be optimistic! The latest Office for Budget Responsibility forecasts are for a small downturn of 0.1% in 2012/13, followed by 1.2% growth in 2013-14 and 2% growth in 2014-15.

Although the deficit is falling it is not falling as quickly as planned. Thanks to asset sales the 2012-13 deficit will come in at around £108 billion which is £12 billion lower than forecast in the Budget in March. However, the revised plan to eliminate the structural deficit by 2017 will be missed. In fact we will still be some way off that by 2018, on present growth forecasts.

Inflation as measured by CPI is still stubbornly above the 2% target. The December figures showing are 2.7%, with the Retail Price Index at 3.1%, although unemployment is improving slowly.

Essentially, the UK economy is stagnant and needs more stimulation.

However, continued fiscal tightening, or consolidation as it is now known, remains necessary, both to reduce the deficit and maintain international confidence. Even with this, though, the UK may lose its AAA status during 2013.

Monitory policy will remain loose in order to help stimulate growth and avoid deflation. Interest rates are likely to remain at 0.5% for the foreseeable future although further quantitative easing is unlikely for fear of fuelling inflation.

On a more optimistic note, the US look as though they have avoided, or at least postponed, their 'fiscal cliff' and the Eurozone is stable, at least for the time being.

However, our prediction last year of continued austerity, for the next five years at least, remains the case.

I will now move on to the all-important area of budget savings.

Local government continues to deliver its share of the savings required to reduce the deficit. Some would say far more than its share and rather more effectively than other areas of the public service. The last two years have seen savings of around 15% in real terms.

The 28% real terms cut in funding over four years, set by the 2010 Spending Review, has been increased by a further 2% in 2014-15 to 30% by the end of the review period, as set out in the Chancellor's Autumn Statement.

However, across the country, the cracks are beginning to appear.

In 2012-13 a number of principal local authorities decided not to take the one-off 2.5% council tax freeze grant offered by the government and chose to raise the council tax within the limit of 3.5% before a referendum is required. Since then the limit has been reduced to 2% for 2013-14 and the freeze grant to 1% for two years.

Smaller councils and some fire authorities will be able to raise council tax by more than 2% as long as it does not exceed £5 per annum for a Band D tax payer.

In July the Local Government Association (LGA) published its 'Funding Outlook for Councils from 2010/11 to 2019/20', warning of a funding gap of £16.5 billion or 29% by 2019-20. The 'graph of doom', as it has affectionately come to be called, illustrates a cash cut to services other than social care and waste of 90%, if capital financing and concessionary fares remain fully funded.

The further 2% cut announced in December and the continuing restriction on council tax increases in 2013-14, including the 1% freeze grant for two years for 2013-14, will increase the squeeze on resources.

Here in Dorset we have continued with our own Meeting Future Challenges programme which has delivered £43 million in savings over the last two years and seen a reduction of 525 full time equivalent posts over that time. This represents 11% of the non-schools workforce.

Some would have said that removing £43 million from the non-schools revenue budget within two years would be 'impossible'

To quote our good friend Douglas Adams in what has become the traditional fashion – no, I haven't forgotten to include him!

“There is no point in using the word ‘impossible’ to describe something that has already happened.”

However, as can be seen from the situation described within this Budget Speech, there is a great deal more to save. We must find at least £90 million by year five. This too cannot be described as ‘impossible’ because it is an ‘imperative’ – it must be done!

On present plans, which assume a council tax freeze in 2013-14 and a 2% per annum increase thereafter, we will need to find at least a further £46 million in savings over the next three years. But, as we are only too well aware, the cost of the ongoing austerity measures has an uncanny ability to increase beyond the predictions of official financial settlements.

We must now address the detail of the Local Government Finance Statement.

The provisional grant settlement for local government for 2013-14 was announced on 19th December 2012 and subsequently withdrawn and corrected on 21st December 2012.

The settlement was particularly complex this year with a new system of local government finance, partly funded by the retention of business rate income, localisation of council tax support affecting the tax base, transfer of public health functions and major changes to specific grant funding affecting the start-up funding calculations.

However, despite these complications and the lateness of the settlement, authorities were only given until 15th January 2013 to respond to the consultation. In effect, after allowing for the bank holiday, this left around two weeks to check the figures and assess the implications.

I fear that this implies a certain lack of respect or at least understanding emerging between central and local government.

In the final settlement announced on 4th February, there were no significant changes to the provisional figures.

In summary, Dorset will receive start-up funding, including Business Rate Retention (BRR) and Revenue Support Grant (RSG), amounting to £87.7 million in 2013-14.

After taking account of other specific grant changes, including an additional £159,000 for Sparsely Populated Areas, this is about £1 million lower than we had allowed for in the Medium Term Financial Plan.

However, the final tax base figures notified by the district and borough councils were higher than expected, enabling the budget strategy for 2013-14, agreed by the Cabinet in December, to remain unchanged.

2014-15 shows further cuts in funding with the combined Business Rate Retention and Revenue Support Grant figures set to fall to £80.3 million which is a reduction of 8.4%.

Dorset is still one of the lowest funded counties under the new system and is likely to remain so for the foreseeable future. You will recall that, under the old system with its ‘floors’ and ‘ceilings’ we were allotted approximately £7 million according to our needs which was immediately removed and sent to bolster the finances of other councils. Whilst the figure has reduced to £5.1 million, as predicted, this loss has now been made permanent within the new system. So, at this point, very little change.

Finally, the Department of Communities and Local Government have published figures purporting to show a modest reduction in 'spending power', which as we know gives a very false picture of the reduction in government support to councils. Dorset's reduction, excluding Public Health, is put at -1.6% compared with -2.1% for shire counties and - 1.7% for all authorities in England. This year they have added a new statistic of 'spending power per dwelling'. The figure for Dorset is shown as £1,441.55 per dwelling which ranks us 19th out of 27 shire counties. This excludes the unitaries. The reality of the situation will be made clear later.

I will use this controversial difference between the recently created 'spending power' and good old fashioned 'accounting' as a blatant excuse to drag into this speech, what I promise will be, my final Douglas Adams quote. In this case to demonstrate that the same facts can be interpreted completely differently, depending on your viewpoint:

"On the Planet Earth, man had always assumed that he was more intelligent than dolphins because he had achieved so much – the wheel, New York, war and so on – whilst all dolphins had ever done was muck about in water having a good time. But conversely, the dolphins had always believed that they were far more intelligent for precisely the same reasons!"

Duty done, we must press on.

For schools the Dedicated Schools Grant (DSG) for 2013-14 will be £250.86 million before any adjustment for academies. Funding for places for two year olds has been transferred into the Dedicated Schools Grant and the figure also includes a transfer for post sixteen high needs students.

I will now progress to the main features of the 2013-14 Budget.

The net budget requirement for 2013-14 is £273.2 million, a decrease of £4.9 million or 1.8% on the equivalent figure for 2012-13, but a real terms reduction of £19.5 million or 7% on the budget before savings.

The budget requirement includes provision for inflation at £4.8 million, provision of £0.8 million for demographic changes and £9 million in respect of unavoidable commitments, being largely capital financing costs, contingencies and staff increments. Together these pressures have added £14.6 million to our expenditure in 2013-14.

Of the £19.5 million to be saved in 2013-14, £5.6 million had already been identified through the Meeting Future Challenges programme leaving a further £13.9 million to find. A sum of £3 million has been saved from central budgets primarily on interest costs and £10.9 million from service budgets. The proposals for savings from service budgets have all gone through the ongoing searching, sieving and scrutinising process of the Budget Working Group before being presented for consideration by the Overview Committees. These are set out in Appendix 2 to the report on the Medium Term Financial Strategy considered by the Cabinet on 6th February 2013.

The savings that are proposed include:

- Section 256 NHS contributions to Adult Social Care at £2.65 million.
- Reduction in the Community Care contingency at £1.0 million.
- Residential Care placements at £500,000.
- Joint Telecare Project with the NHS at £250,000.
- Learning Disability Supported Living at £500,000.

- Children's Services Directorate review at £700,000.
- Connexions Contract at £300,000.
- Passenger Transport at £493,000.
- Dorset Road Safe Partnership at £225,000.
- Learning and Schools Improvement from schools support at £242,000, and
- Insurance savings at £260,000.

I will now comment on Service Pressures.

Our priorities, as set out in the Corporate Plan, remain to protect vulnerable people, support communities, and grow the local economy. Demand for services to older people and people with a disability, continues to grow and is reflected in the continuing pressure on the community care budget. Overall spending on Adult and Community Services is forecast to overspend by £2.8 million on 2012-13.

In addition, there are growing numbers of children in care leading to pressure on the Children and Families budget. Overall spending on Children's Services other than schools is forecast to overspend by £0.9 million.

Transport for pupils with Special Educational Needs is forecast to overspend by £1 million.

The Dorset Waste Partnership has seen the successful introduction of the first phase of a Dorset-wide service, including the new Recycle for Dorset service. Ultimately this will drive costs down across the county by around £2 million per year, increase Dorset's recycling from 50% to 65% and reduce the amount of waste sent to landfill. However, increases in waste tonnage, a shortfall in recyclate income and temporary staffing costs will result in an overspend in the current year for the Partnership of around £0.8 million of which the County Council's share is £0.6 million.

In the current year these overspends are offset by underspends on central finance budgets. However, as these savings have now been taken into the base budget for 2013-14, it will be necessary to control and monitor spending closely and take the necessary corrective action to avoid an overspend next year.

I will now touch on Reserves and Balances.

Overall, in the current year, expenditure is forecast to exceed income by £0.7 million or around 0.3% of the budget. This means that general balances are estimated to be £11.9 million at the end of 2012-13. This is in the middle of the Councils operating range.

Reserves, which are earmarked for specific purposes such as PFI commitments, capital expenditure or the Insurance Fund, currently stand at £27.8 million. Recovery of deposits placed with Icelandic banks will mean more of these reserves will be cash-backed, but as has been previously pointed out, will not increase the Council's spending power. As at today we have now recovered 61% of the money. That is £17.7 million out of the £28.8 million claimed. We now expect to receive close to 100% in due course.

I will now cover Capital Expenditure and Borrowing.

Over the next three years the Council is budgeting to invest over £222 million in buildings and infrastructure to maintain and improve the assets used to deliver services. This sum represents a considerable investment in the Dorset economy, particularly so in such difficult times, and should help stimulate growth.

Around £69 million or 31% of this investment will be financed by borrowing, £118 million or 53% from external contributions, including grants and partnership funding, and the rest from revenue and capital receipts.

Borrowing remains within the limits authorised by this Council and in accordance with the Prudential Code. The capital financing strategy, agreed last year, to move towards no additional borrowing costs by 2016, remains on track. The revenue cost of borrowing amounts to £19.2 million in 2013-14, £20.6 million in 2014-15 and £21.6 million in 2015-16.

During the year, the Council has completed some major improvements in buildings and infrastructure and these include:

- The Award Winning Durlston Castle.
- The new Queen Elizabeth's School.
- The replacement of Mountjoy Special School.
- The new Chesil Cove Primary School.
- The new residential unit for People with Learning Disability to replace the Beeches in Blandford, and
- Replacement of the Dorset Public Sector Network IT infrastructure.

The existing capital programme also includes provision to complete the implementation of the Purbeck School Review, replace Puddletown CE VC First School, provide Superfast Broadband access across the rural parts of Dorset and the re-signalling of the Wareham to Swanage Branch Line.

New projects include:

- Essential works to the A3066 Beaminster Tunnel.
- Provision of £9 million over three years for schools basic need projects.
- A new Bridport Hub to enable rationalisation of property holdings in Bridport, and
- Further provision to help reduce the backlog of property maintenance.

These projects represent a great deal of investment attracted into Dorset for the future benefit of residents, business and the enhancement of the life-chances of our young people.

I will now address future possibilities.

The economy has not grown at the rates forecast by the Chancellor. The deficit recovery programme has been extended to 2018. Further cuts in public sector spending are likely over the next five years. Local government can expect continuing real terms cuts in funding, as well as further reductions in the next spending review period.

Despite the very good progress made to date, the Council must find at least a further £46 million over the following three years, to stay within forecast budgets.

Savings totalling £19.5 million have been identified over this period, but that still leaves a further £26.8 million to find. By the end of 2013-14 Dorset County Council will have reduced its revenue budget requirement by 23% in real terms over the base budget in 2010-11.

By 2016, the figure will be approaching £90 million which will represent almost one third of the non schools revenue budget in 2010-11.

Taking a yet more 'commercial' approach to some services and offering services to community groups to run may help preserve them but it will not produce significant financial savings.

We must, therefore, look for changes in the way we deliver services, both as a commissioner and as a provider, with greater emphasis on facilitating self-help and independence.

This will mean working closely with community groups and more collaboratively with our partners in Health and Local Government as well as with neighbouring councils.

It also means working with central government to consider policy options that will make our limited resources go further.

There can be no better example of partnership working than the successful collaboration on the Olympic events in Dorset during 2012.

Also the new Local Enterprise Partnership offers opportunities for collaboration to generate economic growth and attract additional investment to Dorset.

It is hugely important to look to the future as well as dealing with the immediate problems of the present. The funding and delivery of services across the public sector is undergoing massive change which is driven by necessity. This is an opportunity that must be grasped. We are already working on influencing change in many areas of the public service through our Challenge Groups but much more needs to be done. Health and adult care is a particular priority for us as so much public resource is concentrated in this one area of 'essential opportunity'. The rewards for getting this one right are particularly great, both financially and for those individuals involved. Clearly we must expand the boundaries of joint and partnership working in all areas of the public sector and lobby central government to free us further from the shackles of central control.

It would not be right to end this speech without including some words of appreciation for the fine job that is done by those who work for Dorset County Council. You could say that I always say this - I do. Dorset has been blessed with dedicated, efficient, hard working and caring staff ever since I have been in the privileged position to make any judgement on the matter. However, we live in extraordinary times. As numbers fall and work increases the pressures on staff multiply and yet they still step up to the plate and get on with the task. Without that kind of dedication the public would find our capacity to deliver the essential services they rely on, severely diminished.

And now I come to the subject of Council Tax.

The recommendation to the Council is for no increase in council tax in 2013-14 and to take up the council tax freeze grant for the third year running.

This year there are uncertainties over collection rates as a result of the introduction of new local Council Tax Support schemes. Some people who previously would not have paid any council tax will now be asked to pay up to 8.5% of the bill. It is essential that we maintain adequate reserves to cover any shortfall in council tax revenues.

Also, whilst three years of council tax freeze has undoubtedly helped local people during this period of continued austerity, it has also served to increase the squeeze on the County Council's finances. By comparison with increases in line with inflation over this period, taking the freeze grant has added £8.6 million to our savings targets.

For future years, the Medium Term Financial Plan is assuming an increase of 2% per annum in each of the years 2014-15 and 2015-16, although this will depend upon future levels of government support.

We live in a time when 'Localism' is a much used word. There is no doubt that those on the ground, 'doing the job', are likely to know best the requirements of that job and the needs of those they serve. One ignores such deep knowledge at ones peril. Having said that, I do acknowledge that from time to time it will be necessary for organisations to acquire specialist knowledge and skills from outside which they do not possess themselves.

I hope I will be forgiven if I use the above statement as an excuse for one final diversion. I feel it illustrates a point and may even cheer us up a little:

A shepherd was herding his flock in a remote pasture when suddenly a brand-new BMW advanced out of a dust cloud towards him. The driver, a young man in a Brioni suit, Gucci shoes, Ray Ban sunglasses and YSL tie, leaned out of the window and asked the shepherd, "If I tell you exactly how many sheep you have in your flock, will you give me one?"

The Shepherd looked at the man, obviously a yuppie, then looked at his peacefully grazing flock and calmly answered, "Fine."

The yuppie parked his car, whipped out his notebook computer and connected to a cell phone, then he surfed to a NASA page on the internet, where he called up a GPS satellite navigation system, scanned the area, and then opened a database and an Excel spreadsheet with complex formulas. He sent an email from his laptop and, after a few minutes, received a response. Finally, he printed out a report on his hi-tech miniaturised printer then turned to the shepherd and said, "You have exactly 1,586 sheep."

"That is correct; take one of my sheep." said the shepherd. He watches the young man select an animal and bundle it into his car. Then the shepherd says: "If I can tell you exactly what your business is, can I have that animal back?"

"OK, why not." answered the young man.

"Clearly, you are a consultant." said the shepherd.

"That's correct," says the young man, "but how did you guess?"

"No guessing required." answers the shepherd. "You turned up here although nobody called you. You want to get paid for an answer I already know, to a question I never asked and you know damn all about my business."

"Now give me back my dog!"

And, on that note:

Chairman, I propose the recommendations for this budget as set out.

Annexure 3

Questions Under Standing Order 20

Question from Ronald Coatsworth to the Cabinet Member for Highways and Transportation

Question

In 2008 the B3157 was resurfaced and it was announced that the road would not have the centre line replaced but the sides would be white lined. It was also indicated that not all the cat's eyes would be replaced. There was a huge public outcry against these decisions, which were made without any proper consultation, on the grounds that

1. The cat's eyes were necessary together with a centre line to indicate a safe way in times of poor visibility which are very common on this coastal route
2. The side lines were not useful in foggy or wet weather because they became obscured by water and waste substances.

Subsequently, and at the insistence of local councillors, the cat's eyes were replaced and white centre lines were painted on the parts of the road considered to be the most dangerous.

All this was done in the cause of "road safety" because the measures would make drivers more aware of the hazards on the road, reduce visual intrusion and encourage lower speeds as drivers feel there are more hazards.

Data collected for a six month period during the last 5 years show an increase in collisions while all casualties have been on a plateau. Data for the whole of Dorset for the same periods show high percentage decreases.

Is it not time that this dangerous experiment was abandoned and the white lines returned to the middle of the road for its whole length, as demanded by nearly everybody I know?

Answer

It is important to consider any collision records over a reasonable period of time in order to avoid the influence of seasonal or other factors and it is recommended nationally that data for at least 3 years and preferably for 5 years, is considered in any analysis of trends. Mr Coatsworth will recall that he was passed a detailed report by our road safety team in December 2011 that covered this and gave detailed collision data on the Coast Road before and after commencement of the scheme.

Current records show that 47 injury collisions occurred in the 4 years prior to commencement of the scheme in December 2008 and 63 in the 4 years since that date. Of the post scheme collisions, 75% occurred at locations where centre line markings have remained in place. Of the remaining 25% occurring at other locations, the causes varied and included a variety of factors, none of which have been attributed to the lack of centre line markings. Poor visibility due to fog is recorded in 2 of the collisions before the scheme and one since. In all three cases the fog related collisions occurred at locations where the centre lines still remain.

Mr Coatsworth attended a meeting in County Hall on 18 October 2012 when the results of a Stage 3 Road Safety Audit (RSA) of the scheme were discussed and mitigation measures in

response to the audit were presented to the meeting. These mitigation measures included refreshing, permanently removing, or in some cases installing new centre lines, to ensure the scheme is consistent throughout. The measures were agreed at the meeting and the work has now been carried out. It was also agreed that a Stage 4 Road Safety Audit would be undertaken at the recommended interval of 3 years after the Stage 3 audit. The Stage 4 audit will review the scheme and consider the collision records up to the time of the audit, which will be undertaken in 2015.

Given the current collision data and the relatively few adverse comments that we have received from the general public, the safety audit process will be followed as above and no further action is proposed unless recommended in the Stage 4 audit.