

Agenda



Meeting: County Council
 Time: 10.00 am
 Date: 15 February 2018
 Venue: Council Chamber, County Hall, Colliton Park, Dorchester DT1 1XJ

Hilary Cox (Chairman)	Andrew Parry (Vice-Chairman)	Jon Andrews
Shane Bartlett	Pauline Batstone	Derek Beer
Richard Biggs	Kevin Brookes	Cherry Brooks
Ray Bryan	Steve Butler	Graham Carr-Jones
Andy Canning	Andrew Cattaway	Toni Coombs
Deborah Croney	Keith Day	Lesley Dedman
Janet Dover	Jean Dunseith	Beryl Ezzard
Tony Ferrari	Spencer Flower	Katharine Garcia
Peter Hall	David Harris	Jill Haynes
Nick Ireland	Colin Jamieson	Susan Jefferies
David Jones	Rebecca Knox	Steven Lugg
Jon Orrell	Mary Penfold	Margaret Phipps
Bill Pipe	Byron Quayle	David Shortell
Clare Sutton	William Trite	Daryl Turner
David Walsh	Peter Wharf	Kate Wheller

Notes:

- The reports with this agenda are available at www.dorsetforyou.com/countycommittees then click on the link "minutes, agendas and reports". Reports are normally available on this website within two working days of the agenda being sent out.
- We can provide this agenda and the reports as audio tape, CD, large print, Braille, or alternative languages on request.
- **Public Participation**

Guidance on public participation at County Council meetings is available on request or at <http://www.dorsetforyou.com/374629>.

Public Speaking

Members of the public can ask questions and make statements at the meeting. The closing date for us to receive questions is 10.00am on 12 February 2018, and statements by midday the day before the meeting.

Debbie Ward
 Chief Executive

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Date of Publication:
 Wednesday, 7 February
 2018

1. **Apologies for Absence**

To receive any apologies for absence.

2. **Code of Conduct**

Councillors are required to comply with the requirements of the Localism Act 2011 regarding disclosable pecuniary interests.

- Check if there is an item of business on this agenda in which the member or other relevant person has a disclosable pecuniary interest.
- Check that the interest has been notified to the Monitoring Officer (in writing) and entered in the Register (if not this must be done on the form available from the clerk within 28 days).
- Disclose the interest at the meeting (in accordance with the County Council's Code of Conduct) and in the absence of a dispensation to speak and/or vote, withdraw from any consideration of the item.

The Register of Interests is available on Dorsetforyou.com and the list of disclosable pecuniary interests is set out on the reverse of the form.

3. **Minutes**

5 - 12

To confirm and sign the minutes of the meeting held on 9 November 2017.

4. **Public Participation**

- (a) Public Speaking
- (b) Petitions

5. **Chairman's Announcements**

To deal with correspondence, communications or other business brought forward by the Chairman.

- (a) Deaths of Former Members of the Council
- (b) Chairman's Announcements

6. **Leader's Announcements**

To deal with business raised by the Leader of the Council which is not otherwise be raised under any other item on the agenda. Questions from members will be invited on the issues raised by the Leader.

7. **Questions from County Councillors**

The Chairman of the Council, Leader of the Council, Cabinet Members, or chairmen of appropriate committees to answer questions on any business not covered on this agenda. The closing date for the receipt of questions is 10.00am on 12 February 2018. This item is limited to 45 minutes.

Cabinet

The Chairman of the Cabinet to present and move the adoption of the following reports and to answer questions, if any, under Standing Order 19:-

8. **Meeting held on 6 December 2017**

13 - 26

9. **Meeting held on 17 January 2018**

27 - 34

10.	Meeting held on 31 January 2018	35 - 40
	a) Recommendation 18(a) - Medium Term Financial Plan (MTFP) and Budget 2018-19 to 2020-21	41 - 64
	b) Recommendation 18(b) - Treasury Management Strategy Statement and Prudential Indicators for 2018/19	65 - 94
	c) Recommendation 18(c) - Asset Management Capital Priorities	95 - 108

Overview and Scrutiny Committees

The Chairmen of overview and scrutiny committees to present and move the adoption of the following reports and to answer questions, if any, under Standing Order 19:-

11.	People and Communities Overview and Scrutiny Committee - Meeting held on 10 January 2018	109 - 116
12.	Economic Growth Overview and Scrutiny Committee - Meeting held on 24 January 2018	117 - 124
13.	Safeguarding Overview and Scrutiny Committee - Meeting held on 30 January 2018	125 - 130
14.	Dorset Health Scrutiny Committee - Meeting held on 13 November 2017	131 - 136
15.	Dorset Health Scrutiny Committee - Meeting held on 20 December 2017	137 - 142

Recommendations from Committees

The Chairmen of the relevant committees to present and move the adoption of the following recommendations and to answer questions, if any, on the proceedings in respect of the recommendations below:-

16.	Recommendation - Delegation of Powers: A338 Wessex Way to provide a link to the Wessex Fields Business Park and the Royal Bournemouth Hospital	143 - 150
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To consider a recommendation from the Regulatory Committee meeting held on 4 January 2018.

17.	Recommendation - Constitutional Changes	151 - 160
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To consider a recommendation from the Audit and Governance Committee meeting held on 19 January 2018.

18.	Recommendation - Pay Policy Statement 2018/19	161 - 186
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To consider a recommendation from the Staffing Committee meeting held on 29 January 2018.

19.	Recommendation - Senior Management Roles and Responsibilities - Interim Arrangements - Review and Proposals	187 - 206
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To consider a recommendation from the Staffing Committee meeting held on 29 January 2018. The recommendation was considered and supported by the Audit and Governance Committee on 19 January 2018.

20. **Appointments to Committees**

To agree any changes to the chairmanship or membership of committees, including any changes notified by Group Leaders.

Note for Councillors

- Coffee/tea will be available in the Members' Room before and after the meeting.
- A lunch will be provided for councillors and officers in the Members' Room following the meeting.



County Council

Minutes of the meeting held at County Hall, Colliton Park, Dorchester,
DT1 1XJ on Thursday, 9 November 2017.

Present:

Hilary Cox (Chairman)

Andrew Parry (Vice-Chairman)

Jon Andrews, Shane Bartlett, Derek Beer, Cherry Brooks, Kevin Brookes, Steve Butler, Andy Canning, Andrew Cattaway, Keith Day, Lesley Dedman, Janet Dover, Jean Dunseith, Beryl Ezzard, Tony Ferrari, Spencer Flower, Katharine Garcia, Peter Hall, David Harris, Jill Haynes, Nick Ireland, Colin Jamieson, Susan Jefferies, Ros Kayes, Rebecca Knox, Jon Orrell, Mary Penfold, Bill Pipe, Byron Quayle, David Shortell, Clare Sutton, William Trite, Daryl Turner, Peter Wharf and Kate Wheller.

Officers Attending: Debbie Ward (Chief Executive), Helen Coombes (Transformation Programme Lead for the Adult and Community Forward Together Programme), Mike Harries (Corporate Director for Environment and Economy), Nick Jarman (Interim Director - Children's Services), Jonathan Mair (Head of Organisational Development - Monitoring Officer), Lee Gallagher (Democratic Services Manager) and David Northover (Senior Democratic Services Officer).

(Note: These minutes have been prepared by officers as a record of the meeting and of any decisions reached. They are to be considered and confirmed at the next meeting of the County Council to be held on **Thursday, 22 February 2018.**)

Apologies for Absence

54 Apologies for absence were received from Cllrs Pauline Batstone, Richard Biggs, Ray Bryan, Graham Carr-Jones, Toni Coombs, Deborah Croney, Steven Lugg and David Walsh.

Code of Conduct

55 There were no declarations by members of disclosable pecuniary interests under the Code of Conduct.

Minutes

56 The minutes of the meeting held on 20 July 2017 were confirmed and signed, subject to the addition of Cllr Colin Jamieson's apologies for the meeting.

Public Participation

57 Public Speaking

There were no public questions received at the meeting in accordance with Standing Order 21(1).

There were no public statements received at the meeting in accordance with Standing Order 21(2).

Petitions

The Council considered a report by the Dorset Travel Service Manager on a petition to 'Maintain the Saturday bus service from Yeovil to Bridport' in accordance with the County Council's Petitions Scheme. The report explained what the petition was asking for, why it was considered necessary to maintain the service and what options there were for dealing with the petition.

Ms Emmett, as the lead petitioner, addressed the meeting to explain that in her view the decision made to change the no.40 service, including the removal of the Saturday service, did not include adequate consultation with users. Although efforts were being looked at by the Council and Beaminster Town Council to try to solve this issue no solution had been found. She felt that the whole situation had been mismanaged, had a detrimental effect on people's lives, a negative impact on the economy through trading, removed the ability to attend doctor and hospital appointments, and increased rural isolation for the elderly and vulnerable. Despite the media portraying messages from officers which identified the route as a part of the strategically important part of the inter-urban network there was still no replacement for the service.

Support was expressed regarding the use of the Saturday No.40 service as this could be used as a pilot community transport scheme with support from the Council, in partnership with the Beaminster and Bridport Town Councils. Cllr Kayes, as the local member for Bridport, proposed that the Council consider, with Beaminster and Bridport Town Councils, to include the route in a self-financing community transport scheme with initial funding which would be reimbursed to the Council when the service was running. The proposal was seconded by Cllr Keith Day.

An alternative proposal was suggested by Cllr Turner as the Cabinet Member for Natural and Built Environment which would see the issue included in a planned Integrated Transport Scrutiny Inquiry Day on 26 February 2018, and to discuss the options raised regarding funding, licencing and vehicle availability, in addition to working closely with groups to develop a community offering. Cllr Kayes expressed concern regarding the urgency to address this issue as soon as possible. On being assured that efforts would be taken to find a solution as a priority, Cllr Kayes withdrew her proposal and seconded Cllr Turners alternative proposal.

As the local member, Cllr Knox acknowledged the situation and called for all parties to get together to address the issues raised to find a solution, and was also concerned about the weekday service. She explained that there was only one subsidised Saturday service remaining in Dorset which would be coming to an end shortly. 96% of routes were now provided through community schemes with an overall aim to reach 100%. Further work was also taking place locally with the Clinical Commissioning Group regarding access to health services, and a closer relationship was needed between Bridport Town Council and the GP practices. Cllr Knox welcomed being part of the discussions as soon as possible to reach a solution.

In addition to the No.40 service, other members expressed the need for the Integrated Transport Inquiry Day to address public transport concerns with other local services and rural isolation. There was a need to publicise the Inquiry Day widely with members to ensure full participation.

Resolved

1. That the issue of Bus subsidies on Saturday Services will be included in the discussions at the Transport Inquiry day on 26 February 2018.
2. That the Cabinet Member for Natural and Built Environment, together with the local members for Bridport and Beaminster area meet with the Service Director – Economy, responsible for Transport, to discuss the proposals put forward by Councillor Kayes and potential collaboration with Bridport Town Council for a Saturday Service. Meeting to consider funding, licensing and vehicle availability and assess whether the proposal is a viable financial and sustainable option. To be arranged as soon as practicable.

Reason for Decision

In order to comply with the County Council's published scheme for responding to petitions and so as to enable local people to connect with local elected decision makers.

Chairman's Announcements

58 The Chairman reported the deaths of two serving officers since the last meeting. David Wilson was the Council's Data Protection Officer and Hannah Richardson worked in the Pension team. Councillors agreed to send condolences to both families.

The Chairman reported civic events attended by herself and the Vice-Chairman since the last meeting, which included many civic days held by district, borough and town councils; Dorset's Best Kept Village Competition; the High Sheriff's Legal Service, the first concert of the Bournemouth Symphony Orchestra's winter season; the Dorset Association of Town and Parish Councils Annual General Meeting, and the Awards for the Combined Cadets Force.

The Chairman also asked members to share posters in relation to the role of the foster carers that had been sent to them to encourage new foster carers to come forward.

Note: At this point the Chairman adjourned the meeting to enable all County Councillors to attend a Remembrance Day Service at County Hall. The meeting restarted immediately after the service.

Leader's Announcements

59 The Leader of the Council reported on the following issues facing the Council, and invited questions from all members:

Local Government Reorganisation (LGR)

The Secretary of State for Communities and Local Government, Rt Hon Sajid Javid MP, had now announced that he was minded to support the Future Dorset proposal to replace Dorset's nine councils with two new unitary authorities. Although there had been a lengthy wait for the announcement to be made, the County Council and its partners could now make significant progress in ensuring that this was as successful as it could be and that it brought the anticipated benefits to the residents of Dorset. Progress on LGR would be communicated widely with regular updates for members.

Whilst there would be some uncertainty until a final decision was made, measures were in place to ensure the continued effective delivery of services and for the County Council to be as adaptable and responsive as possible. The Leader was confident that this would be achieved as it was in Dorset's interests that this was successful to meet the challenges and benefit from the opportunities which lay ahead.

Dorset Community Action and the Dorset Association of Parish and Town Council's had expressed commitment to Future Dorset and wanted to be integral to what was being delivered. They welcomed the opportunity for closer working arrangements with the new Council so that greater community based services could be established. It was anticipated that the new Council would be able to help facilitate and enable this. The Clinical Commissioning Group also wanted to be able to help improve outcomes for health and wellbeing in partnership with the new Council.

The LiveWell Programme

LiveWell was now being successfully implemented across Dorset. A series of roadshows demonstrating healthy outcomes and signposting people to help were being held. The benefits it brought had been well received. The Leader thanked the Cabinet Member for Health and Care and Public Health staff for what had been done to ensure LiveWell was successful.

Cabinet Member for Workforce

Cllr Peter Wharf was welcomed to the Cabinet with the portfolio for Workforce. Having a Cabinet Member for Workforce was seen to be an important and significant

step towards ensuring that the Council had the means to be able to continue to deliver services and in a way that met community needs.

Local Government Reorganisation in Bournemouth, Dorset and Poole

60 In considering the future of Local Government in Bournemouth, Dorset and Poole, an overview of the Secretary of State for Communities and Local Government's 'minded to' announcement was provided by the Chief Executive, in addition to a summary of the work of the two joint committees which had been established to consider closer working between Dorset councils. However, clarification that the joint committees were not 'implementation committees' would be made to the Secretary of State. The letter and statement is attached to these minutes as an annexure.

The final decision would be made by the Secretary of State in January 2018, following consultation and the opportunity for further representations, alterations or alternative proposals to be made. The Secretary of State wished to see clear evidence that every effort had been made between all councils and communities to reach a consensus on the benefits of Future Dorset. The Chief Executive confirmed that there was every intention to do this and was confident that this could be achieved.

How the two joint committees would oversee the unitary process and the part they would play in the establishment of the two new unitary authorities was explained. The joint committees would be succeeded by either an implementation executive or a shadow arrangement and would be responsible decision making bodies for the lead up to the new authorities in 2019. Funding had been allocated to support this process. Information about the committees and their work programmes was publicly available.

Existing Councils were still obliged to ensure the delivery of their services throughout the process and that statutory commitments were met. The County Council had measures, resources and funding in place to ensure continued effective delivery of services.

How Parish and Town Councils could play a practical part in the way future local government functioned was given consideration. It was necessary to know what they would be able to do as part of any new arrangements and the timescales for any changes. A governance structure and workstreams were being developed to address this and would be considered by both joint committees at their respective meetings in December 2017. Members would be able to participate in helping to shape the workstreams.

Resolved

1. That the development of the Dorset Area Joint Committee and the Bournemouth, Christchurch and Poole Joint Committee be noted;
2. That the draft minutes of the Dorset Area Joint Committee meetings held on 20 September and 13 October 2017 be received; and
3. That the draft minutes of the Bournemouth, Christchurch, Poole Joint Committee meeting held on 30 October 2017 be received.

Reason for Decision

To ensure local government services were sustainable and residents, businesses and communities were supported by optimum local government.

Questions from County Councillors

61 The following questions were asked under Standing Order 20:

1. Cllr Jon Andrews asked the Leader of the Council and Cabinet Member for Community and Resources a question in relation to Central Government Funding.
2. Cllr Susan Jefferies asked the Cabinet Member for Economy, Education, Learning

and Skills a question in relation to the Youth Service.

3. Cllr Susan Jefferies asked the Leader of the Council and the Cabinet Member for Economy, Education, Learning and Skills a question in relation to the Children's Transport Appeals process.

The questions and answers are attached to these minutes as Annexure 1.

Meeting on 19 July 2017

62 Minute 90(b): Executive Advisory Panel on Pathways to Independence - 23 June 2017

Clarification of the working arrangements for Executive Advisory Panels was sought, particularly in relation to the need to ensure that the work of all panels was coordinated and shared with the Overview and Scrutiny Management Board to help with monitoring of policy development and scrutiny. The transparency of the work of the panels was acknowledged and information would be made more widely available, although outcomes from meetings were routinely reported to the Cabinet. However, it was recognised that it was also important to see what the panels were planning to consider at an early stage.

Minute 90(a): Dorset Health and Wellbeing Board - 21 June 2017

Interest in the formation of locally based Health and Wellbeing Boards, and how members could get involved with them, was raised. They had been developed to include partners from councils and health, and were managed by district council representatives of the Health and Wellbeing Board. The boards had been formed very recently and were being developed, with some working well and others not fully operational yet. Work was ongoing to identify the locality leads who needed to be involved in them. In addition it was recognised that the GP localities were the operating boundaries for the boards, and that these would become the building blocks for wider work on Local Government Reorganisation and Prevention at Scale. A full briefing note would be prepared and shared with members in January 2018.

Minute 97: Integrated Prevention and Support Service

Concerns were expressed about the budgetary impact of saving £782k in a review of the Partnership of Older People Programme (POPPs) to inform the development of the Integrated Prevention and Support (IPS) Service. Although complex in nature, the review was explained and that work continued with the Clinical Commissioning Group (CCG who funded 50% of POPPs). A briefing would be held in due course on the progress of the review, and the Cabinet Member offered to discuss the review with any members outside of meeting.

A specific request was made to include addiction recovery services, in addition to Mental Health recovery services, as part of the development of the IPS. The Cabinet Member confirmed that this would happen as the two areas were very closely linked.

Resolved

That the report of the meeting held on 19 July 2017 be adopted.

Meeting on 6 September 2017

63 Minute 104: Tricuro Executive Shareholder Group - 27 June 2017

The monitoring of Tricuro through the People and Communities Overview and Scrutiny Committee was raised as this had not happened following the change of scrutiny arrangements when the Adult and Community Services Overview and Scrutiny Committee used to undertake the monitoring role. The Cabinet Member confirmed that this had slightly slipped and was happy to ask for monitoring to feature at the next meeting of the Committee.

Resolved

That the report of the meeting held on 6 September 2017 be adopted and recommendation 109 be approved.

Recommendation 81 - Youth Justice Plan 2017-18
That the Youth Justice Plan 2017-18 be approved.

Reason for Decision

The draft Youth Justice Plan was approved by the Youth Offending Service (YOS) Management Board. The Plan reviewed achievements in the previous year, detailed the structure, governance and resources of the YOS, and set out the priorities for 2017-18.

Meeting on 27 September 2017

64 Minute 123 - Residential Homes - Children's Services

The implications of recent developments regarding residential care homes for children, bearing in mind recent Ofsted inspections, were raised. A particular question was asked about the future of Maumbury House in Dorchester and the Cherries in Weymouth. A briefing outside of the meeting was offered by the Leader of the Council.

Following concerns raised regarding residential care homes, a request was made for assurance from the Cabinet Member for Safeguarding that homes would be visited and assessed, with the outcomes being reported back to the Corporate Parenting Board and Cabinet as necessary. It was confirmed that information would be reported to either body as needed. The Director for Children's Services also gave assurance that a review was underway and an urgent decision would be needed about Maumbury House shortly.

Views regarding the use of Council buildings were expressed, including the need for a clear service plan for Children's Services' building needs for the future. The link between the Council's management of assets and the One Public Estate were explained as there was a need to have a holistic approach with public sector partners, which included areas such as provision of key worker housing. There was also recognition of a need to have a joint discussion based on evidence, business cases and finances available locally and from Government. The approach needed to look ahead and plan for need, and for decisions to be based on evidence in a planned way. Some of the work may involve consideration by the Executive Advisory Panel on Forward Together for Children's Services. Members were also encouraged to share any ideas and suggestions with Cabinet members.

Minute 81: Fostering Modernisation Plan

Additional investment in the fostering service, and its relationship with the wider budget position in Children's Services including an increase in Special Educational Needs and Disabilities (SEND) funding, was raised as a concern. A request was made for the Audit and Governance Committee to consider the budget position to provide assurance regarding decisions. A summary of the budget position for fostering was provided including the steps to modernise the service. The Cabinet Member offered to discuss the matter with members outside of the meeting.

A further concern was raised that the Fostering Panel had not been consulted on any changes that were being made to the service although it had expressed concerns with officers for over two years. The report had now been circulated to the panel. The Cabinet Member apologised that the Panel had not been consulted. Further efforts would be made to keep the Panel and the Corporate Parenting Board well informed.

Resolved

That the report of the meeting held on 27 September 2017 be adopted.

Meeting on 18 October 2017

65 Minute 129(a): Executive Advisory Panel (EAP) on Forward Together for Children's Services - 5 September 2017

In respect of a decision made on Transforming Youth Services in Dorset, a number of views were expressed about how youth centres could access the 'start up' contribution for youth centres of £1000. The Cabinet Member confirmed that the money would have 'no strings attached' and information about how to access the funding would be made available to all centres. The Cabinet member undertook to follow up the arrangements outside of the meeting.

Further questions were asked about the £200k transformation fund available to youth centres, linked with crowd funding. The Cabinet Member confirmed that the work required to use crowd funding and maximise access to the fund was underestimated, and that the funding would be spent on centres in the 2017/18 financial year.

However, it was explained that the transformation fund was only available for the rest of the year and for 2018/19. Members of the EAP were concerned about the access to funding as it was explained at the meeting on 5 September that the £1k for youth centres would be funded from transformation fund savings in the previous year, and that the transformation fund for 2017/18 would remain at £200k. The Cabinet Member explained that this was not the case and undertook to respond to members and clarify outside of the meeting.

Resolved

That the report of the meeting held on 18 October 2017 be adopted.

People and Communities Overview and Scrutiny Committee - Meeting held on 11 October 2017

66 The Vice-Chairman of the Committee introduced the minutes of the meeting and sought their adoption.

Clarification was provided over the commitment to hold an Inquiry Day about the delivery of Special Educational Needs (SEN) and how this would be addressed. The Leader confirmed that the opportunity to address this, including looking at the budgetary situation, would be done by the most appropriate means and all members could contribute towards this.

How housing was addressing the issue of homelessness was seen to be an important issue and it was clarified that District Councils had the primary responsibility for this.

Resolved

That the report be adopted.

Safeguarding Overview and Scrutiny Committee - Meeting held on 12 October 2017

67 The Vice-Chairman of the Committee introduced the minutes of the meeting and moved their adoption.

Resolved

That the report be adopted.

Economic Growth Overview and Scrutiny Committee - Meeting held on 16 October 2017

68 The Vice-Chairman of the Committee introduced the minutes of the meeting and moved their adoption.

The opportunity was taken for issues to be added to the Work Programme with the Western Growth Corridor being suggested as an item for future consideration. It was asked that member involvement in this should be widened. The Leader considered that the membership of the Western Growth Board was already sufficient to cover all

that it needed to, but asked that members let her know if concerns remained.

Resolved

That the report be adopted.

Dorset Health Scrutiny Committee - Meeting held on 4 September 2017

69 Cllr Ros Kayes introduced the minutes of the meeting.

As part of wider changes to health provision across Dorset, a specific question was raised regarding transport to hospitals, and any proposed expansion to the Accident and Emergency Provision at Dorset County Hospital in addition to what was planned for Royal Bournemouth Hospital. This was in relation to increased traffic issues around the Bournemouth area and people going to Dorchester as an alternative. It was agreed that the question would be raised with the Chairman of the Dorset Health Scrutiny Committee, to be raised at the meeting on Monday 13 November 2017.

Resolved

That the minutes of the meeting be received.

Appointments to Committees

70 The following changes to appointments to committees were reported at the meeting:

- Cllr Peter Wharf to replace Cllr Andrew Parry on the Staffing Committee.
- Cllr Byron Quayle to withdraw from the Regulatory Committee (pending a review of the size of the Committee).

Resolved

That the changes to appointments be approved.

Annexure 1

71

Meeting Duration: 10.00 am - 12.45 pm



Cabinet

Minutes of a meeting held at County Hall, Colliton Park, Dorchester,
Dorset, DT1 1XJ on Wednesday, 6 December 2017.

Present:

Rebecca Knox	Leader of the Council
Jill Haynes	Deputy Leader and Cabinet Member for Health and Care
Steve Butler	Cabinet Member for Safeguarding
Deborah Croney	Cabinet Member for Economy, Education, Learning and Skills
Tony Ferrari	Cabinet Member for Community and Resources
Daryl Turner	Cabinet Member for Natural and Built Environment
Peter Wharf	Cabinet Member for Workforce

Members Attending:

Jon Andrews, County Councillor for Sherborne Town
Ray Bryan, County Councillor for Ferndown
Graham Carr-Jones, County Councillor for Stalbridge and the Beacon
Hilary Cox, as Chairman of the County Council
Katharine Garcia, County Councillor for Portland Tophill
Nick Ireland, County Councillor for Linden Lea
Ros Kayes, County Councillor for Bridport
Andrew Parry, County Councillor for Ferndown
Bill Pipe, County Councillor for Lytchett Minster and Upton
David Shortell, County Councillor for Ferndown

Officers Attending:

Debbie Ward (Chief Executive), Richard Bates (Chief Financial Officer), Mike Harries (Corporate Director for Environment and Economy), Nick Jarman (Interim Director - Children's Services), Jonathan Mair (Head of Organisational Development - Monitoring Officer) and Lee Gallagher (Democratic Services Manager).

For certain items, as appropriate:

Andrew Brown (Project Engineer (Democratic) Dorset Highways), Adam Fitzgerald (Service Development Officer), Andrew Martin (Service Director - Highways and Emergency Planning), Jim McManus (Chief Accountant), Tim Norman (Network Development Services Manager), Peter Scarlett (Estate and Assets Manager), Neil Turner (Highway Development Team Leader) and Richard Colby (Team Leader Highway Improvements).

- (Notes:(1) In accordance with Rule 16(b) of the Overview and Scrutiny Procedure Rules the decisions set out in these minutes will come into force and may then be implemented on the expiry of five working days after the publication date.
Publication Date: **Tuesday, 12 December 2017.**
- (2) These minutes have been prepared by officers as a record of the meeting and of any decisions reached. They are to be considered and confirmed at the next meeting of the Cabinet to be held on **Wednesday, 17 January 2018.**)

Apologies for Absence

136 No apologies for absence were received.

Code of Conduct

137 There were no declarations by members of disclosable pecuniary interests under the Code of Conduct. However, the following interests were declared:

- Cllr Deborah Croney declared general interest in minute 141 as a resident of Iwerne Minster living in the vicinity of both the C13 and the A350. She stated that she had taken advice and that she had no disclosable pecuniary interest. Cllr Croney remained in the meeting and took part in the debate.
- Cllr Peter Wharf declared a general interest in minute 147 as the Chairman of the Planning Committee at Purbeck District Council in respect the proposed bridge at Wareham Station. As this was not a disclosable pecuniary interest Cllr Wharf remained in the meeting, but did not take part in the debate on this particular matter.

Minutes

138 The minutes of the meeting held on 18 October 2017 were confirmed and signed.

Public Participation

139 One public question and fourteen public statements were received at the meeting in accordance with Standing Order 21(1) and 21(2) All public participation at the meeting related to minute 141 in respect of Options for Heavy Goods Vehicles (HGV) routing between Blandford Forum and Shaftesbury on the A350 & C13. The question, answer and statements are attached as an annexure to these minutes.

Cabinet Forward Plan

140 The Cabinet considered the draft Forward Plan, which identified key decisions to be taken by the Cabinet on or after the next meeting. The following changes were noted:

- County Farms Management Plan - The Sale of Assets – 17 January 2018
- That many items would be included from the Forward Together Programme Board in the next few weeks.
- Purbeck Health, Housing and Social Care Master Plan Memorandum of Understanding - Next Steps and Framework (Minute 147) – February 2018
- Residential Care - Children's Services (Minute 152) – No date specified
- Bridport Social Care Development (minute 153) – No date specified

Resolved

To include the items listed above in the Forward Plan.

Options for Heavy Goods Vehicles (HGV) routing between Blandford Forum and Shaftesbury on the A350 & C13 and decide on the option to be taken forward by Dorset Highways

141 *(Note: Cllr Deborah Croney declared general interest in minute 141 as a resident of Iwerne Minster living in the vicinity of both the C13 and the A350. She stated that she had taken advice and that she had no disclosable pecuniary interest. Cllr Croney remained in the meeting and took part in the debate.)*

The Cabinet considered a report by the Cabinet Member for Natural and Built Environment regarding the traffic and Heavy Goods Vehicle (HGV) use of the A350 and C13, the impact on local communities, and Department for Transport (DfT) funding of £2.42m to be used on community issues through a route management strategy. The highways issues along the route corridor comprised HGV Routing, Structural Maintenance and surfacing, Drainage, Traffic Management, Speed Limits, Junction Improvements, and Village Gateway Signing. The response and concerns of emergency services to the proposed options were also highlighted. The full Equalities Impact Assessment (EqIA) was circulated as a supplement to the agenda prior to the meeting on 4 December 2017.

The management of Heavy Goods Vehicle (HGV) traffic issues along both routes was considered through a number of options:

- Option 1 - One Way Advisory HGV Routing (Current) Northbound on A350 – Southbound on C13/B3081
- Option 2 - One Way Advisory HGV Routing Northbound on C13/B3081 – Southbound on A350
- Option 3 - One Way Enforceable HGV routing Traffic Regulation Order (TRO) Northbound on A350 – Southbound on C13/B3081
- Option 4 - One Way Enforceable HGV routing Traffic Regulation Order (TRO) Northbound on C13/B3081 – Southbound on A350
- Option 5 - C13 Melbury Abbas - Advisory 'Unsuitable for HGV' signs to discourage HGV drivers from the village
- Option 6 - C13 Melbury Abbas – 7.5 Tonnes (except for Access) HGV Ban which would be enforceable to ensure HGV's do not travel through the village

One public question and fourteen public statements were received in relation to the views of communities, HGV operators and parish councils. The question, answer and statements are attached as an annexure to these minutes. In addition to the information within the annexure, the following issues were raised at the meeting:

- Concern about the EqlA and the late receipt of an updated assessment before the meeting which identified a potential negative impact on young people from the Clayesmore School in Iwerne Minster, whereas the initial EqlA identified no negative impact of the options on people with protected characteristics. It was felt that the report had been misleading, that there would be an impact on children at all schools in the area with no mitigation, and Clayesmore School had no prior knowledge of the potential impact. As such it was suggested that the decision being sought was unlawful. The response to the question relating to EqlA is detailed within the annexure.
- That the A350 was short of the expected standard of an A road, and neither the A350 or C13 were suitable for the current level of HGV traffic.
- It was unfair to residents and businesses to have increasing traffic on these roads, which impacted on the whole of North Dorset.
- There was a desperate need for a sustainable long term solution, and that the options being considered were seeking only a temporary solution.
- The huge impact on Fontmell Magna, where public support had been expressed for Option 1.
- Safety fears for pedestrians in respect of crossings and for villages with no pavements.
- Concerns at Melbury Abbas regarding jammed traffic, including cars, HGVs and emergency services bringing risk to life for those in need. The physical reality was that the C13 was too narrow.
- Concern about roadside bank erosion at Melbury Abbas which brought risk of landslide, and damage to buildings, including the church.
- Support by Road Haulage Association and Wyvern Cargo for Option 1, and reference to additional suggested mitigations in the annexure.
- That the A350 and C13 hindered growth, prospects and client base for HGV companies and hauliers.
- Telemetry showed that the running costs and CO² emissions for vehicles were lower using the C13 compared to the A350.
- Concerns expressed regarding the impact on Stourpaine pinch points (seven in total) where HGVs could not pass other vehicles. There was lots of experience over many years similar to those expressed in Melbury Abbas.
- That the A357 would be closed for a period in 2018, and concern was expressed about where the traffic would go.
- There had been no formal public consultation with the villages and communities affected on the options presented.

- The risk analysis on the A350 had not been assessed effectively enough.
- A statement from Mr Farwell had not been received – this would be addressed after the meeting and dealt with through correspondence if necessary.

The following local members for the area shared the following views:

- Cllr Graham Carr-Jones, as local member for Stalbridge and the Beacon, was familiar with challenges to residents and road users on both roads, and acknowledged that the decision was about choosing the least worst option as major investment was needed for a bypass to enable the area to thrive. He understood the difficult decision needed, but indicated that it needed to be balanced and fair. Routing all HGV traffic on one road was not practical or fair. He supported the required mitigations on the C13, but indicated that this would not fix the problems and continued work with communities was required. He felt that the most practical and reasonable option in the medium term was Option 1, but work with Melbury Abbas was needed. In addition, he requested that as part of the mitigations, sufficient funds should be used to install at least two additional Speed Indication Devices (SIDs) on the A350 and C13.
- Cllr Deborah Croney, as the local member for Hambledon, focused on the valid and challenging risks and safety implications of all of the options, highlighting that neither road was suitable for freight. She felt that all factors needed to be considered. Specific questions were asked about how vehicles would travel through Melbury Abbas pinch points, to which it was confirmed that advanced signage an improved Variable Message System (VMS) would be put in place alongside other mitigations including a new layby. For Emergency Services, and particularly the concerns expressed by the South West Ambulance Trust, there would be a requirement for emergency vehicles to adhere to the VMS warnings which would prevent delays.

The Cabinet then considered all of the views expressed and the content of the Cabinet Member's report.

Recognition was given to the need for a sustainable long term solution to the HGV traffic issues facing the A350 and C13, and to continue lobby Government. Cllr Daryl Turner reported that a meeting had been arranged to visit Dorset and Wiltshire MPs in mid-January 2018 in Westminster to discuss the situation and attempt to move forward.

With regard to the EqIA, confirmation was sought about whether it was appropriate and compliant. The Monitoring Officer explained that consideration must be given to the protected characteristics of individuals as part of equality duty. In relation to this report the EqIA raised potential negative impacts on young school children in relation to options 5 and 6 regarding a physical pinch point in Iwerne Minster. There would also be a general impact on all people with any protected characteristics as road users. The full EqIA was not published with the agenda and reports, but was made available for the Cabinet on 4 December 2017 to consider with the report in order to make a decision. The Director for Environment and Economy also clarified that the impact on young children identified was specifically in Iwerne Minster, but there could be a similar risk to all school children crossing the roads and mitigation would be put in place on safety grounds at other points on the A350 or C13 if the appropriate criteria were met.

Further information was sought regarding the balance of mitigations for options 1 and 5. An outline of the concerns raised by blue light services was highlighted and how these had been responded to (in part) through the mitigations to Option 1, which included intelligent signage. This would not be the final liaison with blue light services as ongoing monitoring of speed, collision and flow information would continue as well as monitoring the chosen option.

Cllr Deborah Croney indicated that she supported Option 1, but given the concerns raised through the representations made at the meeting it was necessary to ensure all mitigations were in place to ensure safety, and that the VMS allowed for traffic to be as free flowing as possible. To make sure that all safety concerns of people living on the routes was taken into account she suggested that the following wording be included within the resolution:

'Regular liaison with Blue Light services to assess the impact of any issues on an initially high frequency and report back to lead Cabinet member and to the Cabinet through the Quarterly Asset Management Report.'

Following a request made earlier in the meeting for additional SIDs, it was confirmed that this would be considered as a helpful mitigation on both routes. The Director for Environment and Economy also confirmed that speed and collision data would continue to be published online.

Support was expressed for officers to make sure the quality of equipment was the best possible to ensure a continual service in order to make the best of the improvements and mitigations.

In addition, it was requested that the resolution make reference to the need for engagement to continue with the community groups on the resolution and work towards longer term solution. The addition of the wording was accepted.

Resolved

1. That Option 1 be taken forward by Dorset County Council based on the evidence presented in the Cabinet Member's report, and to ensure regular liaison with blue light services to assess the impact of any issues on an initially high frequency and report back to lead Cabinet member and to the Cabinet through the Quarterly Asset Management Report.
2. That engagement continues with the community groups on the resolution work towards longer term solution.

Reason for Decision

To confirm the preferred way forward to address the concerns of communities and road users and to provide certainty for residents on HGV routing on the A350 and C13 between Blandford Forum and Shaftesbury and to ensure a scheme can be delivered within the current financial year.

Panels and Boards

142 The Cabinet received the following minutes and recommendation:

Tricuro Executive Shareholder Group - 3 October 2017

142a **Noted**

Dorset Waste Partnership Joint Committee - 6 November 2017

142b **Resolved**

That the minutes of the meeting be received, and the budget recommendation be approved.

Recommendation 61 - Draft Revenue Estimates 2018-19

That the draft revenue estimates for 2018/19 be presented to partner councils for consultation and that the results are presented to the next Joint Committee on 15 January 2018.

Reason for Recommendation

The Inter-Authority Agreement required the Joint Committee to recommend a draft estimate for the following year to partner councils. This is to enable partners to give

their views on the draft estimates and to reflect them in their own budgets.

Dorset Health and Wellbeing Board - 8 November 2017

142c Very positive progress had been made in the informal sessions associated with the formal meeting which started to look at the rollout for early help and prevention. The record of the informal sessions would be developed and reported to Cabinet in a better way in the future.

Noted

Medium Term Financial Plan (MTFP) update

143 The Cabinet considered a report by the Cabinet Member for Community and Resources on the development of the Council's Medium Term Financial Plan from 2018-19 to 2020-21, the national and local issues impacting on the County Council's finances, and work to finalise the budget strategy including investment in Children's Services, and remaining budget gaps for 2018-19.

The budget position for the Council showed a projected overspend of £4.1m which continued to see challenges and pressure on budgets in Children's Services and Adult Social Care. There had been a steady decrease of the overspend throughout the year, but there was still a significant effort required to fulfil mitigation steps across the organisation to balance the budget by the year end. Investment in Children's Services for the recruitment of social workers was proposed based on social and economic impacts to enable future savings, and the investment would be offset by savings elsewhere in the directorate. The conditional investment was welcomed by members, in addition to the longer term savings as a result of the investment supported by a detailed business plan which would see a reduction in the number of looked after children from 64 per 10k of population, to 40 per 10k. Each looked after child costed a minimum of 30k per child, and was often much greater.

For Adult Social Care, progress was provided on the current level of discharges from hospitals (five main hospitals and nine community hospitals) which were doing much better, although there continued to be challenges with mental health related discharges, especially regarding appropriate accommodation. There was ongoing discussion with the Clinical Commissioning Group about discharges, but this was a national issue affecting councils across the whole Country.

The Chief Financial Officer highlighted the areas of work which still needed to progress, including the Government's provisional settlement expected around 13 December 2017, outstanding district and borough tax base funding, and analysis of the proposed pay award which was higher than anticipated and would add a further £1.2-1.5m to the budget gap.

Resolved

1. That the Directors' latest estimates of outturn for the current year, including the savings from the Forward Together programme and the proposals for managing the residual overspend in the current year be noted.
2. That the update from the Chancellor's budget statement from 22 November 2017 be noted.
3. That the latest projections for the current MTFP, including the level and adequacy of balances on the general fund be noted.
4. That the causes of the remaining budget gaps at this stage be acknowledged, and the work still being done to support it.
5. That the risks inherent in the assumptions being made in each Directorate underpinning a balanced budget position, be acknowledged, including the schedule of Forward Together savings set out in Appendix 2 of the Cabinet Member's report.
6. That the invest to save bid of £1m put forward by Children's Services, to enable the immediate recruitment of additional social workers to support the delivery of the

Directorates savings programmes, to be funded from the Councils transformation fund, be approved.

Reason for Decisions

To enable work to continue on refining and managing the County Council's budget plan for 2018-19 and the remaining MTFP period.

Quarterly Asset Management Report

144 (Note: Cllr Peter Wharf declared a general interest as the Chairman of the Planning Committee at Purbeck District Council in respect of the proposed bridge at Wareham Station. As this was not a disclosable pecuniary interest Cllr Wharf remained in the meeting, but did not take part in the debate on this particular matter.)

The Cabinet considered a report by the Cabinet Member for Community and Resources on the key issues relating to the various asset classes of the Council including Property, Highways, ICT, Fleet and Waste.

Support was given to the proposal to gift the freehold of the Lymat Youth Club site in Lytchett Matravers Parish Council by Cllr Peter Wharf as the local member. The forward-thinking approach of the Parish Council was welcomed. Other buildings in the area would also be considered in due course.

The recommendation in the report on works at the South Annexe at Colliton Park was withdrawn due to the context of Local Government Reorganisation and until there was an overall property strategy. The construction project was indirectly linked to work in relation to the Dorchester Learning Centre, and this item may come back for consideration depending on the business case.

The development of the Modernising Schools Programme Board terms of reference were discussed. The changes would broaden the focus of the Board from capital funding to also include sufficiency, alternative provision, special educational needs, and other areas of school provision across the whole of Dorset.

Efforts to locate a Drug and Alcohol Unit in Weymouth were summarised, with consideration being given by Weymouth and Portland Borough Council to find a suitable site. However, the funding for the project was time limited and could be at risk if a site was not found soon enough.

Resolved

1. That the use of the County Council's general powers of competence to gift the freehold of the Lymat Youth Club site in Lytchett Matravers, which is subject to a lease until 2056, to the Lytchett Matravers Parish Council, to the Parish Council and on further terms to be agreed by the Chief Financial Officer (Para 3.1.3 of the Cabinet Member's report) be approved.
2. That an increase of £300,000 to be made available for investment at Dorset Innovation Park as a loan for up to a ten-year period through Forward Funding from the County Council by way of prudential borrowing (Para 3.2.5 of the report) be approved.
3. That the disposal of West End House, Cattistock, on terms to be agreed by the Chief Financial Officer (Para 3.4.1 of the report) be approved.
4. That amendment of the Modernising Schools Board's title to "School Organisation, Capital Programme and Admissions Board", with amended governance and Terms of Reference as attached at Appendix 4 of the report (Para 3.5.4 of the report) be approved.
5. That the overall revised estimates and cash flows for projects as summarised and detailed in Appendix 1 (Para 8.2 of the report) be approved.
6. That the decision made using delegated powers to withdraw the planning application on 22 Abbotsbury Road, Weymouth pending further consideration of all options (Para 3.7.2 of the report) be endorsed.

7. That the use of delegated authority to the Interim Director for Children's Services, after consultation with the Cabinet Member for Children's Services and the Modernising Schools Programme Board, to approve four specific items relating to the Schools Basic Need Programme budget and the Capital Project Delivery Protocol (Para 3.6.3 of the report) be noted.
8. That the emerging issues for each asset class be noted.

Reason for Decisions

A well-managed Council would make best use of its assets in terms of optimising service benefit, minimising environmental impact and maximising financial return.

Highway Infrastructure Assets - 2018/19 Investment Strategy

- 145 The Cabinet considered a report by the Cabinet Member for Natural and Built Environment on the Highway Asset Management Plan and the strategic approach to managing the highway network across the County, including revised guidance from the Department for Transport (DfT).

The work of the Road Safety Team was also endorsed, recognising that road safety, education and training needed to be increased and encouraged with the public.

Resolved

That the change in strategic approach and subsequent investment in tackling high risk skid sites, to conform to revised Department for Transport guidance in relation to skid resistance, be approved.

Reason for Decision

To support key corporate aims linked to 'Safe', 'Healthy' and 'Prosperous', and to demonstrate adherence to national highway maintenance strategies.

Dorset Highways Revised Skid Policy

- 146 The Cabinet considered a report by the Cabinet Member for Natural and Built Environment on the County Council's policy to managing skid resistance on the highway network, which reflected changes in Department for Transport guidance.

Resolved

That the revised Skid Policy and approach to the management of skid resistance on the highway be approved.

Reason for Decision

To support key corporate outcomes and objectives linked to 'Safe' and 'Prosperous', and to demonstrate compliance with national guidance in relation to the management of skid resistance on the network.

Purbeck Health, Housing and Social Care Master Plan Memorandum of Understanding

- 147 The Cabinet considered a report by the Cabinet Member for Health and Care to jointly develop plans to re-provision and enhance Health, Social Care and Housing services in Wareham with Purbeck District Council, Dorset Healthcare NHS Foundation Trust, and NHS Dorset Clinical Commissioning Group.

The Memorandum of Understanding would provide a joint approach by all partners to take a holistic approach to service provision and the property required to deliver the services. The new approach was supported as a good news story for all partners and importantly would give the opportunity in Wareham to provide key worker accommodation and the possibility to create something exceptional given the land available. A framework of potential providers and constructors would be developed and submitted for Cabinet consideration in February 2018.

Cllrs Bill Pipe and Peter Wharf supported the proposal as local members.

Resolved

That the Memorandum of Understanding, to work with partners to develop a joint Health, Social Care, and Housing solution for Wareham be signed.

Reason for Decision

Signing up to the agreement would allow Dorset County Council to participate in further discussions and undertake more detailed analysis and planning.

DCC's response to South Western Railway's consultation on proposed changes from December 2018

148 The Cabinet considered a report by the Cabinet Member for Natural and Built Environment on a consultation by South Western Railways (SWR) on proposed timetable changes from December 2018, with focus on timetable 158 for the Weymouth – Waterloo Service and timetable 160 for the West of England line covering Sherborne and Gillingham.

Cllr Nick Ireland explained the feel and perception of local residents and parish councils in relation to the impact of service reduction by 50% at Moreton and Upwey stations, that the speed element of the routes was not a local priority, and he felt that the local views should be acknowledged as part of the County Council's response.

Purbeck District Council and West Dorset District Council were in the process of considering significant residential housing provision in the Crossways area. Local public transport provision was one of the key considerations to bear in mind to enable people to commute to work and access services. Given the direction of travel towards Local Government Reorganisation, it was felt that recognition should be given to any concerns of the district councils when responding as a County Council. It was agreed that officers would liaise further with local councils outside of the meeting to reflect the Dorset wide impact of the consultation and changes by the deadline of 22 December 2017.

Cllr Jill Haynes, as the local member for Maiden Newton, supported the Summer Saturday service retention.

Resolved

1. That the proposal of speeding up of services from Weymouth with improved service intervals between Weymouth and Bournemouth and the change in connectivity for smaller stations be welcomed.
2. That the proposal of seasonal Summer Saturday service between Waterloo and Weymouth via Gillingham, Yeovil and Maiden Newton be welcomed.
3. That delegated authority be granted to the Service Director – Economy, to engage with local councils to reflect to reflect the wider concerns as part of the County Council's response by the deadline date.

Reasons for Decisions

1. The aspiration for faster journey times to London were included in the Local Transport Plan 3 (LTP3) adopted by the Local Highway Authorities and the Dorset LEP Strategic Economic Plan. It had also been a long-held aspiration to have a more even interval between train services. There would still be provision to commute to and from London and there was little difference in the frequency of local services between Weymouth, Dorchester, Poole, Bournemouth and Southampton Central meeting the needs of most of Dorset's rail passengers.
2. The County Council has in the past contributed to a trial summer Saturday service on the route and more services on the Weymouth-Bristol line are included in LTP3.

Recommendations from Committees

149 The Cabinet considered the following recommendations:

Proposed Speed Limit Reduction C12, Charminster

149a The Cabinet considered a recommendation by the Regulatory Committee on 19 October 2017. Cllr Haynes supported the recommendation as the local member, and welcomed the Parish Council's contribution to the funding of the project.

The consideration of speed limit changes by the Regulatory Committee was questioned as the proposal had only received one objection. However, it was clarified that this was a national requirement to consider proposals which have received any number of objections.

Resolved

That having considered the objection received, the proposed reduction of the speed limit from 50 mph to 40mph on the C12 between Charminster and Lower Burton be approved.

Reason for Decision

The proposal would regulate or reduce the speed of vehicles to a level which drivers could readily meet the general hazards which may be expected on this road. This would also fulfil the County Council's obligation to review speed limits in light of changes in DfT (Department for Transport) guidance "setting local speed limits".

Proposed Speed Limit Reduction A353 White Horse Hill, Osmington

149b The Cabinet considered a recommendation from the Regulatory Committee meeting held on 19 October 2017.

As a local member and Chairman of Osmington Parish Council, Cllr Nick Ireland reported on the speed issues on the A353, as one of the most dangerous roads in the South West, and thoroughly commended the recommendation to the Cabinet. Cllr Ferrari, as a local member for part of the road, supported the recommendation.

Resolved

That the proposed reduction of the speed limit from 60 mph to 40mph on the A353 at White Horse Hill, Osmington be approved.

Reason for Decision

The proposal would regulate or reduce the speed of vehicles to a level which drivers could readily meet the general hazards which may be expected on this road. This would also fulfil the County Council's obligation to review speed limits in light of changes in DfT (Department for Transport) guidance "setting local speed limits".

Questions from County Councillors

150 A question was received from Cllr Nick Ireland to the Cabinet Member for Natural and Built Environment in relation to the No. 5 Bus Service serving the Linden Lea electoral division, as local member. The question and answer are attached to these minutes as an annexure.

A supplementary question was asked about how individuals with no transport would be able to find solutions to transport after the removal of the No. 5 Service, to which contact with appropriate transport officers was advocated in order to find a solution. And secondly, a request was made for a subsidy by the County Council until there was an alternative community transport solution, but no subsidy was available.

Further consideration of the factors affecting community transport within the Linden Lea electoral area would be considered outside of the meeting by the Cabinet Member for Natural and Built Environment and the local member.

Exempt Business151 **Resolved**

That in accordance with Section 100 A (4) of the Local Government Act 1972 to exclude the public from the meeting in relation to the business specified in minutes 151-156 as it was likely that if members of the public were present, there would be disclosure to them of exempt information as defined in paragraphs 3 and 4 of Part 1 of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

Residential Care - Children's Services

152 The Cabinet considered an exempt report by the Cabinet Member for Safeguarding on the options for the future of Maumbury House Residential Children's Home in Dorchester, including a proposal to commence consultation on the future of the home.

A statement from Cllr Richard Biggs was received and acknowledged at the meeting. Cllr Kayes echoed the concerns of Cllr Biggs and sought clarification about future use of the home and local provision of residential care across Dorset. It was clarified that the points being raised would be considered following the consultation and a decision would be made by the Cabinet in due course.

Cllr Deborah Croney highlighted development of Special Educational Needs provision, foster care and residential placements which would also contribute to the consideration of the future of residential care at Maumbury House.

Resolved

That a period of consultation lasting 45 days to consider the council's need for residential childcare provision in the current form provided at Maumbury House be approved.

Reasons for Decision

1. For the outline reasons detailed within the Cabinet Member's report; and,
2. A period of consultation would allow for a clear recommendation to be made to the Cabinet regarding the future use of Maumbury House Children's Home and consideration of alternative methods of care delivery within Dorset.

Bridport Social Care Development

153 The Cabinet considered an exempt report by the Cabinet Member for Health and Care regarding the development of new social care facilities in Bridport.

A summary of the social care provision was provided, which highlighted two sites in Bridport that would be required in the future. The proposal for one site at Veares Farm had been approved by the West Dorset District Council Planning Committee, and the second site was to be reviewed and reported back to the Cabinet in due course.

The third recommendation in the report was withdrawn from the report following developments since publication of the agenda in respect of a Day Opportunities Hub.

Cllr Ros Kayes, as the local member, welcomed the recommendations as the project had been ongoing for some time, and supported Option 1 for the use of the site as detailed in the Cabinet Member's report. In relation to recommendation 2, she asked if additional wording could be included in the resolution to read 'and where appropriate with locally affected members'. The Cabinet agreed to amend the recommendation.

Resolved

1. That the undertaking of detailed planning and outcome-based specification of a Care Village development in one of two possible configurations be approved.
2. That delegated authority be granted to the Transformation Programme Lead for the Adult and Community Forward Together Programme and Chief Financial Officer, after consultation with the Cabinet Member for Health and Care and the Cabinet Member for Community and Resources, and where appropriate with locally affected members, to make decisions regarding the detailed plan for Bridport development.

Reasons for Decisions

1. The two options presented provided the greatest scope for development of a range of solutions to meet current and future need within a reasonable timescale – these sites offered the greatest flexibility and could be developed relatively quickly.
2. Delegated authority would allow the Council to move quickly with the detailed specification and then procurement to secure a development partner in 2018.

Dorset County Council Block Purchase Agreement with East Borough Housing Trust (EBHT) and membership of the local government pensions scheme

- 154 The Cabinet considered an exempt report by the Cabinet Member for Health and Care regarding the Local Government Pension Scheme arrangements in relation to East Boro Housing. A detailed overview of the possible positive and negative financial impacts, and risk to the Council in relation to the proposal was provided.

Resolved

That the arrangements pertaining to the cessation of the provider as a member of the Dorset LGPS, and that Dorset County Council act as guarantor for future scheme liabilities, be approved.

Reason for Decision

This would afford both clarity and sustainability of these services for the term of the contract.

Approve the participation of Dorset County Council in a Cross-regional framework tender by the 19 Local Authorities in Southern England for Residential Placements for Looked After Children

- 155 The Cabinet considered an exempt report by the Cabinet Member for Safeguarding in relation to contractual arrangements for access to a cross-regional framework providing additional high quality residential placements for looked after children which would help to prevent spot purchasing.

Resolved

That the participation of Dorset County Council in a cross-regional framework tender be approved.

Reason for Decision

To comply with the Contract Procedure Rules and EU Procurement Regulations.

Approval for Participation in a Sub-Regional Framework Tender for Supported Housing Placements for Care Leavers and Other Vulnerable Young People

- 156 The Cabinet considered an exempt report by the Cabinet Member for Safeguarding in relation to the contractual arrangements to access a county-wide framework for additional high quality Supported Housing for Care Leavers and other Vulnerable Young People.

Resolved

That Dorset County Council's participation in a Sub-Regional Framework Tender for Supported Housing Placements for Care Leavers and Other Vulnerable Young People be approved.

Reason for Decision

To comply with the Contract Procedure Rules and EU Procurement Regulations.

Meeting Duration: 10.00 am - 12.40 pm

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Cabinet

Minutes of a meeting held at County Hall, Colliton Park, Dorchester, Dorset, DT1 1XJ on Wednesday, 17 January 2018.

Present:

Rebecca Knox	Leader of the Council
Jill Haynes	Deputy Leader and Cabinet Member for Health and Care
Steve Butler	Cabinet Member for Safeguarding
Deborah Croney	Cabinet Member for Economy, Education, Learning and Skills
Tony Ferrari	Cabinet Member for Community and Resources
Daryl Turner	Cabinet Member for Natural and Built Environment
Peter Wharf	Cabinet Member for Workforce

Members Attending:

Cherry Brooks, County Councillor for South Purbeck
 Ray Bryan, County Councillor for Moors
 Graham Carr-Jones, County Councillor for Stalbridge and the Beacon
 Hilary Cox, Chairman of the County Council
 Spencer Flower, County Councillor for Verwood and Chairman of the Dorset and Wiltshire Fire and Rescue Service Authority
 David Harris, County Councillor for Westham
 Nick Ireland, County Councillor for Linden Lea
 Byron Quayle, County Councillor for Blandford Forum

Officers Attending:

Debbie Ward (Chief Executive), Richard Bates (Chief Financial Officer), Nick Jarman (Interim Director - Children's Services), Jonathan Mair (Head of Organisational Development - Monitoring Officer), Matthew Piles (Service Director - Economy) and Fiona King (Senior Democratic Services Officer).

(Notes:(1) In accordance with Rule 16(b) of the Overview and Scrutiny Procedure Rules the decisions set out in these minutes will come into force and may then be implemented on the expiry of five working days after the publication date.
 Publication Date: **Tuesday, 23 January 2018.**

(2) These minutes have been prepared by officers as a record of the meeting and of any decisions reached. They are to be considered and confirmed at the next meeting of the Cabinet to be held on **Wednesday, 31 January 2018.**)

Apologies for Absence

1 There were no apologies for absence.

Code of Conduct

2 There were no declarations by members of disclosable pecuniary interests under the Code of Conduct. However, the following interest was declared:

Cllr Deborah Croney declared a general interest in minute 8a as a resident of Iwerne Minster living in the vicinity of both the C13 and the A350. She stated that she had taken advice and that she had no disclosable pecuniary interest. Cllr Croney remained in the meeting and took part in the debate.

Minutes

- 3 The minutes of the meeting held on 6 December 2017 were confirmed and signed.

The Cabinet Member for Natural and Built Environment advised members that there would be a Transport Enquiry Day on 26 February 2017.

Public Participation

- 4 Public Speaking
One public question was received at the meeting in accordance with Standing Order 21(1) which related to the No.5 Bus Service serving the Linden Lea electoral division. The question and answer are attached as an annexure to these minutes.

There were no public statements received at the meeting in accordance with Standing Order 21(2).

Petitions

There were no petitions received at the meeting in accordance with the County Council's Petition Scheme.

Cabinet Forward Plan

- 5 The Cabinet considered the draft Forward Plan, which identified key decisions to be taken by the Cabinet on or after the next meeting. The following additions were noted:

- Local Authority school relations – March 2018
- Special School Provision – February/March 2018 (minute 12)

Noted

Dorset and Wiltshire Fire and Rescue Authority - Annual Report

- 6 The Cabinet considered the first Annual Report for the newly created Dorset and Wiltshire Fire and Rescue Service Authority.

The Chairman of the Dorset and Wiltshire Fire and Rescue Service Authority presented their Annual Report and advised members that this had been a critical year for the combination and that they had achieved the majority of the savings required and the tasks that had to be completed in their first year. He highlighted the key points in the report for members and noted that whilst there was a heavy reliance on retained firefighters issues and challenges were still present. Following governance work and support from authorities it was noted that from June 2018 there would be 18 members on the Fire Authority instead of the rather unwieldy 30. The Chairman referred to the Police and Crime Commissioner (PCC) wishing to become involved with the Authority but at present the main thrust was to be ready for the Annual General Meeting, but consideration of the involvement of the PCC could be given at a later date.

The Chief Fire Officer offered members of the Cabinet reassurance following the Grenfell Tower tragedy noting that there were some similar size buildings mainly in Bournemouth, Poole and Swindon but some within the County Council area. Officers had now visited all the buildings to ensure they were safe and had also reassured residents.

He advised members that no fire related lives had been lost in the Dorset area in year 1, although subsequent issues had arisen and were highlighted. Although £4m had been saved from a £54m budget the Chief Fire Officer highlighted that there were still further challenges and savings to be faced.

Members were most appreciative to the Chairman and Chief Fire Officer for sharing their Annual Report and insights to their Authority with them.

In respect of the Grenfell work, Cllr Rebecca Knox, as the Leader of the Council, thanked the Chief Fire Officer and his officers for being so communicative with leaders and officers in Dorset. She assured him that they were lobbying Government for the Fire Service grant to be reviewed in light of the extra work this tragedy had caused. It was added that if it was felt at any time there were any barriers that needed drawing to her attention to please let her know.

Noted

Admission Arrangements 2019-2020 and Transport Policy 2018-2019

7 The Cabinet considered a report by the Cabinet Member for Economy, Education, Learning and Skills on the consultation arrangements and annual consideration of the Council's admission arrangements for 2019-2020 and Transport Policy for 2018-2019. The report had also been considered by the People and Communities Overview and Scrutiny Committee at their meeting on 10 January 2018.

Cllr Deborah Croney highlighted changes to the eligibility policy focussing on incremental rises which was comparable with other authorities. She made reference to the minutes of the Overview and Scrutiny Committee meeting and agreed that some elements warranted further investigation. There was now an opportunity to do this to help inform their decision.

There was concern raised by members of the Overview and Scrutiny Committee about the Post 16 Transport element as the financial case had not been presented with the papers and she would like to take the opportunity for this to be looked at again to see if the proposed change was affordable. Following further reflection and the feedback from the Overview Scrutiny Committee she proposed that recommendations 'b' and 'd' in the Interim Director's report be deferred (shown as resolutions 4 and 5 below). The Cabinet Member for Natural and Built Environment supported this proposal and stressed the need for all to fully understand the transport costs across the organisation.

Resolved

That the following arrangements, policies and changes to admission numbers be adopted:

1. Dorset County Council Admissions Arrangements including the Co-Ordinated Scheme, the Admissions Arrangements for Community and Voluntary Controlled Schools in Dorset 2019- 2020, the Admission of Armed Forces Community Children Policy and the Guidance on the Placement of a Pupil Outside His or Her Normal Age Group, the 6th Form Admissions Policy and the Nursery Admissions Policy.
2. That the identification of a transport catchment area for the Swanage School be approved.
3. That the Pupil Admission Number for Charmouth Primary School be reduced from 25 to 15.
4. That the Home to School Transport Assistance Eligibility Policy for Children and Young People attending School 2018-2019 and the Dorset Post 16 Transport Support Policy for 2018-2019 which includes a rise in the surplus seat price from £640 to £770. Cabinet were advised that a cost of £795 would be used for consultation in April 2018 for September 2019 surplus seat/cost recovery charge. This recommendation be deferred pending further information.
5. That approval of either the 3 or 5 mile criteria for the reduction of 50% for contribution towards post 16 transport be also deferred pending further information.

Reasons for Decisions

1. To determine admissions arrangements in accordance with statutory requirements including the Schools Admissions Code December 2014.
2. To ensure compliance with the latest legislation and subsequent regulation/statutory guidance.

Recommendations from Committees

8 The Cabinet considered the following recommendation:

Proposed Introduction of a 20mph Zone in Iwerne Minster

8a The Cabinet considered a recommendation by the Regulatory Committee on 4 January 2018, as four objections had been received when the proposal had been formally advertised.

Cllr Deborah Croney, as the local member for Hambledon, highlighted the work that could be achieved with Parish Councils working with the County Council and was pleased to report that they fully supported the recommendation. She also supported the recommendation and stated that she had been campaigning for a speed reduction since before she became a County Councillor.

Cllr Croney also wished to place on record her thanks to Peter Finney, a former County Councillor, for all his work at the start of this project.

Resolved

That having considered the objections received, the proposed introduction of a 20mph Zone in Iwerne Minster be approved.

Reasons for Decision

1. The proposals would regulate or reduce the speed of vehicles to a level which drivers could readily meet the general hazards which might be expected on these roads.
2. Also, to fulfil the Council's obligation to review speed limits in light of changes in DFT (Department for Transport) guidance 'Setting local speed limits'. The Dorset 20mph Speed Limit Policy was approved by the Environment Overview Committee in January 2014. This allowed Parish Councils to fund 20mph speed limits and 20mph zones subject to meeting the criteria laid out in the County Council's speed policy.

Panels and Boards

9 The Cabinet received the following minutes:

Tricuro Executive Shareholder Group - 27 November 2017

9a The minutes from the Tricuro Executive Shareholder Group meeting held on 27 November 2017 were noted.

Cllr Jill Haynes advised members that since these notes had been published they had received notice of an increase in salaries from 1% to 2%. There would be a Shareholder meeting towards the end of February 2018 when this would be discussed further.

Noted**Executive Advisory Panel for Pathways to Independence/Social Care – 4 December 2017**

9b The minutes from the Executive Advisory Panel for Pathways to Independence/Social Care meeting held on 4 December 2017 were noted.

Cllr Jill Haynes highlighted the Civica work and advised that they had been commissioned to do more and to continue to review the means-tested contributions to

the cost of their care. Work was ongoing to look at transport charges that were made and how they would be made in the future.

In respect of Extra Care Housing, she highlighted that this way of looking after people in the communities with investors and housing associations was really important.

Reference was made to the changes to mobility allowances and the need to understand the full impact of these before moving forward.

Noted

Questions from County Councillors

10 A question was received from Cllr Clare Sutton to the Cabinet Member for Natural and Built Environment in relation to the Council's Waste Plan and Non-Hazardous Residual Waste Treatment.

A question was also received from Cllr Nick Ireland to the Cabinet Member for Natural and Built Environment in relation to the No.5 Bus Service serving the Linden Lea electoral division, as local member.

The questions and answers to both are attached to these minutes as an annexure.

Cllr Nick Ireland asked 2 further supplementary questions:-

'Speaking for the many residents of Linden Lea that would be been severely impacted by the withdrawal of the First No.5 Service, I congratulate Damory for stepping up and providing a replacement public bus service and appreciate the efforts of Cllr Daryl Turner and the Head of Economy and his team in achieving this. I note however that the contract awarded to Damory was solely for the provision of transport for entitled students to and from Thomas Hardy School and made no provision to ensure the service was open to the public.'

Can the Portfolio Holder explain that whilst the Equality Impact Assessment for the Public and School Transport Review mentions (twelve times no less!) both the need and intention to open publicly funded school bus services to all as mitigation for the loss of rural services, the seven year contracts awarded under the One School, One Operator model failed to require that this was done and hence we now have the situation where none of the existing Damory operated school services in Linden Lea division are 'open' and residents of villages such as Dewlish and Owermoigne for example, who have no publicly available service of any description, have to watch buses paid for by their council tax pick-up and drop-off daily without providing them a means of accessing the services and facilities of Dorchester?

Given that the proposed public service is described by Damory as 'experimental' and hence presumable subject to review, with Cllr Turner provide both an assurance and commitment that any new contract awarded from September onwards will ensure that the school time service for entitled children will be also a registered and open route for the general public?'

Cllr Daryl Turner responded that the majority of the questions had been answered in the original question and answers which were contained in the annexure to these minutes. He also added that the County Council was obliged to provide an entitled service for children, but they could not influence what service commercial operators provided. The message to residents had to be 'use it or lose it'.

All the officers who had been involved in the recent work of the No.5 bus service were thanked for their efforts.

Exempt Business**11 Resolved**

That in accordance with Section 100 A (4) of the Local Government Act 1972 to exclude the public from the meeting in relation to the business specified in minute 14 as it was likely that if members of the public were present, there would be disclosure to them of exempt information as defined in paragraph 4 of Part 1 of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

The Relocation of Dorchester Learning Centre in to Monkton Park Premises

12 The Cabinet considered a joint exempt report from the Cabinet Member for Economic Growth, Education, Learning and Skills and from the Cabinet Member for Community and Resources which included a business case for the re-location of the Dorchester Learning Centre into the Monkton Park premises.

Officers were thanked for their hard work in putting the evidence forward for members to consider and highlighted the substantial risk if nothing was done. The proposal was highlighted and it was noted that it was a logistical and complex issue. There was a need to get detailed costings for the move which was currently being investigated.

In thinking about the potential movement of staff and site disposal an additional recommendation was proposed by Cllr Deborah Croney that a small Project Steering Group be established, led by the Manager of the Design and Development Team in Children's Services with political oversight by herself and Cllr Tony Ferrari and with input from the Estates team.

Cllr Tony Ferrari, as part of his resources role, highlighted that although this was unbudgeted expenditure it would be implicit to address the usage of the rest of the site to remedy the budget hole that this project created. It would be important to communicate to the new school the plans for the site and to highlight that they would not have access to all of it.

Following a question about special schools, it was advised that there would be a further report to the Cabinet on this in February/March 2018.

Cllr David Harris as the Chairman of the Audit and Governance Committee advised the Cabinet the next Committee meeting on 19 January 2018 would be looking at asset management to ensure that things were working together.

Cllr Nick Ireland as the local member for Linden Lea, added that he felt his Parish Council would be supportive of the proposed recommendation and would accept sensitive redevelopment of the area.

Resolved

1. That the recommendation in Section 9 of the business case for Monkton Park, included in the exempt report, and the potential relocation of Dorchester Learning Centre along with authorisation for officers to pursue Option 3 (relocate to Learning Centre within Monkton Park) in order to achieve the earliest improvement in provision of facilities for learners who attend the Centre be approved.

2. That a small Project Steering Group be established, led by the Manager of the Design and Development Team in Children's Services with political oversight by the Cabinet Member for Economy, Education, Learning and Skills and the Cabinet Member for Community and Resources and with input from the Estates team be approved.

Reasons for Decisions

1. There was an urgent requirement to improve the suitability, quality and safety of the facilities at the Dorchester Learning Centre.

2. Previous attempts to find an alternative site for the Learning Centre were unsuccessful in finding any site which was suitable or affordable. Therefore a relocation within the Monkton Park site was the most suitable and cost effective option for improving provision for the Learning Centre.

Meeting Duration: 10.00 am - 11.10 am

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Cabinet

Minutes of a meeting held at County Hall, Colliton Park, Dorchester, Dorset, DT1 1XJ on Wednesday, 31 January 2018.

Present:

Rebecca Knox	Leader of the Council
Jill Haynes	Deputy Leader and Cabinet Member for Health and Care
Steve Butler	Cabinet Member for Safeguarding
Deborah Croney	Cabinet Member for Economy, Education, Learning and Skills
Tony Ferrari	Cabinet Member for Community and Resources
Daryl Turner	Cabinet Member for Natural and Built Environment

Members Attending:

Graham Carr-Jones, County Councillor for Stalbridge and the Beacon
 Spencer Flower, County Councillor for Verwood and Three Legged Cross
 Nick Ireland, County Councillor for Linden Lea

Officers Attending:

Debbie Ward (Chief Executive), Richard Bates (Chief Financial Officer), Nick Jarman (Interim Director - Children's Services), Jonathan Mair (Head of Organisational Development - Monitoring Officer), Matthew Piles (Service Director - Economy) and Lee Gallagher (Democratic Services Manager).

For certain items, as appropriate:

Jim McManus (Chief Accountant).

- (Notes:(1) In accordance with Rule 16(b) of the Overview and Scrutiny Procedure Rules the decisions set out in these minutes will come into force and may then be implemented on the expiry of five working days after the publication date.
 Publication Date: **Tuesday, 6 February 2018.**
- (2) These minutes have been prepared by officers as a record of the meeting and of any decisions reached. They are to be considered and confirmed at the next meeting of the Cabinet to be held on **Wednesday, 14 February 2018.**
- (3) **RECOMMENDED** in this type denotes that a decision of County Council is required.)

Apologies for Absence

13 Apologies for absence were received from Mike Harries (Corporate Director for Environment and Economy). Matthew Piles (Service Director – Economy) attended the meeting for Mike Harries.

Code of Conduct

14 There were no declarations by members of disclosable pecuniary interests under the Code of Conduct.

Minutes

15 The minutes of the meeting held on 17 January 2018 were confirmed and signed.

Matter Arising

Min 10 – Questions from County Councillors

Cllr Daryl Turner clarified that in relation to comments about the influence the Council

had in respect of commercial services, he wished to amend the minute to read 'He also added that the County Council was obliged to provide an entitled service for children, and could not decide commercial services by operators but could try to influence positive outcomes where possible'.

Public Participation

16 Public Speaking

There were no public questions received at the meeting in accordance with Standing Order 21(1).

There were no public statements received at the meeting in accordance with Standing Order 21(2).

Petitions

There were no petitions received at the meeting in accordance with the County Council's Petition Scheme.

Cabinet Forward Plan

17 The Cabinet considered the draft Forward Plan, which identified key decisions to be taken by the Cabinet on or after the next meeting. The following changes were noted:

- Local Government Reorganisation Progress and Work Programme – Date to be confirmed or special meeting to be arranged to consider the report.
- Local Authority School Relations – March 2018
- Home to School Transport – Outstanding Policy Consultation – Date to be confirmed

Resolved

That the Forward Plan be updated to include the items listed above.

The County Council's Budget

18 The Cabinet considered the following reports in relation to the County Council's budget:

Medium Term Financial Plan (MTFP) and Budget 2018-19 to 2020-21

18a The Cabinet considered a report by the Cabinet Member for Community and Resources on the Medium Term Financial Plan (MTFP) and Budget for 2018-19 to 2020-21. The report is attached as an annexure to these minutes.

Cllr Tony Ferrari provided a detailed introduction to the report and highlighted that, as an evolution of the policies of the Council, funding to both children's and adult services had been allocated differently due to financial pressures and transformation, and there was continuing pressure to make savings. The opportunity from Government to increase Council Tax base from 1.99% to 2.99% was proposed for 2018/19, and was also assumed for 2019/20, but could not be assumed for future years after 2019/20 so a prudent 1.99% increase was assumed. For these two years the additional 1% increase would raise just over £2m. However, the impact of the Local Government pay settlement would create an additional pressure on the budget of £1.4m. The social care precept of 3% would remain in place and form part of the overall Council Tax proposal of 5.99%. The Council Tax increase would create additional revenue of approximately £13m, but a further £18m was still required in savings for 2018/19 due to ongoing cost pressures.

An explanation was provided on other factors affecting the Council's budget planning assumptions in relation to the ability to create capital receipts and use the funding raised towards transformation, and continued lobbying and consultation in spring 2018 on negative Revenue Support Grant (RSG) funding from Government in 2019/20. A new funding formula would be applied by Government in 2020/21 which

would remove the negative RSG issues.

The importance of transparency and communications regarding the ongoing budget pressures of the Council was discussed. It was felt that more proactive communications were needed to explain why the increases in Council Tax were needed, the extremely challenging work to provide services, increasing demands, and justification of the significant factors facing areas such as social care.

Specific reference was made to the children's services high needs budget and Special Educational Needs and Disability (SEND) activity, and that further information on the direction of travel and relationships with schools would be considered in March 2018.

Reference to the downward trend of highway condition and risks associated with the tender of transport contracts were included in the discussion. However, ongoing work with the Clinical Commissioning Group and the NHS could provide visionary changes in relation to holistic transport provision.

The Cabinet discussed the need to make budget information available moving forward for the new Dorset Council, which needed to build on considerations included in the Cabinet Member's report at paragraph 1.4 which started to outline the sense of direction that would be needed, and it would also need to provide visibility to the work of the Organisational Transformation Board.

Resolved

That, subject to confirmation of funding levels once the final settlement was received:

1. The service issues and risks associated with the savings measures arising from the updated Forward Together programme, set out in Appendix 2 of the Cabinet Member's report be agreed as the measures upon which further consultation takes place;
2. The risks associated with the use of one-off funding through flexible capital receipts and collection fund surpluses to balance the budget be noted;
3. The Council Tax increase of 2.99% for 2018-19 and note the assumption of 2.99% in 2019-20 and 1.99% beyond that be confirmed; and,
4. The Social Care Precept of 3% for 2018-19 and 0% in 2019-20, bringing the three-year total to the 6% allowed by Government be confirmed.

RECOMMENDED

1. That the County Council be recommended to approve:
 - a) the revenue budget strategy for 2018-19 to 2020-21:
 - b) the budget requirement and precept for 2018-19; and,
 - c) the position on general balances and reserves.
2. That the Chief Financial Officer present to the County Council a schedule setting out the Council Tax for each category of dwelling and the precepts on each of the Dorset Councils for 2018-19.
3. That the proposal to increase fees and charges for non-residential adult social care services by 5% in 2018-19 be approved.

Reason for Recommendations

To approve the Council Tax increase for 2018-19 and to enable work to continue to refine and manage the County Council's budget strategy for the remaining MTFP period.

Treasury Management Strategy Statement and Prudential Indicators for 2018-19

- 18b The Cabinet considered a report by the Cabinet Member for Community and Resources on the Treasury Management Strategy Statement and Prudential Indicators for 2018-19. The report is attached as an annexure to these minutes.

The Chief Financial Officer highlighted the importance of the Treasury Management Strategy and the parameters within which treasury management activity contributed as a vital part of the governance of the Council.

In terms of the borrowing capacity of the Council, it was confirmed that borrowing was built into a ceiling mechanism which had not been exceeded in recent years, but the level of borrowing was managed close to the ceiling of the operational range.

RECOMMENDED

The Cabinet recommends to the County Council approval of:

1. The Prudential Indicators and Limits for 2018/19 to 2020/21.
2. The Minimum Revenue Provision (MRP) Statement.
3. The Treasury Management Strategy.
4. The Investment Strategy.
5. Delegation to the Chief Financial Officer to determine the most appropriate means of funding the Capital Programme.

Reasons for Recommendations

1. The Prudential Code provided a framework under which the Council's capital finance decisions were carried out. It required the Council to demonstrate that its capital expenditure plans were affordable, external borrowing was within prudent and sustainable levels and treasury management decisions were taken in accordance with professional good practice. Adherence to the Prudential Code was mandatory as set out in the Local Government Act 2003.
2. This report recommended the indicators to be applied by the Council for the financial years 2018/19 to 2020/21. The successful implementation of the code would assist in our objective of developing 'public services fit for the future'.

Asset Management Capital Priorities

18c The Cabinet considered a joint report by the Cabinet Members for Community and Resources and Natural and Built Environment on the Asset Management Capital Priorities. The report is attached as an annexure to these minutes.

On considering the report a summary of the need to manage the available capital funding within the borrowing ceiling as part of the Treasury Management arrangements was provided. If the ceiling was met capital funding would only be generated through the sale of assets or after the repayment of previous commitments. This would introduce much lower levels of capital financing that the Council was historically used to.

The importance of the Digital Strategy was highlighted as key capital investment for the future to develop integration of services and drive out further efficiencies.

In relation to the investment in the Dorset History Centre extension as match funding to a Heritage Lottery Fund bid, it was confirmed that the bid had been unsuccessful but there were further possibilities being explored to add extra space that were being developed and would hopefully be significantly cheaper than the original scheme.

The Department for Transport and the Department for Education had not yet announced capital allocations, but would be added to the existing funding once notified.

RECOMMENDED

That the County Council be recommended to approve the capital programme for 2018/19 to 2020/21.

Reason for Recommendation

The available resources after taking account of committed projects were sufficient to

meet the current capital programme.

Consent to orders under the Cities and Local Government Devolution Act

- 19 The Cabinet considered a report by the Leader of the Council on consent to orders under the Cities and Local Government Devolution Act to enable Local Government Reorganisation to take place pending the final decision of the Secretary of State to progress the reorganisation.

Resolved

That the Chief Executive be granted delegated authority, after consultation with the Leader of the Council, to provide all necessary consents to enable the Secretary of State to make regulations under section 15 of the Cities and Local Government Devolution Act 2016 to enable local government reorganisation in Dorset to take place.

Reason for Decision

In order to enable the Secretary of State to make regulations so that local government reorganisation may take place simply and efficiently.

Panels and Boards

- 20 The Cabinet received the following minutes:

Dorset Waste Partnership Joint Committee - 15 January 2018

- 20a The minutes from the Dorset Waste Partnership Joint Committee meeting held on 15 January 2018 were noted.

Noted

Questions from County Councillors

- 21 A question was received from Cllr Clare Sutton to the Cabinet Member for Community and Resources in relation to Fees and Charges for Non-Residential Adult Social Care. The question and answer are attached as an annexure to these minutes.

A justification was also provided regarding the Consumer Price Index quoted in the question as the rate at the time of the decision to increase fees and charges by 5% was 3% at the time. This meant that a realistic extra cost faced by the County Council would have been approximately £120k instead of the £138k quoted in the direct answer to the question from Cllr Sutton.

It was further clarified that the increase of 5% on fees and charges was only applied to service users as a result of a financial assessment where the outcome indicated that they were able to pay.

Noted

Meeting Duration: 10.00 am - 10.50 am

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Recommendation from the Cabinet meeting held on 31 January 2018

Medium Term Financial Plan (MTFP) and Budget 2018-19 to 2020-21

18a The Cabinet considered a report by the Cabinet Member for Community and Resources on the Medium Term Financial Plan (MTFP) and Budget for 2018-19 to 2020-21. The report is attached as an annexure to these minutes.

Cllr Tony Ferrari provided a detailed introduction to the report and highlighted that, as an evolution of the policies of the Council, funding to both children's and adult services had been allocated differently due to financial pressures and transformation, and there was continuing pressure to make savings. The opportunity from Government to increase Council Tax base from 1.99% to 2.99% was proposed for 2018/19, and was also assumed for 2019/20, but could not be assumed for future years after 2019/20 so a prudent 1.99% increase was assumed. For these two years the additional 1% increase would raise just over £2m. However, the impact of the Local Government pay settlement would create an additional pressure on the budget of £1.4m. The social care precept of 3% would remain in place and form part of the overall Council Tax proposal of 5.99%. The Council Tax increase would create additional revenue of approximately £13m, but a further £18m was still required in savings for 2018/19 due to ongoing cost pressures.

An explanation was provided on other factors affecting the Council's budget planning assumptions in relation to the ability to create capital receipts and use the funding raised towards transformation, and continued lobbying and consultation in spring 2018 on negative Revenue Support Grant (RSG) funding from Government in 2019/20. A new funding formula would be applied by Government in 2020/21 which would remove the negative RSG issues.

The importance of transparency and communications regarding the ongoing budget pressures of the Council was discussed. It was felt that more proactive communications were needed to explain why the increases in Council Tax were needed, the extremely challenging work to provide services, increasing demands, and justification of the significant factors facing areas such as social care.

Specific reference was made to the children's services high needs budget and Special Educational Needs and Disability (SEND) activity, and that further information on the direction of travel and relationships with schools would be considered in March 2018.

Reference to the downward trend of highway condition and risks associated with the retender of transport contracts were included in the discussion. However, ongoing work with the Clinical Commissioning Group and the NHS could provide visionary changes in relation to holistic transport provision.

The Cabinet discussed the need to make budget information available moving forward for the new Dorset Council, which needed to build on considerations included in the Cabinet Member's report at paragraph 1.4 which started to outline the sense of direction that would be needed, and it would also need to provide visibility to the work of the Organisational Transformation Board.

Resolved

That, subject to confirmation of funding levels once the final settlement was received:
1. The service issues and risks associated with the savings measures arising from the updated Forward Together programme, set out in Appendix 2 of the Cabinet Member's report be agreed as the measures upon which further consultation takes place;

2. The risks associated with the use of one-off funding through flexible capital receipts and collection fund surpluses to balance the budget be noted;
3. The Council Tax increase of 2.99% for 2018-19 and note the assumption of 2.99% in 2019-20 and 1.99% beyond that be confirmed; and,
4. The Social Care Precept of 3% for 2018-19 and 0% in 2019-20, bringing the three-year total to the 6% allowed by Government be confirmed.

RECOMMENDED

1. That the County Council be recommended to approve:
 - a) the revenue budget strategy for 2018-19 to 2020-21;
 - b) the budget requirement and precept for 2018-19; and,
 - c) the position on general balances and reserves.
2. That the Chief Financial Officer present to the County Council a schedule setting out the Council Tax for each category of dwelling and the precepts on each of the Dorset Councils for 2018-19.
3. That the proposal to increase fees and charges for non-residential adult social care services by 5% in 2018-19 be approved.

Reason for Recommendations

To approve the Council Tax increase for 2018-19 and to enable work to continue to refine and manage the County Council's budget strategy for the remaining MTFP period.

Cabinet

Dorset County Council



Date of Meeting	31 January 2018
<p><u>Cabinet Member</u> Tony Ferrari – Cabinet Member for Communities & Resources</p> <p><u>Lead Officer(s)</u> Richard Bates – Chief Financial Officer</p>	
Subject of Report	Medium Term Financial Plan (MTFP) and Budget 2018-19 to 2020-21
Executive Summary	<p>This report provides the final update on the major national and local issues facing the County Council and how they affect the 2018-19 budget and financial strategy in ensuing years.</p> <p>Previous Cabinet meetings have agreed the basis for final development of the budget and MTFP, subject to the finalisation of the Forward Together programme and the risks surrounding the savings targets therein.</p> <p>This paper summarises the development of the budget and MTFP throughout the year, culminating in recommendations for Cabinet to propose to County Council regarding Council Tax and Social Care Precepts, expenditure allocation and savings measures.</p> <p>The budget monitoring information for 2017-18 has been routinely provided through the regular MTFP updates to Cabinet. Appendix 1 sets out the latest (December) forecast, predicting an overspend of some £4.1m. The root causes of the overspend have been drawn to Members’ attention during the year and are summarised in this report. Focus will remain on reducing the overspend as far as possible, by 31 March to minimise the impact on the base budget in future years.</p> <p>Directors have made their best attempts to assess the impact of current and future years’ pressures and build them into the MTFP to ensure we understand and accurately define the size of the Forward Together programme that must be delivered and balance this against judicious use of reserves and balances. This has been a key consideration of the S151 Officer in considering his statutory duty to ensure a balanced, achievable budget.</p>

	<p><u>Summary of budget development</u></p> <p>The provisional local government finance settlement introduced flexibility around council tax for the next two years enabling the County Council to increase basic council tax by 2.99% in 2018-19 and 2019-20 to recognise inflationary pressures.</p> <p>In addition to the 2.99% increase, the County Council will levy a 3% adult social care (ASC) precept in 2018-19 meaning a 5.99% increase in the county’s council tax.</p> <p>This increase takes the total ASC levy to the 6% total that Government introduced in the current planning period.</p> <p>The Council’s Forward Together programme (Appendix 2) sets out a savings target for 2018-19 which recognises that as well as closing the £10.2m budget gap set out in section 6.2, there are base budget pressures (section 2.2) which must also be addressed.</p> <p>Surpluses on council tax collection funds will deliver one-off funding to allow the Council to accommodate further changes required as a result of reducing Education Services Grant and costs of transitioning some of our services, such as looked after children.</p> <p>The County Council has responded to the consultation on the 2018-19 provisional settlement and looks forward to engaging in further consultations on negative RSG and fair funding. We also await the adult social care green paper.</p>
<p>Impact Assessment:</p>	<p><u>Equalities Impact Assessment:</u></p> <p>In respect of the proposal to increase adult social care fees and charges, an EqIA screening tool has identified that a full EqIA is not required.</p> <p>The remainder of this update does not involve a change in strategy. As the strategies for managing within the available budget is developed, the impact of specific proposals on equality groups will be considered.</p> <hr/> <p><u>Use of Evidence:</u> This report draws on proposals and funding information published by the Government, briefings issued by such bodies as the Society of County Treasurers (SCT) and the content of Dorset County Council reports and financial monitoring data.</p> <hr/> <p><u>Budget:</u> The report provides an update on the County Council’s proposed budget strategy for 2018-19 and the following two years.</p> <p>Major risks that influence the development of the financial strategy include:</p> <ul style="list-style-type: none"> • views taken on changes in grant funding, business rates growth, inflation rates, demographic and other pressures and

	<p>income from locally raised tax, including the Social Care Precept;</p> <ul style="list-style-type: none"> • success in delivering the savings anticipated from the existing Forward Together programme and a further, significant transformation beyond that point to manage within our medium-term funding limits; • judgement on the prudent use of reserves, balances and contingency; • pressures arising that have not been factored into the budget and/or the Forward Together programme. <p>Risk Assessment: Having considered the risks associated with this decision using the County Council’s approved risk management methodology, the level of risk has been identified as: Current Risk: HIGH Residual Risk HIGH</p> <p>Other Implications: None.</p>
<p>Recommendation</p>	<p>The Cabinet is asked to consider the contents of this report and subject to confirmation of funding levels once the final settlement is received:</p> <ul style="list-style-type: none"> (i) consider the service issues and risks associated with the savings measures arising from the updated Forward Together programme, set out in Appendix 2 and agree these as the measures upon which further consultation takes place; (ii) note the risks associated with the use of one-off funding through flexible capital receipts and collection fund surpluses to balance the budget; (iii) confirm the Council Tax increase of 2.99% for 2018-19 and note the assumption of 2.99% in 2019-20 and 1.99% beyond that; (iv) confirm a Social Care Precept of 3% for 2018-19 and 0% in 2019-20, bringing the three-year total to the 6% allowed by Government; (v) recommend to the County Council: <ul style="list-style-type: none"> a) the revenue budget strategy for 2018-19 to 2020-21 b) the budget requirement and precept for 2018-19 c) the position on general balances and reserves; (vi) require the Chief Financial Officer to present to the County Council a schedule setting out the Council Tax for each category of dwelling and the precepts on each of the Dorset Councils for 2018-19. <p>And;</p>

	(vii) approve the proposal to increase fees and charges for non-residential adult social care services by 5% in 2018-19.
Reason for Recommendation	To approve the Council Tax increase for 2018-19 and to enable work to continue to refine and manage the County Council's budget strategy for the remaining MTFP period.
Appendices	<ol style="list-style-type: none"> 1. CPMI for December 2017 2. Summary of Forward Together programme and savings proposals for 2018-19 3. Provisional budget and precept summary 2018-19
Background Papers	Local Government finance settlement Spending reviews SCT briefing papers Previous MTFP updates to Cabinet
Officer Contact	Name: Jim McManus, Chief Accountant Tel: 01305 221235 Email: j.mcmanus@dorsetcc.gov.uk

1. Background

- 1.1 The Medium Term Financial Plan (MTFP) sets out the key financial arrangements and assumptions on which the County Council's budget is based. It underpins delivery of the County Council's Corporate Plan. This report is the fifth and final of the year to update Members on the budget strategy and the forecast for the remaining two years of the MTFP.
- 1.2 During the year Members have already developed and agreed a number of strategies, including for Council Tax, the Social Care Precept, use of collection fund surpluses, use of capital receipts, inflation, wage growth, demographic factors and capital financing. It was also understood that more detailed measures for savings from transformation in the Forward Together programme would come to the January meeting once fuller consideration had been given to the robustness of the revised programme by Directorate Management Teams.
- 1.3 These savings proposals and the assessment of the risk and potential impact of these upon the County Council's reserves and balances are the final building blocks in our financial model and must be clearly understood to ensure the risk to the organisation's financial security is managed robustly. These savings are set out in Appendix 2.
- 1.4 Cabinet is therefore asked to recommend the Budget Strategy to the County Council. In determining the Strategy, Council must take account of the following:
- the resources available; particularly through council tax and Social Care Precept, the settlement and the impact of the funding formula over the MTFP period;
 - the present national economic situation and the Government's adherence to the fiscal tightening strategy to balance the national budget in the longer term;

- advice and information issued by the Government, including the report of the Spending Review 2015 (and fixed, four-year funding) and the Chancellor's Autumn Budget issued in November 2017;
- the Prudential Code for Borrowing and the County Council's capital financing policy;
- the County Council's corporate aims and priorities, agreed by the Cabinet;
- the potential impact of the strategy on service provision and the Council's performance in key service areas;
- the risks associated with reducing funding for current services or not addressing budget pressures;
- the risks associated with the Forward Together programme savings and the elimination of the structural budget deficit over the MTFP period;
- the use of reserves and balances;
- ongoing macro-economic conditions, especially uncertainty around withdrawal from the European Union.

2. Development of the budget and MTFP

Opening position

- 2.1 Members may recall from very early reports that the opening position for the current MTFP round was a budget gap of £27.4m in the first two years. The December reported highlighted that by the time we had reworked our financial model and reviewed our assumptions for the full three years of the planning period, the budget gap was £35.4m with £12.4m of this falling in 2018-19.

Outturn, forecast of outturn and cost pressures during the year

- 2.2 In developing the 2018-19 budget, Members were mindful of the forecast overspend against service budgets in 2017-18 and the actual overspend in 2016-17. The position during 2017-18 has gradually improved over the year to the extent that we are currently predicting an overspend of £4.1m. We continue to do everything we can to reduce this figure. Appendix 1 sets out the summary budget monitoring information from December's forecasting round. Members have received numerous reports and updates on our anticipated outturn over the course of the year so no further analysis is provided here.

Local Government finance settlement

- 2.3 The provisional settlement was announced by the Secretary of State for Communities and Local Government, Sajid Javid, on 19th December 2017. Much of it was already known to us and there was no significant, additional funding for the sector.
- 2.4 Members had signed-up to the Government's four-year funding deal so despite the fact that we will continue to press our case around negative RSG in 2019-20 and for resolving funding uncertainty beyond that, there was comfort that the majority of our funding was known and was being planned for with relative certainty. The summary funding table from settlement is shown below.

Dorset					
Illustrative Core Spending Power of Local Government;					
	2015-16	2016-17	2017-18	2018-19	2019-20
	£ millions	£ millions	£ millions	£ millions	£ millions
Settlement Funding Assessment ²	73.3	56.1	43.6	38.6	29.3
Compensation for under-indexing the business rates multiplier	0.5	0.5	0.5	0.8	1.2
Council Tax of which;	195.9	204.9	217.1	232.0	240.8
<i>Council Tax Requirement excluding parish precepts (including base and levels growth)</i>	195.9	201.0	206.8	214.7	223.0
<i>additional revenue from referendum principle for social care</i>	0.0	3.9	10.3	17.2	17.9
<i>Potential additional Council Tax from £5 referendum principle for all Districts</i>	0.0	0.0	0.0	0.0	0.0
Improved Better Care Fund	0.0	0.0	7.4	9.8	11.8
New Homes Bonus ³	1.6	2.0	1.6	1.0	0.8
New Homes Bonus returned funding	0.1	0.1	0.1	0.0	0.0
Rural Services Delivery Grant	0.3	1.5	1.2	1.2	1.2
Transition Grant	0.0	3.0	2.9	0.0	0.0
The 2017-18 Adult Social Care Support Grant	0.0	0.0	1.9	0.0	0.0
Core Spending Power	271.8	268.2	276.4	283.3	285.1
Change over the Spending Review period (£ millions)					13.3
Change over the Spending Review period (% change)					4.9%

- 2.5 As part of the settlement the Government also announced additional flexibility around council tax, raising the limit for local referendums to 3% for the next two years. The County Council's MTFP now assumes council tax of 2.99% in 2018-19 and 2019-20, with a 1.99% annual increase after that. In addition to "core" council tax our plan also assumes social care precept of 3% in 2018-19 and nothing thereafter, in line with the 6% total allowed by Government over that three-year period.
- 2.6 The settlement also included some key announcements about future funding prospects for local government. The first of these was that there will be a new funding formula in place ready for 2020-21. The consultation on the relative needs and resources aspect of this has already been launched and the County Council will be working closely with fellow SCT members to ensure the government receives both shire county and Dorset County Council input into the development of a new formula.
- 2.7 2020-21 will also see the implementation of 75% retention of business rates. The retention of more business rates will see a compensating reduction in Revenue Support Grant, Rural Services Delivery Grant and Public Health grant.
- 2.8 Spring will also see the launch of a consultation on negative RSG, a move which is warmly welcomed by the County Council. The settlement documentation announced that "*The Government will look at fair and affordable options for dealing with 'negative RSG'...*". The County Council looks forward to contributing to the debate on this subject. At present our 2019-20 position is negative £10.1m RSG.
- 2.9 The Government also used the settlement to set out a commitment to publish a green paper by summer 2018 which will set out proposals for a sustainable settlement for social care. Government has already started a process of initial engagement through which it will work with experts, stakeholders and users to shape the green paper's proposals for long-term reform.
- 2.10 Grant information included in the settlement was broadly neutral for us, though there were changes in individual line items. For example, Rural Services Delivery Grant was £281k better than anticipated while New Homes Bonus was £230k lower.

Collection fund surpluses and growth in the base

- 2.11 Members will recall the most recent update around assumed growth of 0.75% in the Council Tax base and the use of £0.5m of surpluses to be declared on the collection funds for 2018-19. Actual figures from district colleagues mean we can revise our assumptions around growth to 1.26%. Collection Authorities have also told us that £4.1m will be distributed to us from surpluses in council tax collection funds as set out in Appendix C.
- 2.12 Much of this surplus is already included within previous financial assumptions around the need for one-off funding, however, so it is not new money. Members have previously been alerted to the need for short-term funds to manage the reduction in Education Services Grant (ESG) and to deal with the costs of looked-after-children as we transition to increased in-house fostering provision. These monies have therefore been treated as transfers to reserves in this budget round so they do not impact on the base budget and cause confusion when making comparisons between years. Money will be transferred from reserves as part of budget management in 2018-19, rendering this money one-off funding.

Flexible use of capital receipts

- 2.13 We continue to assume the use of £1m of capital receipts to help fund transformation costs and thereby contribute towards balancing the budget in 2018-19. The Government has also announced the extension of the flexible use of capital receipts for a further three years to 2021-22.
- 2.14 Cabinet has already approved £5m of capital receipt flexibility in the three years to 31/03/2019. £1.4m of this was applied in 2016-17 and further use is forecast in 2017-18. Our capital receipts strategy will therefore need to be revised in coming months and a paper on this subject will come back to Cabinet for approval in due course.

Base budget issues resolved

- 2.15 The additional funding provided by the flexibility around council tax has enabled base budget issues for the Coroner's Service to be resolved and also for additional funding to be provided for looked after children.

Pay award

- 2.16 The employers' pay offer of 2% plus higher increases for staff at lower pay points was higher than the 1% used in the development of the budget. There are further increases in 2019-20 which also need more detailed work. However, the additional cost in 2018-19 was around £1.5m, which has been built into the budget being presented to Members.
- 2.17 Provision has been made for National Living Wage costs in the MTFP and now the employers' offer for 2019-20 is clearer, more detailed work can be carried out to develop the next iteration of the budget and MTFP.

3 Council tax strategy

- 3.1 Cabinet has been clear and consistent in its strategy for council tax throughout recent budget rounds. The sustained reductions in funding from Government have meant

that Cabinet had found it necessary to continue to increase council tax by 1.99% each year.

- 3.2 However, the additional flexibility – prompted by higher inflation – that was announced in the settlement means that Cabinet has now agreed to 2.99% annual increases in council tax in 2018-19 and in 2019-20. After that, the assumed increase reverts back to 1.99% in line with longer-term expectations around inflation and the flexibility allowed by Government.
- 3.3 In addition to this core council tax assumption, Cabinet has agreed to levy 3% Social Care Precept in 2018-19 and 0% in 2019-20. This will bring the total increase in this precept to the 6% agreed by Government over the three-year period to 2019-20. All funding delivered through the Social Care Precept must be used for adult social care. This does not, however, mean that the Adult & Community Services budget simply increases by this amount. This budget remains the highest area of the Council's spend and clearly cannot be protected from either efficiency savings or other budget reductions, such is the continuing magnitude of the funding change.

4 Contingency, reserves and balances

- 4.1 The 2017-18 base budget for contingency was £2.3m. As usual, it has been subject to a broad range of calls this year but the December CPMI is positive in anticipating an underspend of around £1.25m. This position could improve further, depending on any further calls on the fund. The core contingency budget for 2018-19 is at a similar level.
- 4.2 £1.7m was released from reserves during the year as the funding was no longer required for the reasons originally anticipated. This was added to the balance of the general fund which now sits at £14.1m. This is above the lower end of our operating range of £10m, however any residual overspend in 2017-18 will reduce this figure.
- 4.3 An analysis of the County Council's reserves, as at 31 March 2017 was prepared for Members in December. This will be reviewed and reissued to take account of this year's closing reserves figures after we have produced the accounts for 2017-18.

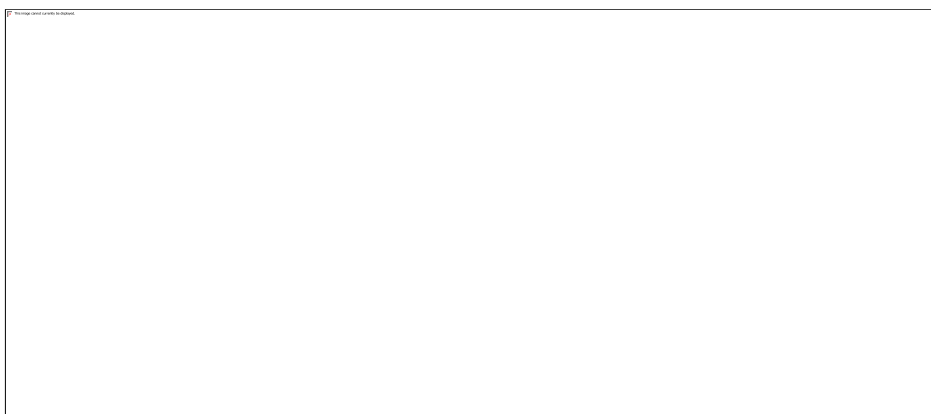
5 Forward Together position and prospects

Adult & Community Services

- 5.1 The Adult & Community Services budget is forecast to overspend by £1.15m. The overspend reflects £2.0m where more work is needed to achieve the Forward Together targets and £900k underspend in other areas of the Directorate.
- 5.2 The forecast is a reduction from the previous reported position and is due to vacant posts and in-year delays in recruiting to additional posts arising from the application of £1m for additional Social Care staff from the improved Better Care Fund. Pressure continues in the Service User related spend where the budget is forecast to be £2.7m overspent.
- 5.3 The Directorate has a savings target of £7.1m of which £5.6m is attributable to the Adult Care Service User budgets. £4.2m relates to reviews of packages of care, the letting of the Dorset Care contract and improving brokerage function, £1m additional income and £400k relating to improved use of technology.
- 5.4 There is slippage in the programme savings of £2.0m due to the complexity of some of the cases being reviewed. There is also further risk around the assumed savings from Dorset Care contract, that came into force in December 2017 and how much

impact that can have on the cost of care for the remainder of this year. It is for these reasons that it is still prudent to assume a high level of risk associated with savings going forward.

- 5.5 Moving in to 2018-19, the Directorate's budget will increase by approximately £2.4m. This is due to the Adult Social Care Precept (£6.7m) and an additional improved Better Care Fund (iBCF) allocation (£2.3m), offset by a previous Forward Together commitment of £6.6m. However, due to the underlying pressures within the service user budget (see para 5.2) and estimated inflation within the care market budgets of £2.5m (2.5%) the Forward Together savings requirement to meet the budget in 2018-19 will need to increase from £6.6m to £9.382m.
- 5.6 The proposed savings plan is shown in Appendix 2 with an appropriate risk rating against each area. Good progress is already being made towards some of the savings lines for 2018-19 with full-year effects of this year's work contributing towards reducing the cost of packages of care and additional income.
- 5.7 The wider directorate budget savings reflect both transformation strategy and a shift to ensuring that management costs are managed effectively. The reduction in planned spend in Libraries includes a reduction in the book fund of £225,000. This reflects a growing use of the digital offer and the increasing role of libraries beyond loaning books to a well-being and community facility.
- 5.8 In other areas there is much more risk associated with the programme through a combination of complexity and timing to achieve a full year effect in year. The savings include plans to improve the efficiency and value for money of Tricuro. This is the Local Authority Trading Company, where through individual assessment of eligible service users, current care packages in day services will be reviewed and may lead to a change in the day services offered with a focus on meeting outcomes and value for money. In addition, non-adult social care functions such as catering within the company will have subsidy removed and more efficient use of capacity in residential care will be implemented.
- 5.9 The directorate transformation programme promotes a greater focus on personalisation, including offering all service users the opportunity to take a direct payment to pay for their care, enabling them to have more control and flexibility in how their care needs will be met. This, alongside commissioning focused on outcomes and demand management, agreeing prices with the market reflecting value for money and meeting the requirement for high quality care and greater community capacity, will contribute to the delivery of savings.
- 5.10 Members are also asked to approve the proposal to increase fees and charges for non-residential, adult social care services by 5% in 2018-19 (subject to financial assessment and only those who can afford to pay will pay). The proposal was discussed at the Executive Advisory Panel for Pathways on 4th December, as reflected in the minutes presented to the Cabinet on 17th January. The Panel resolved that a 5% increase was appropriate for the Cabinet to consider and asked for some examples to be provided. The examples are set out in the following table:



- 5.11 Members will be aware that nationally adult social care is facing unprecedented demands, and in Dorset the combination of rurality, aging population and increasing focus from the NHS on reducing costs in Continuing Care, and discharging people from hospital is having a significant adverse impact on ability to contain costs

Children's Services

- 5.12 Children's Services is forecasting an overspend in 2017-18 of £6.8m, this is despite additional one off funding of £2.4m. The reasons behind this overspend are well documented but in short are mainly due to the cost of children in care. Although the overall number of looked after children has reduced as planned from a peak of 506 in August 2016 to 446 in December 2017, it has not reached the best-case scenario that was budgeted for of 400. In addition, the mix of high cost/low cost placements has not seen the change expected with lower cost placements being replaced with higher cost placements in Independent Sector Fostering agencies and Residential Care Providers. This accounts for £7.8m of the overspend. There are other financial pressures within the Directorate around the increased costs associated with the use of agency Social Workers of £0.7m, the additional legal costs due to the increased numbers of Children in Care £0.2m and SEN Transport £0.7m.
- 5.13 The Medium Term Financial Plan has already considered and approved an additional £3.2m base budget increase to reflect the cost of rebasing numbers of Children in Care from 400 to 440, and an additional £1m invest to save programme to recruit an additional twenty Social Workers. Based on current spending requirements the Directorate has identified an additional budget requirement of £8.1m in 2018-19. In order to meet this requirement a savings programme totalling £6.3m has been identified, this will still leave the Directorate with a known shortfall of £1.8m in 2018-19 which will be funded by one-off collection fund balances.
- 5.14 Details of the Directorates savings programme can be found in Appendix 2 of this report. The modernising fostering strategy considered by Cabinet in September requested members to consider the use of transformation funding of £110k to facilitate the transformation of the fostering service and in particular the recruitment of 74 additional foster carers over the year, the use of this funding is vital to the delivery of the planned savings of £2m. All the programmes (Family Partnership zones, recruitment of foster carers working with children on the edge of care, reduction of re-referral rate) will be made to work consistent with one another to bear down on a reducing number of LAC and achieving the consequential budget savings. Delivery of this savings programme will represent a significant turnaround of an inbuilt and substantial overspend.

Dedicated Schools Grant

- 5.15 The pressure on the DSG budget continues with the High Needs Block now expected to overspend by £4.3m in 2017-18. The overspend is being driven by two main factors, the continued growth in the numbers of Education Health and Care Plans (EHCPs) rising by over 40% since March 2014 which has a direct impact on demand in the top up, independent school places and post 16 budget areas; and changes to the SEN code of practice in 2014 which means the local authority is now responsible for the education of young people with SEN up to the age of 25 rather than 19, having a direct impact on the post 16 budgets as the cohort of children increases each year.
- 5.16 The Schools Forum considered the DSG budget for 2018-19 at a meeting on 12th January. A proposal to transfer £1.1m from the Schools Block to the High Needs Block was previously rejected by the Schools Forum and we currently await the outcome of our appeal to this decision by the Secretary of State, the 2018-19 budget build assumes this appeal will be upheld. To bring the budget back to a balanced position a programme of savings/budget reductions totalling £3.3m has been developed. The Schools Forum accepted these proposals in principle asking from some more detail and clarity to be brought back to their meeting in February.
- 5.17 The DSG carried forward a net deficit of £4.1m into 2017-18, adding to this the expected overspend this year of £4.3m results in a total estimated deficit at the end of 2017-18 of £8.4m. It has been made clear to the Schools Forum that the Local Authority cannot bear this deficit and the risk involved means a recovery programme must be put into place as soon as possible. A five-year budget plan has been built and this will be considered as part of the deficit recovery plan at the February meeting of the Schools Forum. Further cost reductions will need to be found, this means the schools forum, schools at large and the local authority will need to consider carefully and imaginatively methods to dampen demand and reduce costs against the high needs block further.

Environment & Economy

- 5.18 The Environment Directorate is forecasting an underspend in 2017-18 of £52k. This is due to underspends in Economy, Planning and Transport and in the Highways areas of Network Management, Network Development and Fleet Services. The main cause of these underspends is due to vacancy management, savings coming to fruition as part of a two-year savings plan and an increase in external income.
- 5.19 The main risk areas in 2017-18 is in Dorset Travel where contracts have needed to be retendered and the part year effect on the initial contracts which came into effect in September 2017, so there is still some uncertainty in 2017-18 which will continue into 2018-19.
- 5.20 For 2018-19 the Directorate has developed detailed savings plans which are shown in Appendix 2. When continuing surplus in budget areas have been found, these have been used as part of the savings plan going forward. The risk areas for the Directorate is in Dorset Travel, Economy, Planning and Transport and IT Services.
- 5.21 Dorset Travel budget may be significantly impacted in 18-19 due to the retender of contracts which is currently unknown.

- 5.22 Economy, Planning and Transport planning fees are low in 2017-18 but have been offset by underspends in other areas. Should this continue in 2018-19 the service would not have the capacity to meet this under recovery of income.
- 5.23 Capital income recovery from projects in IT Services is a significant risk area in 2018-19 and work is being carried out to mitigate the risk.

Public Health

- 5.24 The Public Health grant allocation for 2018-19 has been reduced by 2.5% to £33.4m. There are no planned changes to the elements that are retained within the individual local authorities.
- 5.25 Public Health Dorset recognises the budget challenges both to the central public health grant and the wider local authority budgets and continues to work to deliver savings. As a consequence, grant reductions in 2018-19 should be manageable without compromising existing local authority commitments.

Dorset Waste Partnership

- 5.26 DWP is projecting an underspend of £1.483m (County Council share £954k) mainly due to waste tonnage figures being more favourable than predicted in the budget and favourable recyclate costs/prices. There is increasing risk that recyclate business could move against us due to recent market changes brought about by changes in China's policy.
- 5.27 The budget for 2018-19 represents a cash standstill and also involves the application of £383k from the equalisation reserve to fund the costs of the employers' pay offer that emerged after the budget had originally been drafted assuming 1% pay inflation. A number of more challenging assumptions are inherent in the 18-19 budget which were not included previously. There is therefore risk around these areas which the Senior Management Team and the Joint Committee will keep under review during the year.

Chief Executive's Directorate

- 5.28 The Directorate is forecasting a very small net overspend of £14k. The most significant area of budget variance is the Way We Work property programme is still forecasting £163k of whole-authority, property savings that are not achievable due to changing service needs and Cabinet decisions to retain property that was previously considered surplus to requirements.
- 5.29 The main budget pressure in the Directorate in 2018-19 is the Way We Work savings plan where £500k of savings will need to be harvested but should there be any slippages, this would impact on this target.

Local Government Reorganisation

- 5.30 We are currently waiting for an announcement from the Secretary of State regarding the *Future Dorset* proposals. In the meantime, the County Council's Finance Team is working with service managers across all councils to build models for disaggregating costs of services delivered in Christchurch. Progress so far is positive but there is plenty still to do.

5.31 At the same time as we are reviewing the revenue costs and funding implications of service delivery we are also considering the impact of balance sheet disaggregation. Whilst this is relatively straight forward exercise for items like land and buildings, it becomes increasingly complex for items such as roads, infrastructure, loans, capital financing and reserves.

6 Updated financial position and recommended budget summary

6.1 Working all of our assumptions and plans through the financial model delivered a gross budget gap of £11.7m. We had previously assumed that £0.5m of this would be funded from collection fund surpluses and a further £1m from the flexible use of capital receipts.

6.2 The remaining £10.2m will be funded by the savings measures from the Forward Together programme, set out in Appendix 2. Appendix 2 targets a significantly higher figure than this £10.2m as it also needs to deal with whatever base budget overspend is carried into 2018-19. We will not know the final position until the current year finishes so an update will need to be brought to Cabinet early in the new year to give assurance that savings are sufficient to balance the budget in the new year including any carried-forward pressures.

<u>Provisional budget summaries for 2018/19 to 2020/21</u>					
<i>Assumed council tax increase</i>		5.99%	2.99%	1.99%	
<i>Band D equivalent tax</i>		£1,406.34	£1,448.37	£1,477.17	
		2018/19	2019/20	2020/21	
		£M	£M	£M	
Previous year's budget		264.1	275.7	271.0	
Move in specific grants applied as general funding		3.0	-1.6	3.2	
Commitments provided for:					
- Resource Allocation Model		2.5	3.0	3.6	
- Other central commitments		13.6	10.0	0.6	
- Collection Fund surplus		4.1			
Total budget requirement before savings		287.4	289.0	278.5	
Estimated budget available		275.7	271.0	270.9	
Savings required	3-year total:	-37.3	-11.7	-18.0	-7.6
Savings found by:					
- Forward Together programme		-10.2			
- Use of Collection Fund/Balances (One Off)		-0.5	-0.5		
- Use of Capital Receipts (One Off)		-1.0	-1.0		
- Remainder still to be found to avoid scaling		0.0	-16.5	-7.6	

7 Consultation and equality

7.1 This high-level update of the budget strategy itself does not involve a change in strategy and therefore does not require an impact assessment. However, as the strategy for managing within the available budget is developed and as particular courses of action are formulated and consulted upon, Directorate Leadership Teams

will take forward specific impact assessments for relevant equality groups and consult with overview and scrutiny committees where necessary.

8 Risk assessment

8.1 A number of risks have been identified and reviewed during this annual update of the MTFP and budget setting round, which include:

- the possibility that the Forward Together programme (including the inclusion of unsolved base budget issues carrying forward for 2017-18) fails to provide transformation at the level that is required over the MTFP to deliver the necessary savings, or that the programme needs additional investment to realise the savings that have been identified;
- economic performance does not match the expectations of central Government plans and even more austerity measures are applied to our funding;
- continuing risks from the Business Rates Retention scheme as the risks lie materially with local authorities, not with central Government;
- improved Better Care Fund – there are significant risks with this funding due to the performance targets with the health service to which it is now linked. There is also a significant risk beyond 2019-20 where there is currently no guarantee of on-going funding.
- the risk of an increase in the numbers of Unaccompanied Asylum Seeking Children which will bring budget pressures with them if sufficient support funding is not made available from Central Government. ;
- focus on LGR could easily deflect from delivery of the savings programme;
- the risk any further overspends on service budgets in the context of the reduced level of our general balances.

9 Statutory declarations

9.1 Section 25 of the Local Government Act 2003 requires all financial officers with responsibilities under s151 of the local Govt Act 1972 to make a statement regarding the robustness of estimates and the adequacy of reserves at the time the budget is set. The Council has a statutory duty to “have regard to the report when making decisions about the calculations”.

9.2 There are also other safeguards aimed at ensuring local authorities do not over-commit themselves financially. These include:

- the Chief Financial Officer's powers under section 114 of the Local Government Act 1988, which require a report to the Cabinet and to all members of the local authority if there is or is likely to be unlawful expenditure or an unbalanced budget;
- the Local Government Finance Act 1992, which requires a local authority to calculate its budget requirement for each financial year, including the revenue costs which flow from capital financing decisions. The Act also requires an authority to budget to meet its expenditure after taking into account other sources of income. This is known as the *balanced budget requirement*;
- the Prudential Code, introduced under the Local Government Act 2003, which has applied to capital financing and treasury management decisions from 2004-05;

- the assessment of the financial performance and standing of the authority by the external auditors, who give their opinion on the financial standing of the authority and the value for money it provides as part of their annual report to those charged with governance.
- 9.3 The robustness of the budget critically depends on the maintenance of a sound financial control environment including effective financial management in each of the Council's service directorates. Dorset's Scheme of Financial Management sets out the responsibilities of all those involved in managing budgets and incurring commitments on behalf of the County Council. It was substantially reviewed and rewritten to coincide with the introduction of DES and updated again several times, most recently in 2014 to reflect the changes made to Contract Procedure Rules and the Scheme of Delegation. Under the scheme, managers are required to identify savings to offset overspends elsewhere on budgets for which they are responsible. I will be writing to each Director and Head of Service to remind them of their obligations under the County Council's *Scheme of Financial Management*. This is timely in that the scheme is under review again at the time of writing.
- 9.4 Whilst budgets are based on realistic assumptions, some budgets are subject to a degree of estimating error as actual expenditure can be determined by factors outside the Council's control, for example demand-led budgets such as provision for adults with a learning disability. It is also generally not appropriate or affordable to increase budgets to reflect overspends in the previous year. A reasonable degree of challenge to manage within the resources available is necessary and monitoring of expenditure, in order to take corrective action if necessary, is particularly important during a time of budget reductions.
- 9.5 The Council has well-developed arrangements for the monitoring of budgets during the year, which are reported through the Corporate Performance Management Information system (CPMI), published via SharePoint. A system of dashboards has also been introduced in 2017-18 alongside refresher training on budget management in DES for managers.
- 9.6 Technical aspects of the budget process applied for 2018-19 have been similar to recent years. The Resource Allocation Model (RAM) again provides a robust starting point for addressing inflationary, demographic and volume pressures in an open and fair manner. It provides a sound platform on which to build and develop future medium term financial strategies and budgets.
- 9.7 Member involvement in budget development has been exercised particularly through meetings of the Forward Together Board, regular update reports to the Cabinet and all-member briefings. There was also a significant programme of training during the spring and summer 2017 due to a significant number of newly-elected Members to the Council.
- 9.8 In addition to the above and discussions at committees, members have had access to the earlier, detailed budget reports which have provided the national and local context for the medium term financial plan and budget strategy. These reports included an update for the provisional local government finance settlement. The budget strategy has also been covered in meetings of the Audit and Governance Committee.
- 9.9 Taking all these factors into consideration, I consider that the estimates prepared in line with the strategy explained in this report are robust. However, the challenge of managing expenditure within them should not be underestimated; particularly given

our short-term use of one-off funding and the need to deliver significant savings through transformation. Close monitoring will be required during the year and prompt corrective action must be taken whenever planned savings are not being delivered and progress toward a balanced budget for 2018-19 is not sustained. The position outlined above, regarding the authority's projected general fund balance makes achievement of our savings targets critical.

Richard Bates
Chief Financial Officer
January 2018

Appendix 1

CPMI – December 2017

Cost Centre Management Budget Monitoring Summary	Responsible Officer	Year		October	November	December	Forward Together	Other
		2017-18		Projected Under/(Over)	Projected Under/(Over)	Projected Under/(Over)	Projected Under/(Over)	Projected Under/(Over)
		'Above Line' Net Budget Only £000's	Forecast £000's	Spend £000's	Spend £000's	Spend £000's	Spend £000's	Spend £000's
Children's Services Directorate								
Childrens Service Budget								
Care & Protection	Vanessa Glenn	33,013	41,618	(7,988)	(8,522)	(8,605)	0	(8,605)
Design & Development	Patrick Myers	11,671	11,367	259	323	304	(400)	704
Director's Services	Nick Jarman	2,359	2,469	(102)	(104)	(110)	(150)	40
Prevention & Partnerships (DCC)	Jay Mercer	13,045	13,836	(706)	(841)	(792)	(150)	(642)
Application of Contingency/Control Node	Richard Bates	2,399	0	2,399	2,399	2,399	0	2,399
Total Children's Services Budgets (DCC)		62,486	69,290	(6,139)	(6,745)	(6,804)	(700)	(6,104)
Prevention & Partnerships (DSG)	Jay Mercer	44,854	49,258	(3,773)	(4,325)	(4,404)	0	(4,404)
P&P DSG Funding	Jay Mercer	(44,867)	(44,867)	0	0	0	0	0
Directors Services (DSG)	Nick Jarman	400	400	0	0	0	0	0
Directors Services DSG Services	Nick Jarman	(400)	(400)	0	0	0	0	0
DSG Services	Jay Mercer	(1,357)	(1,357)	0	0	0	0	0
Total Children's Services Budgets (DSG)		(1,370)	3,034	(3,773)	(4,325)	(4,404)	0	(4,404)
DSG Adjustment		0	0	0	0	0	0	0
Children's Services (DCC + DSG) Total		61,116	72,324	(9,912)	(11,070)	(11,208)	(700)	(10,508)
Adult & Community Services Directorate								
Adult Care Service User Related	Harry Capron	73,960	76,670	(2,284)	(2,905)	(2,710)	(1,903)	(807)
Adult Care	Harry Capron	12,304	11,569	455	474	735	0	735
Commissioning and Safeguarding	Diana Balsom/Sally Wernick	34,252	33,798	496	436	455	0	455
Early Help & Communities	Paul Leivers	9,270	9,075	37	232	194	(100)	294
Director's Office	Helen Coombes	3,383	3,207	134	138	176	0	176
Adult & Community Services total		133,169	134,319	(1,163)	(1,624)	(1,150)	(2,003)	853
Environment and the Economy Directorate								
Economy, Planning & Transport	Maxine Bodell	2,312	2,203	93	71	108	0	108
Dorset Travel	Chris Hook	14,329	14,423	110	98	(95)	(190)	95
Business support Unit	Matthew Piles	359	407	(58)	(60)	(48)	(48)	0
Coast & Countryside	Phil Sterling	2,504	2,563	(59)	(50)	(59)	(36)	(23)
Buildings & Construction	David Roe	138	167	23	15	(29)	0	(29)
Pooled R&M	David Roe	137	137	0	0	0	0	0
Network Management	Simon Gledhill	1,128	962	127	166	165	0	165
Network Development	Tim Norman	1,040	1,008	5	4	32	0	32
Network Operations	Martin Hill	4,075	4,067	5	8	8	0	8
Fleet Services	Sean Adams	(163)	(180)	27	1	17	0	17
Emergency Planning	Simon Parker	214	212	7	7	2	0	2
Director's Office	Mike Harries	828	823	6	5	5	0	5
Streetlighting PFI	Tim Norman	3,862	3,862	0	0	0	0	0
ICT	Richard Pascoe	5,171	5,225	(115)	(95)	(54)	(38)	(16)
Environment and the Economy Directorate Total		35,934	35,881	172	169	52	(312)	364

		Year	2017-18		October	November	December	Forward Together	Other
Cost Centre Management Budget Monitoring Summary	Responsible Officer	'Above Line' Net Budget Only £000's	Forecast £000's	Projected Under/(Over) Spend £000's	Projected Under/(Over) Spend £000's	Projected Under/(Over) Spend £000's	Projected Under/(Over) Spend £000's	Projected Under/(Over) Spend £000's	Projected Under/(Over) Spend £000's
		Chief Executives							
Chief Executives Office	Debbie Ward	275	278	(4)	(4)	(4)	0	(4)	
Partnerships	Karen Andrews	189	157	27	32	32	0	32	
Communications	Karen Andrews	247	247	(0)	0	0	0	0	
Policy and Research	Karen Andrews	440	438	0	1	1	0	1	
Commercial Services	Karen Andrews	431	431	(1)	(1)	0	0	0	
Governance and Assurance	Mark Taylor	657	657	(2)	0	0	0	0	
Legal & Democratic Services	Jonathan Mair	2,876	2,872	8	8	4	0	4	
Financial Services	Richard Bates	2,891	2,837	73	30	54	0	54	
County Buildings	Peter Scarlett	(1,469)	(1,370)	(103)	(95)	(100)	0	(100)	
WWW Property Savings	Peter Scarlett	(441)	(278)	(164)	(164)	(163)	(164)	1	
Human Resources	Sheralyn Towner	1,335	1,182	104	104	153	0	153	
Cabinet	Richard Bates	3,325	3,318	30	(1)	7	0	7	
Chief Executives Total		10,757	10,771	(32)	(89)	(14)	(164)	150	
Partnerships									
Dorset Waste Partnership	Karyn Punchard	19,702	18,748	992	882	954	0	954	
Public Health	David Phillips	300	300	0	0	0	0	0	
Partnerships Total		20,002	19,048	992	882	954	0	954	
Central Finance									
General Funding	Richard Bates	(24,009)	(24,009)	0	0	0	0	0	
Capital Financing	Richard Bates	24,594	22,999	793	1,494	1,594	0	1,594	
R&M	Richard Bates	1,287	1,287	0	0	0	0	0	
Contingency	Richard Bates	606	(644)	1,250	1,250	1,250	0	1,250	
Precepts/Ley	Richard Bates	677	677	0	0	0	0	0	
Central Finance	Richard Bates	(264,132)	(264,132)	0	0	0	0	0	
Central Finance Total		(260,978)	(263,822)	2,043	2,744	2,844	0	2,844	
Total Above Line Budgets		0	8,521	(7,900)	(8,989)	(8,521)	(3,179)	(5,342)	
Excluding DSG Budgets		1,370	5,487	(4,127)	(4,664)	(4,117)	(3,179)	(938)	

Appendix 2

Forward Together Programme savings

Savings Measure	18/19	Forward Together RAG rating				
			Green	Yellow	Amber	Red
Adult & Community Services						
Managing our Income	1,300,000	Green/Yellow	600,000	700,000		
Increased income & efficiencies in Early Help & Community Services	200,000	Yellow		200,000		
Maturing our LATC	1,500,000	Yellow		1,500,000		
Pathway Modernisation and Demand Management	400,000	Yellow		400,000		
Adult Social Care Ops Delivery	4,000,000	Green/Yellow	652,000	3,348,000		
Contract changes	250,000	Yellow		250,000		
Maximising efficiency in housing related support	832,000	Green	832,000			
Library Services	314,000	Green/Yellow	225,000	89,000		
Early Help	20,000	Green	20,000			
Trading Standards	161,900	Green/Yellow	29,100	132,800		
Policy, Finance, Welfare	60,100	Yellow		60,100		
Early Help & Communities General	193,300	Yellow/Amber		14,000	179,300	
Business Development & Performance	150,700	Green/Yellow	20,700	130,000		
	9,382,000		2,378,800	6,823,900	179,300	0

Savings Measure	18/19	Forward Together RAG rating				
			Green	Yellow	Amber	Red
Chief Executives Department						
Early Retirement costs	50,000	Yellow		50,000		
Review of South West Audit Partnership (SWAP) days	15,000	Amber			15,000	
Human Resources	65,000	Amber			65,000	
Review of Communications	50,000	Amber			50,000	
Financial Services	55,000	Amber			55,000	
Review of Programme Office	60,000	Amber			60,000	
Other intra departmental Services efficiencies	5,000	Amber			5,000	
Cross Department Efficiencies	50,000	Green	50,000			
Estate & Assets - additional income and property service changes	110,000	Amber			110,000	
'Way we work' property programme - rationalisation of property	504,000	Amber			504,000	
	964,000		50,000	50,000	864,000	0

Savings Measure	18/19
Children's Services	£
Modernising Fostering - new strategy	2,000,000
Reduce numbers of Looked after children	1,500,000
Commissioning Review	500,000
Safeguarding	100,000
SEN Transport - Personal Travel Budgets	483,000
Review of residential care placements	1,200,000
Adoption	50,000
Payment of support arrangements	500,000
Total savings required	6,333,000

Forward Together RAG rating				
Green - Achieved				
Yellow - On course				
Amber - More work required				
Red - Currently unlikely to be achieved				
	Green	Yellow	Amber	Red
Yellow		2,000,000		
Amber			1,500,000	
Amber			500,000	
Green	100,000			
Amber			483,000	
Green/Amber	600,000		600,000	
Amber			50,000	
Amber			500,000	
Total	700,000	2,000,000	3,633,000	0

Savings Measure	18/19
Environment and Economy	£
Environment - additional income, non-pay efficiencies and grant reductions	300,000
Highways - additional income, operational efficiencies and innovations	392,000
Economy - Planning and Transport - additional income and staffing efficiencies	202,000
Business Support Unit - operational efficiencies and innovations	50,000
Dorset Travel - additional income, fleet efficiencies and innovations	170,000
ICT – Full year effect of 2017/18 service efficiencies on 2018/19	313,000
ICT – operational efficiencies and innovations	127,000
Directors Office - operations efficiencies (staffing) including BSU	85,000
Total savings required	1,639,000

Forward Together RAG rating				
Green - Achieved				
Yellow - On course				
Amber - More work required				
Red - Currently unlikely to be achieved				
	Green	Yellow	Amber	Red
Amber			300,000	
Amber			392,000	
Yellow		202,000		
Yellow		50,000		
Amber			170,000	
Green	313,000			
Amber			127,000	
Amber			85,000	
Total	313,000	252,000	1,074,000	0

Total Transformation Savings	18,318,000
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3,441,800	9,125,900	5,750,300	0
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Not part of main DCC Transformation Programme -

Savings Measure	18/19
	£
Dorset Waste Partnership - changes in budget assumptions - DCC share	455,000
Total Transformation Savings	18,773,000

Forward Together RAG rating				
Green - Achieved				
Yellow - On course				
Amber - More work required				
Red - Currently unlikely to be achieved				
	Green	Yellow	Amber	Red
Yellow		455,000		
Total	3,441,800	9,580,900	5,750,300	0

Appendix 3

Provisional budget and precept summary 2018-19

Provisional Precept and Budget Summary 2018-19					
			£	£	
Budget Requirement: -				275,687,165	
To be met from: - Start-up Funding Assessment				38,571,000Cr	
Council Taxpayers				237,116,165	
Estimated Surplus on Collection Funds				4,124,568Cr	
Precept required in 2018-19				232,991,596	
PRECEPTS					
District Councils	Tax Base	Estimated Surplus on Collection Funds	Precept	Tax Base	Precept
	2018-19	2017-18	2018-19	2017-18	2017-18
		£.p.	£.p.		£.p.
CHRISTCHURCH	19,948.00	259,677.00Cr	28,053,670.32	19,624.00	26,038,496.88
EAST DORSET	37,708.00	427,841.00Cr	53,030,268.72	37,043.00	49,151,245.41
NORTH DORSET	26,057.10	510,721.00Cr	36,645,142.01	25,910.10	34,379,334.39
PURBECK	19,182.31	95,566.09Cr	26,976,849.85	19,052.10	25,279,659.93
WEST DORSET	41,782.20	1,547,153.00Cr	58,759,979.15	41,255.60	54,740,817.97
WEYMOUTH & PORTLAND	20,994.70	1,283,610.00Cr	29,525,686.40	20,721.30	27,494,471.33
	165,672.31	4,124,568.09Cr	232,991,596.45	163,606.10	217,084,025.91
COUNCIL TAX					
	BASIC AMOUNT	2018-19		2017-18	
		1,406.34		£1,326.87	
				5.99% increase	
	BAND A	937.56		884.58	
	BAND B	1,093.82		1,032.01	
	BAND C	1,250.08		1,179.44	
	BAND D	1,406.34		1,326.87	
	BAND E	1,718.86		1,621.73	
	BAND F	2,031.38		1,916.59	
	BAND G	2,343.90		2,211.45	
	BAND H	2,812.68		2,653.74	

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Recommendation from the Cabinet meeting held on 31 January 2018

Treasury Management Strategy Statement and Prudential Indicators for 2018-19

18b The Cabinet considered a report by the Cabinet Member for Community and Resources on the Treasury Management Strategy Statement and Prudential Indicators for 2018-19. The report is attached as an annexure to these minutes.

The Chief Financial Officer highlighted the importance of the Treasury Management Strategy and the parameters within which treasury management activity contributed as a vital part of the governance of the Council.

In terms of the borrowing capacity of the Council, it was confirmed that borrowing was built into a ceiling mechanism which had not been exceeded in recent years, but the level of borrowing was managed close to the ceiling of the operational range.

RECOMMENDED

The Cabinet recommends to the County Council approval of:

1. The Prudential Indicators and Limits for 2018/19 to 2020/21.
2. The Minimum Revenue Provision (MRP) Statement.
3. The Treasury Management Strategy.
4. The Investment Strategy.
5. Delegation to the Chief Financial Officer to determine the most appropriate means of funding the Capital Programme.

Reasons for Recommendations

1. The Prudential Code provided a framework under which the Council's capital finance decisions were carried out. It required the Council to demonstrate that its capital expenditure plans were affordable, external borrowing was within prudent and sustainable levels and treasury management decisions were taken in accordance with professional good practice. Adherence to the Prudential Code was mandatory as set out in the Local Government Act 2003.
2. This report recommended the indicators to be applied by the Council for the financial years 2018/19 to 2020/21. The successful implementation of the code would assist in our objective of developing 'public services fit for the future'.

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Cabinet

Dorset County Council



Date of Meeting	31 January 2018
<p><u>Cabinet Member</u> Tony Ferrari - Cabinet Member for Community and Resources <u>Lead Officer</u> Richard Bates – Chief Financial Officer</p>	
Subject of Report	Treasury Management Strategy Statement and Prudential Indicators for 2018-19
Executive Summary	<p>The CIPFA Prudential Code highlights particular aspects of the planning of capital expenditure and the funding of that expenditure. The Code requires the publication and monitoring of Prudential Indicators which inform Members of the scope and impact of the capital spend. In addition, there are separate requirements under the CIPFA Treasury Management Code to publish a Treasury Management Strategy. This report sets out the issues for consideration and seeks agreement to the required indicators and strategies.</p>
Impact Assessment:	<p>Equalities Impact Assessment: There are no equality issues that arise from this report.</p>
	<p>Use of Evidence: Historical trends and experiences along with professional advice and recommended best practices have been followed in the development of this strategy and the formulation of the Prudential Indicators.</p>
	<p>Budget: All treasury management budget implications are reported as part of the Corporate Budget.</p>

	<p>Risk Assessment:</p> <p>Having considered the risks associated with this decision using the County Council’s approved risk management methodology, the level of risk has been identified as: Current Risk: HIGH Residual Risk MEDIUM</p> <p>Treasury management is an inherently risky area of activity. This report describes those risks and the controls in place to mitigate those risks.</p>
	<p>Other Implications: None.</p>
<p>Recommendation</p>	<p>The Cabinet recommends to the County Council approval of:</p> <ol style="list-style-type: none"> 1. The Prudential Indicators and Limits for 2018/19 to 2020/21. 2. The Minimum Revenue Provision (MRP) Statement. 3. The Treasury Management Strategy. 4. The Investment Strategy. 5. Delegation to the Chief Financial Officer to determine the most appropriate means of funding the Capital Programme.
<p>Reason for Recommendation</p>	<p>The Prudential Code gives a framework under which the Council’s capital finance decisions are carried out. It requires the Council to demonstrate that its capital expenditure plans are affordable, external borrowing is within prudent and sustainable levels and treasury management decisions are taken in accordance with professional good practice. Adherence to the Prudential Code is mandatory as set out in the Local Government Act 2003.</p> <p>This report recommends the indicators to be applied by the Council for the financial years 2018/19 to 2020/21. The successful implementation of the code will assist in our objective of developing ‘public services fit for the future’.</p>
<p>Appendices</p>	<ol style="list-style-type: none"> 1. Treasury Management Investment Policy and Annexes 2. Schedule of Delegations
<p>Background Papers</p>	<p>CIPFA Treasury Management Code of Practice Local Government Finance Settlement 2018/19 CIPFA Prudential Code for Capital Finance in Local Authorities</p>
<p>Officer Contact</p>	<p>Name: David Wilkes, Finance Manager (Treasury & Investments) Tel: 01305 224119 Email: D.Wilkes@dorsetcc.gov.uk</p>

1. Background

- 1.1. The Treasury Management function of the Council manages the cashflow, banking, money market transactions and long term debts, and in doing so manages the risks associated with these activities with a view to optimising interest earned and minimising the costs of borrowing. The cash turnover of the Council from day to day activities is approximately £1,500m a year; with roughly £750m a year cash income and £750m cash expenditure, reflecting the fact that the Council is required to set a balanced budget. These large sums of monetary activity mean that Treasury operations within Local Government are highly regulated.
- 1.2. The Local Government Act 2003 introduced greater freedoms for Councils in relation to capital investment and the powers to borrow to finance capital works. To ensure that Councils use these powers responsibly, the Act requires the Council to adopt the CIPFA Prudential Code and adhere to annually produced Prudential Indicators. The underlying objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with the best professional practice. There are prudential indicators which summarise the expected capital activity and apply limits upon that activity and as a result the levels and types of borrowing. They reflect the outcome of the Council's underlying capital appraisal systems.
- 1.3. Within this prudential framework there is an impact on the Council's treasury management activity, as it directly impacts on its borrowing and investment activities. As a consequence the treasury management strategy is included as part of this report to complement these indicators.
- 1.4. This report revises the previously approved prudential indicators for 2018/19 and 2019/20, adds an extra year for 2020/21, and sets out the expected treasury operations for the next three year period. It fulfils four key legislative requirements:
 - The reporting of the prudential indicators setting out the expected capital activities (as required by the CIPFA Prudential Code for Capital Finance in Local Authorities);
 - The setting of the Council's Minimum Revenue Provision (MRP) Policy, which states how the Council will repay the borrowing made to fund capital purchases through the revenue account each year (as required by Regulation under the Local Government and Public Involvement in Health Act 2007, and in accordance with CLG Guidance);
 - The reporting of the Treasury Management Strategy Statement which sets out how the Council's treasury function will support the capital programme decisions, day to day treasury management and the restrictions on activity set through the treasury prudential indicators. The key indicators are required as part of the Local Government Act 2003 and is in accordance with the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code.
 - The reporting of the investment strategy which sets out the Council's criteria for choosing investment counterparties and how it minimises the risks faced. This strategy is in accordance with the CLG Investment Guidance.
- 1.5. The above policies and parameters provide an approved framework within which the officers undertake the day to day capital and treasury activities.

2. Treasury Management Advisers

- 2.1. The Council uses Link Asset Services (formerly Capita Asset Services) as its treasury management advisers. Link provides a range of services which include:
- Technical support on treasury matters, capital finance issues and the drafting of reports;
 - Economic and interest rate analysis;
 - Debt services which includes advice on the timing of borrowing;
 - Debt rescheduling advice surrounding the existing portfolio;
 - Generic investment advice on interest rates, timing and investment instruments;
 - Credit ratings-market information service comprising the three main credit rating agencies.
- 2.2. Whilst the advisers provide valuable support to the internal treasury function, the final decision on treasury matters remains with the Council. This service is subject to regular review.

3. Economic Outlook and Prospects for Interest Rates

- 3.1. Part of Link's service is assist the Council to formulate a view on interest rates. The following table shows Link's most recent forecast for UK Bank Rate, short term investment returns (LBID) and borrowing rates from the Public Works Loans Board (PWLB).

	Now	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
BANK RATE	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.25	1.25	1.25
3 month LIBID	0.40	0.40	0.40	0.40	0.40	0.60	0.60	0.60	0.70	0.90	0.90	1.00	1.20	1.20	1.20
6 month LIBID	0.45	0.50	0.50	0.50	0.60	0.80	0.80	0.80	0.90	1.00	1.00	1.10	1.30	1.30	1.40
12 month LIBID	0.65	0.70	0.80	0.80	0.90	1.00	1.00	1.10	1.10	1.30	1.30	1.40	1.50	1.50	1.60
5 Yr PWLB	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.90	1.90	2.00	2.10	2.10	2.20	2.30	2.30
10 Yr PWLB	2.10	2.10	2.20	2.30	2.40	2.40	2.50	2.60	2.60	2.70	2.70	2.80	2.90	2.90	3.00
25 Yr PWLB	2.70	2.80	2.90	3.00	3.00	3.10	3.10	3.20	3.20	3.30	3.40	3.50	3.50	3.60	3.60
50 Yr PWLB	2.40	2.50	2.60	2.70	2.80	2.90	2.90	3.00	3.00	3.10	3.20	3.30	3.30	3.40	3.40

- 3.2. At its meeting on 2 November 2017, the Monetary Policy Committee (MPC) agreed a 0.25% increase in Bank Rate to 0.50%, thus removing the reduction in August 2016 after the EU referendum. The MPC also indicated that they anticipated two further increases of 0.25% to end at 1.00% by 2020. The Link Asset Services forecast above includes increases in Bank Rate of 0.25% in November 2018, November 2019 and August 2020.
- 3.3. The overall longer run trend is for gilt yields and therefore PWLB rates to rise, albeit gently. Until 2015, monetary policy was focused on providing stimulus to economic growth but has since started to refocus on countering the threat of rising inflationary pressures as stronger economic growth becomes more firmly established. The Federal Reserve has started raising interest rates and this trend is expected to continue during 2018 and 2019. These increases will make holding US bonds much less attractive and cause their prices to fall, and therefore bond yields to rise. Rising bond yields in the US are likely to exert some upward pressure on bond yields in the UK, with the degree of that upward pressure dampened by the prospects for economic growth and rising inflation, and on the degree of progress towards the reversal of monetary policy away from quantitative easing and other credit stimulus measures.

- 3.4 Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. The above forecasts (and MPC decisions) will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Link's view is that the overall balance of risks to economic recovery in the UK is probably to the downside, particularly with the current level of uncertainty over the final terms of Brexit.

4. Capital Programme Prudential Indicators

- 4.1. The Prudential Indicators (PIs) are driven by the Council's Capital Programme plans. The Capital Programme influences all borrowing decisions made by the Council and the subsequent Treasury Management activity associated with this. The PIs are also influenced by wider Council decisions and the effect of the revenue and capital proposals included in the reports elsewhere on this agenda. All assumptions in this report are therefore consistent with the Medium Term Financial Plan.
- 4.2. The corporate criteria for capital investment, as laid out in the Asset Management Plan, were used to establish a list of priority projects for possible inclusion in the forward plan. The capital expenditure figures in 2016/17 and the estimates of capital expenditure to be incurred in the current and future years, that form the basis of the Prudential Indicators, are based on the Capital Programme 2018/19 to 2019/20 report.

Prudential Indicator 1 – Capital Expenditure

- 4.3. The first requirement of the Prudential Code is that the Authority must make reasonable estimates of the total capital expenditure it intends to incur over the following three financial years. Table 1 illustrates the actual and anticipated level of capital expenditure for the five years 2016/17 to 2020/21 and is the starting point for setting the rest of the PIs. Members will already be familiar with the figures from the quarterly Asset Management Monitoring reports to the Cabinet.

Table 1 – Capital Programme Expenditure 2016/17 to 2020/21

	2016/17 £000 Actual	2017/18 £000 Estimate	2018/19 £000 Estimate	2019/20 £000 Estimate	2020/21 £000 Estimate
Environment	31,701	31,741	22,405	18,483	12,965
Childrens	21,618	20,102	23,990	1,593	3,988
Adult & Community	571	690	850	4,622	2,838
Cabinet / Whole Authority	9,658	8,088	14,962	1,893	1,893
Dorset Waste Partnership	3,289	2,829	5,114	6,991	5,798
Vehicles	2,185	1,539	1,053	510	1,000
Structural Maintenance	0	5,517	5,967	5,967	5,967
Contingency & Flexibility	0	2,555	0	0	0
Anticipated Slippage	0	-10,000	-10,000	5,000	5,000
Total Capital Expenditure	69,022	63,061	64,341	45,059	39,449

- 4.4. The figures appear to show a decline in capital expenditure from 2019/20 onwards. This is because they only include expenditure that can be financed from sources that are reasonably certain at this point in time. Figures for 2019/20 and 2020/21 also include slippage from previous years and funding from already earmarked

capital receipts. Assumptions have been made about the likely level of government funding in future years and may therefore require revision.

- 4.5. The capital expenditure figures assume a certain level of funding from borrowing for each year. Capital expenditure which cannot be immediately financed, or paid for, through revenue or capital resources (such as capital receipts), will require funding through either new borrowing or the utilisation of available cash resources pending borrowing. Proposals on the level of borrowing for capital purposes are shown at paragraph 7.2 of this report and are set out for approval in the Revenue and Capital reports on this agenda.

Prudential Indicator 2 – The Capital Financing Requirement

- 4.6. The capital financing requirement (CFR) measures the Authority’s underlying need to borrow for capital purposes. This figure includes all long term borrowing as well as financing that is implicit in Private Finance Initiative schemes and finance leases.
- 4.7. As part of a proactive and efficient Treasury Management Strategy, the Council does not differentiate between cash held for revenue purposes and cash held to fund the capital programme. At any point in time the Council has a number of cash flows, both positive and negative, and manages its treasury position in terms of its borrowings and investments in accordance with its approved treasury management strategy and practices.
- 4.8. External borrowing arises from long term funding of capital spend and short term cash management if required, and as such can fluctuate over a number of months and years. In contrast, the capital financing requirement reflects the Council’s underlying need to borrow for a capital purpose. The CIPFA Prudential Code includes the following as a key indicator of prudence:

“In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that net external borrowing does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.”

- 4.9. This basically means that the Council can only borrow for capital purposes and only for the capital expenditure it has set out and approved over the course of its three year capital programme. Estimates of the end of year capital financing requirement for the Council for the current and future years and the actual capital financing requirement at 31 March 2017 are:

Table 2 Capital Financing Requirement (CFR) 2016/17 to 2020/2021

	2016/17	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000	£000
	Actual	Estimate	Estimate	Estimate	Estimate
Borrowing Requirement	298,769	307,654	318,703	317,130	320,586
Long Term Liabilities	37,574	34,100	32,600	31,100	29,600
CFR	336,343	341,754	351,303	348,230	350,186

5. Minimum Revenue Provision Policy Statement

- 5.1. The Council is required to make a provision (charge to the revenue account) each year towards the repayment of its underlying borrowing requirements, regardless of whether any actual debt is repaid. The Department for Communities and Local Government, (CLG) requires that before the start of each financial year the Council should prepare a statement of its policy on making such provisions known as the Minimum Revenue Provision (MRP) for that year.
- 5.2. The Council is required to calculate for the current financial year an amount for the MRP which it considers to be prudent. The broad aim of prudent provision is to ensure that the underlying borrowing need, as expressed by the Capital Financing Requirement (CFR), is repaid over a period reasonably commensurate with the life of the capital assets that the borrowing has financed. The statement should indicate which of the options for MRP are to be followed.
- 5.3. The Cabinet is recommended to approve the following MRP Statement, which is unchanged from 2017/18:
 - For capital expenditure incurred before 1 April 2008 or which is Supported Capital Expenditure, the MRP policy will be based on the CFR.
 - From 1 April 2008 for all unsupported borrowing, the MRP policy will be based on the Asset Life Method. MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must also be applied for any expenditure capitalised under a Capitalisation Directive).

6. Treasury Management Strategy 2018/19 to 2020/21

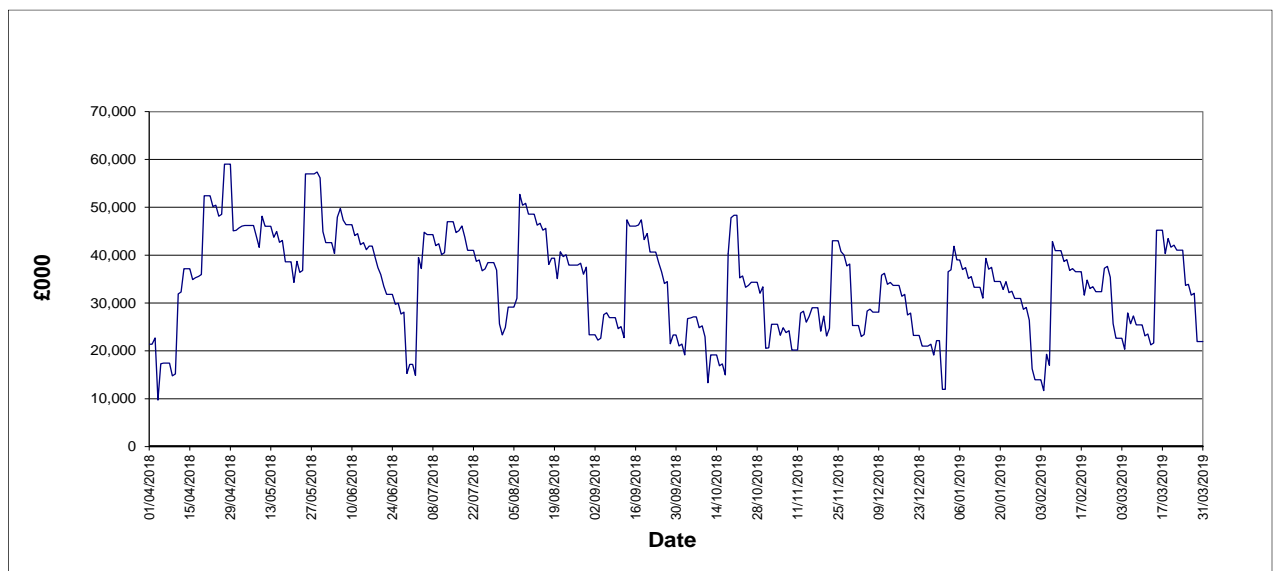
- 6.1. The capital expenditure plans summarised in Section 4 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet the service activity. This involves the organisation of the cash flow and, where capital investment plans require, the organisation of appropriate borrowing facilities.
- 6.2. The treasury management service is therefore an important part of the overall financial management of the Council's affairs. The prudential indicators consider the affordability and impact of capital expenditure decisions, and set out the Council's overall capital framework. The Treasury Management service considers the effective funding of these decisions. Together they form part of the process which ensures the Council meets its balanced budget requirement under the Local Government Finance Act 1992.
- 6.3. The Council's treasury activities are strictly regulated by statutory requirements and a professional code of practice (the CIPFA Code of Practice on Treasury Management). The Council adopts the Code of Practice on Treasury Management and its revisions, which in itself is a key Prudential Indicator that it has complied with. As a result of adopting the Code, the Council also agreed to create and maintain a Treasury Management Policy Statement (TMPS) which states the policies and objectives of the Council's Treasury Management activities.
- 6.4. It is a requirement for an annual strategy to be reported to the Council outlining the expected treasury activity for the forthcoming 3 years. A key requirement of this report is to explain both the risks, and the management of the risks, associated with the treasury service. A further treasury report is produced after the year-end to

report on actual activity for the year, and a new requirement of the revision of the Code of Practice is that there is a mid-year monitoring report.

Day to Day Cash Management Activity

- 6.5. The Council’s cash balances will fluctuate throughout the year as income is received and expenditure is made. Chart 1 shows the projected cashflow forecast for 2018/19 which is based on high level budget figures, historic trends and other information. It shows cash balances fluctuate between major receipt days, when government grant or the council tax precepts are received and major payment days such as the employees’ pay day. The maximum level of cash balances is expected to be around £60m with the minimum level being £10m. Expected interest earnings are based on the cash flow as set out below (average balance approximately £30m) assuming an average interest rate of 0.40%.
- 6.6. The Council is by law expected to set a balanced budget, meaning that its cash inflows should broadly match its cash outflows over the medium term. The chart provides a useful guide to officers when formulating the borrowing and investment strategy.

Chart 1 – Dorset County Council Cashflow Forecast 2018/19



Borrowing Strategy

- 6.7. The Council can borrow long term funds from three main sources:
- The Public Works Loans Board (PWLB) is the government agency that provides long term funding to local authorities, with loans priced according to the gilt markets. Loans can be taken for periods of 1 to 50 years at fixed or variable rates.
 - The Banking Sector also offer long term ‘market’ loans. The Council will consider borrowing from banks and financial institutions on a long term basis if this method of funding is advantageous compared to any other options available. Institutions have in the past offered loans up to 70 years and on a forward delivery basis.
 - Internal Borrowing from Revenue Balances can be used to fund the capital programme. Cash balances are built up over time from the Council’s on-going activities, and as the Council builds up reserves and makes provisions these are reflected in the cash balances it holds. The cash held can be used to

finance the capital programme, instead of borrowing externally. In reality the decision to borrow from cash balances will depend on the prevailing interest rate environment.

- 6.8. The borrowing strategy is affected by the economic outlook and prospects for interest rates. The low short term investment returns (currently less than 0.5%) compared to the cost of long term borrowing (currently approximately 3.0%) has meant the Council has been using its cash balances to fund capital spend rather than borrow. This has resulted in the Council's level of debt being significantly less than the CFR. This strategy means the Council is expected to be 'under borrowed' by approximately £85m at 31 March 2018. This has been deemed to be a prudent approach because of the low investment returns and relatively high counterparty risk.
- 6.9. However, with borrowing costs anticipated to increase at some stage over the next three years, and given the current high level of internal borrowing, attention needs to be given to the balance between internal and external borrowing. Over the next two years it may be prudent to borrow at lower rates and incur a cost of carry (the difference between the interest earned on investments against the cost of borrowing), in the knowledge that future long term borrowing is likely to be higher. The Chief Financial Officer will continue to monitor interest rates in the financial markets and adopt a pragmatic approach to changing circumstances when making borrowing and investment decisions.
- 6.10. Officers regularly consider opportunities to reschedule borrowing whereby debts at a higher rate of interest are repaid and rescheduled at a lower interest rate. Although continuing low interest rates have made restructuring premiums prohibitive, the terms of a number of loans have been successfully renegotiated in 2017/18 leading to combined annual savings of approximately £100k.

7. Treasury Management Prudential Indicators 2018/19 to 2020/21

- 7.1. The Prudential Code places a number of restrictions on the debt management activities of the Council. These are to restrain the activity of the treasury function within certain limits to manage risk and reduce the impact of any adverse or sudden movements in interest rates. However, the limits have to be with sufficient flexibility to allow costs to be minimised and performance maximised.

Prudential Indicator 3 – External Debt

- 7.2. The Council needs to ensure that its long term gross debt does not exceed the projected CFR for the third year of the capital programme plans (the 2020/21 projected CFR in the case of this plan). This prevents the Council from over borrowing in the long term and thereby taking on excessive levels of debt, which could be unaffordable or unsustainable. However, it does provide the Council with the flexibility to borrow in advance of need if borrowing rates are favourable, or they are expected to increase.
- 7.3. External debt and other long term liabilities (including PFI contract and finance lease commitments) is expected to stand at £257m at 31 March 2018, significantly less than the CFR, which is estimated to stand at £342m at the same date, representing underborrowing of approximately £85m. The breakdown of this plus estimates of borrowing for 2018/19 to 2020/21 are summarised in the table below.

Table 3 External Debt 2016/17 to 2020/21

External Debt	2016/17 Actual £000	2017/18 Estimate £000	2018/19 Estimate £000	2019/20 Estimate £000	2020/21 Estimate £000
Debt at 1 April	184,341	213,282	222,423	232,423	232,423
Expected change in Debt	28,941	9,141	10,000	0	0
PFI / Finance Lease Liabilities	37,688	36,369	34,100	32,600	31,100
Expected change in PFI Liabilities	-1,319	-2,269	-1,500	-1,500	-1,500
Actual gross debt at 31 March	249,651	256,523	265,023	263,523	262,023
CFR	336,343	341,754	351,303	348,230	350,186
Under / (Over) Borrowing	86,692	85,231	86,280	84,707	88,163

Prudential Indicators 4 and 5 – Operational Boundary and Authorised Limits for External Debt

- 7.4. These indicators are at the core of the Prudential Code and reflect the limits that the Council imposes upon itself in relation to external borrowing.
- 7.5. The Operational Boundary is the limit beyond which external debt is not normally expected to exceed. In the majority of cases this should be a level similar to the CFR, plus an allowance for any short term borrowings that might be required for cash management purposes or unexpected calls on capital resources. It is the key management tool for in year monitoring of the Council's expected capital and cashflow borrowing position.

Table 4 Operational Boundary for External Debt 2017/18 to 2020/21

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Borrowing	350,000	360,000	360,000	360,000
Other long term liabilities	38,000	36,000	35,000	35,000
Total Operational Boundary	388,000	396,000	395,000	395,000

- 7.6. The proposed operational boundaries for external debt set out in Table 4 are based on the most likely, prudent, but not worst case scenario to allow for unusual cash movements, for example. For reference purposes they include the estimated level of CFR, and estimated levels of borrowing for each year. The policy of limiting the size of the CFR is reflected in the proposed operational boundary, which will be capped at the maximum level of the CFR plus £10m to allow for any short term cashflow borrowing. These limits separately identify borrowing from other long term liabilities such as finance leases.
- 7.7. The Authorised Limit for external debt uses the operational boundary as the starting point but includes a margin to allow for unusual and unpredicted cash movements. By its very nature, this margin is difficult to predict and it will be necessary to keep it under review for future years.
- 7.8. The Authorised Limit may not be affordable or sustainable in the long term, but represents the absolute maximum level of debt the Council can hold at any given time. It is a statutory limit determined under section 3 (1) of the Local Government Act 2003, and any breach will be reported to the County Council, with the Government having the option to control the plans of the Council. An allowance has been added to the operational boundary to provide for the possibility of extra borrowing becoming available during the year as the result of the Government

supporting further schemes, as well as providing some headroom if the projection of cashflow borrowing were to change.

- 7.9. In respect of its external debt, it is recommended that the County Council approves the authorised limits for its total external debt for the next three financial years as set out in the table below.

Table 5 Authorised Limit for External Debt 2017/18 to 2020/21

	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000
Borrowing	355,000	360,000	370,000	380,000
Other long term liabilities	40,000	38,000	37,000	37,000
Total Authorised Limit	395,000	398,000	407,000	417,000

- 7.10. The Council is asked to delegate authority to the Chief Financial Officer, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long term liabilities on both the operational boundary and authorised limits. Any such changes made will be reported to the Council at its next meeting following the change.

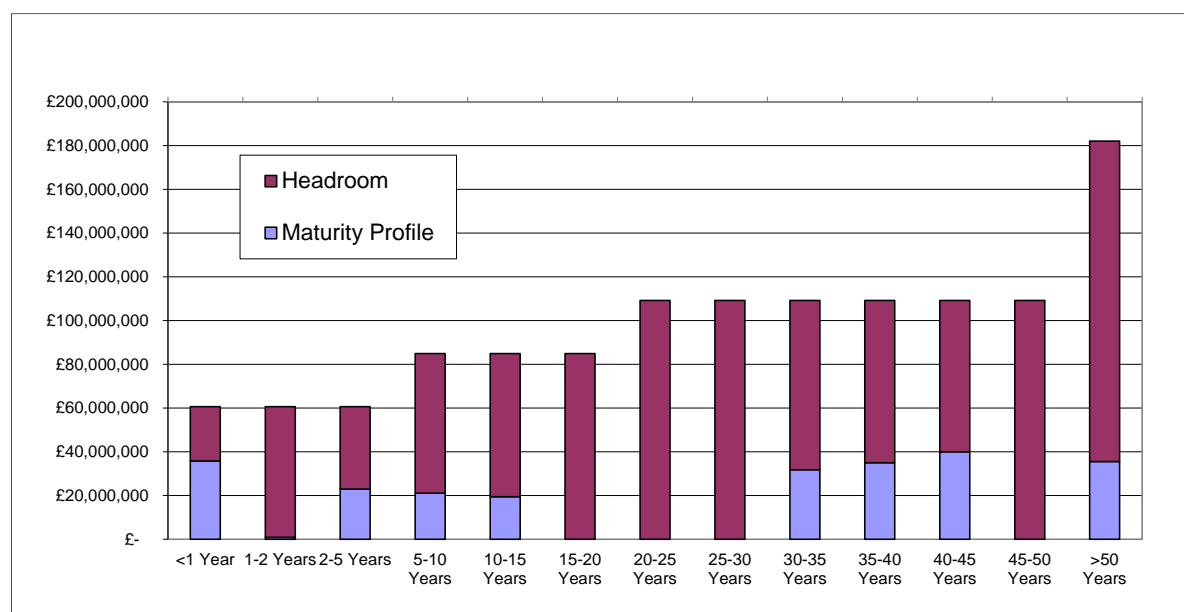
Prudential Indicators 6, 7 and 8 – Limits on interest rate exposure and maturity of debt

- 7.11. These three PIs are designed to minimise exposure to fluctuations in interest rates and refinancing risks, and also cap the interest costs of borrowing to provide stability to this area of the Council's finances. The indicators are detailed below and illustrated in the table and chart below:
- Upper limit on fixed interest rate exposure – this identifies a maximum revenue cost of interest paid on fixed rate debts and is intended to prevent the Council from being locked into rates of interest that it cannot easily exit.
 - Upper limit on variable interest rate exposure – this identifies a maximum revenue cost of interest paid on variable debts, which is designed to minimise the budget exposure of the Council to movements in interest rates, a sudden increase in variable interest rates can cost the Council a significant sum of money, which this limit is intended to cap.
 - Maturity Structure of Borrowing – this identifies the maximum level of exposure to loans maturing (being repaid) in any given year. The rationale is to prevent the Council from having adverse cashflow difficulties if a large proportion of its loans have to be repaid in the same year. Chart 2 shows the current maturity profile, in relation to the limits that have been set.

Table 6 – Limits on Interest Exposure and Maturity of Debt

	2018/19 Upper £000	2019/20 Upper £000	2020/21 Upper £000
PI 6 Limits on net fixed interest rates payments	12,000	13,000	13,000
PI 7 Limits on net variable interest rate payments	2,000	2,000	2,000
PI 8 Maturity Structure of fixed interest rate borrowing 2018/19		Lower	Upper
Under 12 Months		0%	25%
12 Months to 2 Years		0%	25%
2 Years to 5 Years		0%	25%
5 Years to 10 Years		0%	35%
10 Years to 15 Years		0%	35%
15 Years to 20 Years		0%	35%
20 Years to 25 Years		0%	45%
25 Years to 30 Years		0%	45%
30 Years to 35 Years		0%	45%
35 Years to 40 Years		0%	45%
40 Years to 45 Years		0%	45%
45 Years to 50 Years		0%	45%
50 Years and above		0%	75%

Chart 2: Debt maturity limits compared to actual debt maturity profile at 31 March 2018



8. Annual Investment Strategy

8.1. Cash balances are invested on a daily basis using call accounts, pooled money market funds and by making deposits with the Council’s bank. Longer term investments can also be made; and in the current market, such investments earn more interest than the shorter term investments, however, there is a balance to be achieved between ensuring availability of cash to pay the bills and taking advantage

of these higher interest rates. In practice there will be heavy bias towards shorter term deposits.

- 8.2. The primary objectives of the Council's investment strategy are detailed in the Investment Policy detailed in Appendix 1. The objectives, in order of priority, are:
1. The security of funds invested – ensuring that the funds will be repaid by the counterparty to the Council at the agreed time and with the agreed amount of interest;
 2. The liquidity of those funds – ensuring the Council can readily access funds from the counterparty;
 3. The rate of return – ensuring that given (1) and (2) are satisfied that return is maximised.
- 8.3. The Investment Policy takes into account the economic outlook and the position of the banking sector in assessing counterparty security risk. Since the banking crisis of 2008 the operational investment strategy adopted by the Council has tightened the controls already in place. In doing so the Council will ensure:
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.
 - It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security and monitoring their security. This is set out in the Specified and Non-Specified investment sections explained in Annex A of the Investment Policy. Risk of default by an individual borrower is minimised by placing limits on the amount to be lent.
- 8.4. The Policy introduces further measures that are taken to minimise counterparty risk, as a result officers work to:
- a prescribed list of countries that it can invest in;
 - a list of institutions that it can invest with,
 - maximum cash limits that can be invested with these institutions, and
 - restrictions on the length of time investments can be held with these approved institutions.
- 8.5. The counterparty list is maintained by Link who monitor it on a real time basis. The Council receives a weekly update, but a new list can be distributed at any time if there is any adverse news about any of the institutions on it.
- 8.6. In addition to the restrictions that the Council places upon itself to maximise security, ensure liquidity and maximise yield, the prudential code sets limits on the maximum period of time monies can be invested for. These are set out in the table below:

Table 7: Maximum principal sums invested >365 days

	2017/18 £000	2018/19 £000	2019/20 £000
Maximum amount invested > 364 Days	20,000	20,000	20,000
% of which can be up to 2 years	100%	100%	100%
% of which can be up to 3 years	75%	75%	75%
% of which can be up to 4 years	50%	50%	50%
% of which can be up to 5 years	25%	25%	25%

9. Sensitivity to Interest Rate Movements

- 9.1 The Council's accounts are required to disclose the impact of risks on the Council's treasury management activity. Whilst most of the risks facing the treasury management service are addressed elsewhere in this report (credit risk, liquidity risk, market risk, maturity profile risk), the impact of interest rate risk is discussed but not quantified.
- 9.2 The table below highlights the estimated impact of a 1% increase or decrease in all interest rates to the estimated treasury management costs or income for next year. That element of the debt and investment portfolios which are of a longer term, fixed interest rate nature will not be affected by interest rate changes.

Table 8: Impact on Revenue Budget of a 1% change in Interest Rates

	Variable Rate Debt / Investments £000	2018/19 Estimated + 1% £000	2018/19 Estimated - 1% £000
Interest on Borrowing ¹	0	0	0
Investment Income ²	30,000	300	(300)
Net Benefit / (Cost) to Council		300	(300)

1) The Council is not expected to hold any variable rate debt in 2018/19.

2) Average projected balances for 2018/19.

10. Risk Assessment

- 10.1. The primary risks to which the Council is exposed in respect of its treasury management activities are adverse movements in interest rates and the credit risk of its investment counterparties. Either may jeopardise the Council's ability to maintain its financing strategy over the longer term.
- 10.2. The net interest costs of the Council are not significant in relation to its overall revenue budget. Significant changes in the level of interest rates are unlikely to result in an unmanageable burden on the budget position of the Council.
- 10.3. Treasury Management risk can be reduced in the following ways:
- diversification of lending by setting criteria and limits for investment categories and individual borrowers. Risk is controlled by the formulation of suitable criteria for assessing and monitoring the credit risk of borrowers and the construction of the lending list comprising time, type, sector and specific counterparty limits. This is covered in more detail in the following section.

- balancing cash flow needs, as determined by the forecast, with the outlook for interest rates, whilst ensuring enough cover for emergencies
- use of money market funds and longer term lending to enhance diversification.

10.4. In addition, the CIPFA Code requires the policy to show who is responsible for which decision, the limits on the delegation and reporting requirements. This has been in place for some years and is reproduced at Appendix 2.

10.5. The Council's Treasury Management Practices document sets out in detail the systems and processes (including internal checks) that have been introduced to reduce the risk of losses due to fraud, negligence and error.

11. Performance Indicators

11.1. The Code of Practice on Treasury Management requires the Council to set performance indicators to assess the adequacy of the treasury function over the year. These are distinct historic indicators, as opposed to the prudential indicators, which are predominantly forward looking.

11.2. Examples of performance indicators often used for the treasury function are:

- Debt – Borrowing – Average rate of borrowing for the year compared to average available;
- Debt – Change in the average cost of debt year on year;
- Investments – Internal returns above the 7 day LIBID rate.

11.3. In managing Treasury Management performance a number of annual benchmarking exercises are done to monitor the relative performance and to ensure best practice, this benchmarking includes these performance indicators and represents the most effective way of managing performance. A review of performance is presented as part of the Outturn Report each year.

12. Member and Officer Training

12.1. The high level of risk inherent in treasury management means officers need to be adequately experienced and qualified. Officers attend national treasury management events and training courses and have twice yearly strategy and review meetings with Link, as well as regular contact over the telephone.

12.2. A training session for all elected Members was held in January 2018 and run by Link to explain the basics and outline the responsibilities that Members have in relation to treasury management. It is Dorset County Council policy to offer training to Members where it is felt to be appropriate and relevant.

13. Local Government Reorganisation (LGR)

13.1. Following the end of the consultation period on 8 January 2018, it is anticipated that Sajid Javid, the Secretary of State for Housing, Communities and Local Government, will shortly make a final decision on the Future Dorset proposal to replace Dorset's existing nine councils with two new unitary councils from April 2019.

13.2. The preferred option in the Future Dorset proposal was for Bournemouth Borough Council, the Borough of Poole and Christchurch Borough Council to form one unitary council, with the six other councils forming the other. Should this preferred option be supported by the Secretary of State then it will be necessary to 'disaggregate' existing investments and borrowings attributable to Christchurch

Borough Council from the County Council's assets and liabilities. The process for doing so will be developed and agreed during 2018/19, in common with other services and activities of the County Council provided to Christchurch Borough Council.

14. Conclusion

- 14.1. This report sets out the Treasury Management Strategy for 2018/19 to 2020/21 and, in particular, shows the anticipated cash flow for the Council and how in practice this is to be managed to optimise interest earnings and minimise borrowing cost whilst meeting daily cash needs.
- 14.2. An extensive risk analysis has been carried out on the treasury management operation supported by the County Council's treasury management advisers, Link Asset Services, and it is considered that a high level of risk avoidance has been established by the combination of policies and working practices in place. Particular attention is given to the quality of lenders used and the processes used on a day to day basis to avoid any losses due to fraud, negligence, and error.
- 14.3. Various options exist regarding the precise manner in which the capital programme is financed, and these are highlighted in paragraph 6.7. The Code of Practice provides that final decisions on the actual financing of capital expenditure, rests with the Chief Financial Officer after taking advice from Link.
- 14.4. As required by the Code, the report sets out the required Prudential Indicators and in accordance with the guidance any revisions required will be brought to the Cabinet for approval.

Richard Bates
Chief Financial Officer
January 2018

APPENDIX 1

Dorset County Council - Investment and Credit Worthiness Policy

1. Investment Policy

- 1.1 The Council's investment policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second, then return.
- 1.2 In accordance with the above guidance from the CLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.
- 1.3 Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisers to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.
- 1.4 Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- 1.5 Investment instruments identified for use in the financial year are listed in Annex A of this Policy under the 'specified' and 'non-specified' investments categories. Counterparty limits will be as set through the Council's treasury management practices schedules.

2. Creditworthiness Policy

- 2.1 The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Council will ensure that:
 - It maintains this policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in Annex A - Specified and Non-Specified investments; and
 - It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.
- 2.2 Risk of default by an individual borrower is minimised by placing limits on the amount to be lent. These limits use, where appropriate, credit ratings from Fitch, Standard and Poors, and Moodys Credit Rating Agencies. All banks and building societies used by Dorset County Council will have a long-term rating of at least A- and a minimum short term rating of F1. Long-term ratings vary from AAA (the highest) down to D the lowest. Short-term ratings vary from F1+ (the highest) down to D. Individual ratings vary from A (the highest) down to E, and these are now being replaced by viability ratings (aaa the highest, to c the lowest) and estimate

how likely the bank is to need assistance from third parties. The limits to be used are set out in paragraph 2.6.

- 2.3 The Chief Financial Officer will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. These criteria are separate to that which determines which type of investment instrument are either Specified or Non-Specified investments as it provides an overall pool of counterparties considered to be high quality that the Council may use, rather than defining what types of investment instruments are to be used.
- 2.4 Credit rating information is supplied by the Council's treasury management advisers, Link Asset Services, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating Watches (notification of a likely change), rating Outlooks (notification of a possible longer term change) are monitored and provided to officers almost immediately after they occur and this information is considered before dealing. For instance, a negative rating Watch applying to a counterparty at the minimum Council criteria will be suspended from use, with all others being reviewed in light of market conditions.

Security

- 2.5 The criteria for providing a pool of high quality investment counterparties (both Specified and Non-specified investments) are:
- i. **Sovereign Ratings**
- 2.5.1 The Council will only lend to counterparties in countries with the highest sovereign Credit Rating of AAA. The maximum that can be deposited with banks in any one sovereign is £30m at any time. The exception to both rules is the United Kingdom.
- ii. **Counterparties with Good Credit Quality**
- 2.5.2 The Council will lend to counterparties with the following counterparty ratings:

Table 1 Counterparty Ratings

Category	Minimum Credit Rating	Limit
Any Local Authority	n/a	£15 Million
Banks & Building Societies	Short F1, Long A-	£15 Million
Money Market Funds	AAA	£15 Million (individual)
Money Market Funds Notice Account	AAA	£10 Million (individual)
UK Government including gilts and the Debt Management Account Deposit Facility (DMADF)	n/a	no limit

- 2.5.3 Where a counterparty is part of a larger group, it is appropriate to limit the Council's overall exposure to the group. Individual counterparties within the group will have their own limit, but will be subject to an overall limit for the group. The limit for any one group will be £15M, except in the case of the four major UK banking groups where the limit is £20M.

iii. Part Nationalised Banking Groups

2.5.4 The Council will continue to use banking groups whose ratings fall below the criteria specified above if that banking group remains part nationalised, up to a limit of £20M for the group.

iv. Council's own banker

2.5.5 The limit for the Authority's own bank is £20M, however, due to occasional short term unexpected cashflows this limit may be breached. For this reason additional flexibility of an additional £1M is allowed to cover such movements, and to minimise the transaction costs involved with moving small sums of money. Over the long term the £20M should be the maximum. The breaches of the £20M limit will be monitored and reported to the Chief Financial Officer on a monthly basis.

2.5.6 If the Council's own banker, NatWest, fell below the Council's criteria, it would continue to be used for transactional and clearing purposes with the maximum balances deposited with them overnight being limited to £500k.

v. Major UK Banks

2.5.7 The Council may invest up to £20M with each of the four major UK banking groups, Barclays Bank PLC, HSBC Bank PLC, Lloyds Banking Group PLC, and The Royal Bank of Scotland PLC (which owns the Council's bank, National Westminster Bank PLC), taking into account the restrictions of group limits and any other limits which apply. These four banking groups were added explicitly to the Treasury Management Strategy with the rationale that in a worst case scenario, all of the Council's cash could be placed across these four banks.

vi. Use of Additional Information other than Credit Ratings

2.5.8 Additional requirements under the Code of Practice require the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, negative rating Watches / Outlooks) will be applied to compare the relative security of differing investment counterparties.

Liquidity

2.6 Liquidity is defined as an organisation "having adequate, though not excessive cash resources, borrowing arrangements, overdrafts or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives" (CIPFA Treasury Management Code of Practice).

2.7 In addition it is prudent to have rules for the balance of investment between short term and longer term deposits to maintain adequate liquidity. They are:

i. Fixed Term Investments

2.8 A minimum cash balance of £10M must be maintained in call accounts or instant access Money Market Funds. Any amount above this can be invested in fixed term deposits.

ii. Call Deposits

- 2.9 The amount of call deposits (instant access accounts) should be a minimum of £10M to allow for any unforeseen expenditures, up to a maximum of 100%. From time to time, it may be necessary for call deposits to fall below £10M, when this occurs it should be for no more than one working day. The breaches of the £10M limit will be monitored and reported to the Chief Financial Officer on a monthly basis.

iii. Time and Monetary limits applying to Investments

- 2.10 The time and monetary limits for institutions on the Council's Counterparty List are as follows (these will cover both Specified and Non-Specified Investments):

Table 4 – Time and Monetary Limits

	Minimum Long Term and Short Term Counterparty Rating (LCD Approach)	Money Limit	Time Limit
Any Local Authority	n/a	£15 Million	5 Years
Banks & Building Societies	AA- / F1+	£15 Million	5 Years
Banks & Building Societies	A- / F1	£15 Million	364 Days
Major UK Banks*	n/a	£20 Million	5 Years
Money Market Funds	AAA	£15 Million (individual)	Overnight
Money Market Funds	AAA	£10 Million (individual)	7 Day Notice
UK Government including gilts and the DMADF	n/a	Unlimited	6 Months
Part Nationalised Banking Groups	n/a	£20 Million	5 Years
Council's Own Banker	n/a	£20 Million	Overnight
*(Barclays Bank PLC, HSBC Bank PLC, Lloyds Banking Group PLC and The Royal Bank of Scotland PLC)			

iv. Longer Term Instruments

- 2.11 The use of longer term instruments (greater than one year from inception to repayment) will fall in the Non-Specified investment category. These instruments will only be used where the Council's liquidity requirements are safeguarded. This will be limited to counterparties rated AA- long term, and F1+ short term. The level of overall investments should influence how long cash can be invested for. For this reason it has been necessary to introduce a sliding scale of limits that depend on the overall size of cash balances. The smaller the size of the overall cash balances the more important it is that the money is kept liquid to meet the day to day cashflows of the organisation. Likewise if cash balances are large, a greater proportion of the funds can be invested for longer time periods. Table 5 sets out the investment limits.

Table 5 Time Limits for Investments over 365 days

Time Limit	Money Limit invested with Counterparties rated AA- - F1 + and above – or UK 4 Major Banking Groups	
Projected Annual Balances	%	
More than 1 year, no more than 2 years	100%	£20M
More than 2 years, no more than 3 years	75%	£15M
More than 3 years, no more than 4 years	50%	£10M
More than 4 years, no more than 5 years	25%	£5M
In Total £M		£20M

- 2.12 In the normal course of the council’s cash flow operations it is expected that both Specified and Non-Specified investments will be utilised for the control of liquidity as both categories allow for short term investments.
- 2.13 A summary of the proposed criteria for investments is shown in Annex B, and a list of counterparties as at 2 January 2018 in accordance with these criteria is shown as Annex C to this policy for information.

Investment Policy - Treasury Management Practice 1- ANNEX A

Treasury Management Practice (TMP) 1 – Credit and Counterparty Risk Management

The CLG issued Investment Guidance on April 2010, and this forms the structure of the Council's policy below. These guidelines do not apply to either trust funds or pension funds which are under a different regulatory regime.

The key intention of the Guidance is to maintain the current requirement for Councils to invest prudently, and that priority is given to security and liquidity before yield. In order to facilitate this objective the guidance requires this Council to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sector Guidance Notes. This Council adopted the Code during 2002 and will apply its principles to all investment activity. In accordance with the Code, the Chief Financial Officer has produced the Council's treasury management practices (TMPs). This part, TMP 1(5), covering investment counterparty policy requires approval each year.

Annual Investment Strategy

The key requirements of both the Code and the investment guidance are to set an annual investment strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of following:

- The strategy guidelines for choosing and placing investments, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which funds can be committed.
- Specified investments the Council will use. These are high security (i.e. high credit rating, although this is defined by the Council, and no guidelines are given), and high liquidity investments in sterling and with a maturity of no more than a year.
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

The investment policy proposed for the Council is set out below.

Strategy Guidelines

The main strategy guidelines are contained in the body of the treasury strategy statement (the Investment Strategy).

Specified Investments

These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

1. The UK Government (such as the Debt Management Office, UK Treasury Bills or gilt with less than one year to maturity).
2. Supranational bonds of less than one year's duration.
3. A local authority, parish council or community council
4. Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency.
5. A body that is considered of a high credit quality (such as a bank or building society). This covers bodies with a minimum short term rating of F1 (or the equivalent) as rated by Standard and Poor's, Moody's or Fitch rating agencies. Within these bodies, and in accordance with the Code, the Council has set

additional criteria to set the time and amount of monies which will be invested in these bodies.

Non-Specified Investments

Non-specified investments are any other type of investment (i.e. not defined as specified above). This would include investments greater than 1 year in duration. It is proposed that counterparties will be restricted to those in the specified category above when investing for more than a year. In total these longer term loans will be limited to £50M of the total investment portfolio and this has been determined with regard to the forecasts of future cash flow.

The Monitoring of Investment Counterparties

The credit rating of counterparties will be monitored regularly. The Council receives credit rating information (changes, rating watches and rating outlooks) from Link Asset Services as and when ratings change, and counterparties are checked promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately by the Chief Financial Officer, and if required new counterparties which meet the criteria will be added to the list.

Summary of Investment Criteria

INVESTMENT POLICY ANNEX B

Paragraph	Criteria	Minimum Rating		Maximum Investment and Exceptions
		Long	Short	
Sovereign Limit for All Loans				
2.5.1	AAA Sovereign Rating	n/a	n/a	£20 Million with any one sovereign, UK no limits
Notice Money				
A minimum of 10% of total investments, up to a maximum of 100%				
2.5.5	Council's own Banker	n/a	n/a	£20 Million
2.5.2	Money Market Funds	AAA		£15 Million individual
2.5.2	Money Market Fund Notice Account	AAA	n/a	£10 Million individual
Fixed Term Investments				
Limited to the amount of excess balances for that term less a margin of £10 Million				
Up to 6 months				
2.5.2	UK Government including gilts and DMADF			Unlimited
Up to 364 Days				
2.5.2	Any Local Authority			£15 Million
2.5.2	Banks & Building Societies	A-	F1	£15 Million Note that no more than £15 Million can be invested with banks in the same group where the highest rated counterparty has a minimum of these ratings See 2.5.4, 2.5.5, 2.5.6, 2.5.7 for exceptions
2.5.7	Four Major UK Banking Groups: Barclays Bank PLC, HSBC Bank PLC, Lloyds Banking Group PLC, The Royal Bank of Scotland PLC (including National Westminster Bank PLC)	N/a	N/a	£20 Million
Up to 5 years				
2.5.7	Major Banks & Building Societies	AA-	F1+	£15 Million per bank Note that no more than £15 Million can be invested with banks in the same group where the highest rated counterparty has a minimum of these ratings See 2.5.4, 2.5.5, 2.5.6, 2.5.7 for exceptions
2.5.4	Part Nationalised Banking Groups: Lloyds Banking Group PLC, The Royal Bank of Scotland PLC (including National Westminster Bank PLC)	n/a	n/a	£20 Million

Investment Policy ANNEX C
Counterparty list as at 2 January 2018

	Lowest Long Term Rating*	Lowest Short Term Rating*	Money Limit (£m)	Time Limit
UK Banks and Building Societies				
HSBC Bank PLC	AA-	F1+	20	5 YEARS
<i>Lloyds Banking Group:</i>				
Bank of Scotland PLC	A+	F1	20 (group) (M)	5 YEARS
Lloyds Bank PLC	A+	F1	20 (group) (M)	5 YEARS
<i>Royal Bank of Scotland Group:</i>				
National Westminster Bank	BBB+	F2	20 (group) (M)	5 YEARS
Royal Bank of Scotland	BBB+	F2	20 (group) (M)	5 YEARS
Barclays Bank	A	F1	20 (M)	5 YEARS
Close Brothers Ltd	A	F1	15	364 DAYS
Santander UK Plc	A	F1	15	364 DAYS
Standard Chartered Bank	A+	F1	15	364 DAYS
Coventry Building Society	A	F1	15	364 DAYS
Nationwide Building Society	A+	F1	15	364 DAYS
Goldman Sachs International Bank	A	F1	15	364 DAYS
Sumitomo Mitsui Banking Corporation Europe Limited	A	F1	15	364 DAYS
UBS Ltd	AA-	F1+	15	364 DAYS
Abbey National Treasury Services	A	F1	15	364 DAYS
Australian Banks				
National Australia Bank Limited	AA-	F1+	15	5 YEARS
Australia and New Zealand Banking Group	AA-	F1+	15	5 YEARS
Commonwealth Bank of Australia	AA-	F1+	15	5 YEARS
Macquarie Bank Limited	A	F1	15	364 DAYS
Westpac Banking Corporation	AA-	F1+	15	5 YEARS
Canadian Banks				
Canadian Imperial Bank of Commerce	AA-	F1+	15	364 DAYS
Bank of Montreal	AA-	F1+	15	364 DAYS

Bank of Nova Scotia	AA-	F1+	15	364 DAYS
National Bank of Canada	A+	F1	15	364 DAYS
Royal Bank of Canada	AA	F1+	15	364 DAYS
Toronto-Dominion Bank	AA-	F1+	15	5 YEARS
German Banks				
Landwirtschaftliche Rentenbank	AAA	F1+	15	5 YEARS
DZ Bank AG (Deutsche Zentral-Genossenschaftsbank)	AA-	F1+	15	5 YEARS
Landesbank Hessen-Thuringen Girozentrale	A+	F1+	15	364 DAYS
Landesbank Baden-Wurtemberg	A-	F1	15	364 DAYS
BayernLB	A-	F1	15	364 DAYS
Luxembourg Banks				
European Investment Bank	AAA	F1+	15	5 YEARS
Netherlands Banks				
ABN AMRO Bank N.V.	A+	F1	15	364 DAYS
Bank Nederlandse Gemeenten N.V.	AA+	F1+	15	5 YEARS
Cooperatieve Rabobank U.A.	AA-	F1+	15	364 DAYS
ING Bank N.V.	A+	F1	15	364 DAYS
Singaporean Banks				
DBS Bank Ltd.	AA-	F1+	15	5 YEARS
Oversea-Chinese Banking Corp	AA-	F1+	15	5 YEARS
United Overseas Bank Limited	AA-	F1+	15	5 YEARS
Swedish Banks				
Nordea Bank AB	AA-	F1+	15	5 YEARS
Svenska Handelsbanken AB	AA	F1+	15	5 YEARS
Swedbank AB	AA-	F1+	15	5 YEARS
Skandinaviska Enskilda Banken	AA-	F1+	15	364 DAYS
Swiss Banks				
UBS AG	AA-	F1+	15	364 DAYS
Credit Suisse AG	A	F1	15	364 DAYS

**Fitch equivalent ratings have been used for comparative purposes.*

Policy of Delegation

The Code requires the policy of delegation to show who is responsible for which decision, the limits on the delegation and reporting requirements.

The code also requires the responsibilities of council, committee and Chief Officers to be set out. In summary they are as follows: -

The County Council – approval of recommendations from the Cabinet and annually the borrowing limits.

The Cabinet – approval of the Treasury Management Strategy Statement, and from time to time the review of the Treasury Management Strategy Statement.

Audit & Governance Committee – to ensure effective scrutiny of the treasury management strategy and policy, through receiving regular reports from the Chief Financial Officer.

The Chief Financial Officer – approval of draft policy statement, regular monitoring of activities and reporting on these activities to Committee.

Finance Manager (Treasury & Investments) – monitor implementation of policy, review policy, preparation of monitoring reports for the Chief Financial Officer, appointment of money brokers and advisers and monitor day to day implementation of policy set and approval of deals on a day to day basis.

Investment Technician – carry out day to day deals in accordance with policy.

Head of the paid service – the Chief Executive – that the system is laid down and resourced and that the Chief Financial Officer makes the required regular reports to elected members.

Monitoring Officer – the Head Legal Services – ensuring compliance by the Chief Financial Officer.

Internal Audit – the policing of the arrangements.

In addition to these delegations there is in place a comprehensive system of checks within Corporate Resources involving several members of staff, which operates on each individual money deal.

Recommendation from the Cabinet meeting held on 31 January 2018

Asset Management Capital Priorities

18c The Cabinet considered a joint report by the Cabinet Members for Community and Resources and Natural and Built Environment on the Asset Management Capital Priorities. The report is attached as an annexure to these minutes.

On considering the report a summary of the need to manage the available capital funding within the borrowing ceiling as part of the Treasury Management arrangements was provided. If the ceiling was met capital funding would only be generated through the sale of assets or after the repayment of previous commitments. This would introduce much lower levels of capital financing that the Council was historically used to.

The importance of the Digital Strategy was highlighted as key capital investment for the future to develop integration of services and drive out further efficiencies.

In relation to the investment in the Dorset History Centre extension as match funding to a Heritage Lottery Fund bid, it was confirmed that the bid had been unsuccessful but there were further possibilities being explored to add extra space that were being developed and would hopefully be significantly cheaper than the original scheme.

The Department for Transport and the Department for Education had not yet announced capital allocations, but would be added to the existing funding once notified.

RECOMMENDED

That the County Council be recommended to approve the capital programme for 2018/19 to 2020/21.

Reason for Recommendation

The available resources after taking account of committed projects were sufficient to meet the current capital programme.

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Cabinet

Dorset County Council



Date of Meeting	31 January 2018
<p><u>Cabinet Members</u> Tony Ferrari – Cabinet Member for Community and Resources Daryl Turner – Cabinet Member for Natural and Built Environment</p> <p><u>Local Members</u> All members (local members affected have been consulted/engaged separately)</p> <p><u>Lead Officer(s)</u> Richard Bates – Chief Financial Officer</p>	
Subject of Report	Asset Management Capital Priorities
Executive Summary	<p>Previously, a report was brought to the Cabinet on 1st February 2017 identifying the Capital Priorities for the following years. For the first time, last February the Cabinet agreed a two-year capital programme and as a result this year there are no capital bids for major schemes for the Cabinet to consider. The report does however provide an update on decisions made by the Cabinet during the budget year 2017/18.</p> <p>The Capital Funding Policy</p> <p>The capital programme estimated gross spend for 2017/18 is more than £63M and £64M for 2018/19. The cost of financing this spend depends partly on how much is funded by grants and contributions. These currently stand at just under £44M for 2017/18 and just under £43M for 2018/19. The remaining spending is predominantly funded through prudential borrowing.</p>
Impact Assessment:	<p>Equalities Impact Assessment:</p> <p>The capital bid assessment process, strategic goals and corporate priorities are set out in the Asset Management Plan which is reviewed regularly, with an updated version being published on an annual basis. The most recent equalities impact assessment was undertaken on the Asset Management Plan and the Equalities legislation which ensures that the interests and needs of the nine protected characteristics are addressed at service level as part of</p>

	<p>the service asset management planning process, including consultation with users, was satisfied.</p>
	<p>Use of Evidence:</p> <p>The Asset Management Plan incorporating the capital investment strategy, makes use of the following sources of evidence:</p> <ul style="list-style-type: none"> • The Budget and Corporate Plan • Medium Term Financial Strategy • Outcomes from a Members Seminar on 25 September 2014 • Periodic public consultation at a corporate level via the Citizens' Panel • Ongoing consultation with partners, stakeholders, users and the community at service level • National property performance data and indicators <p>Service asset management plans, including whole life costing and cost-in-use information.</p>
	<p>Budget:</p> <p>The report provides an update on the County Council's capital budget position for 2018/19 and the following two years.</p>
	<p>Risk Assessment:</p> <p>Major risks that influence the development of the capital financing strategy include:</p> <ul style="list-style-type: none"> • the level of capital grant funding, inflation rates, demographic and other pressures and income from the council tax; • success in delivering the savings anticipated from the reduction in the size of the property estate by 50% and the rationalisation of the remaining estate to reduce the property maintenance backlog and to better manage the 'core' longer-term portfolio; • the anticipated amount of capital receipts to be generated and included in the capital programme; • judgement of the appropriate amount for revenue contributions to the capital programme; <p>Having considered the risks in this paper, using the County Council's approved risk management methodology, the level of risk has been identified as: Current Risk: MEDIUM Residual Risk: MEDIUM</p>
	<p>Other Implications:</p> <p>None.</p>
<p>Recommendation</p>	<p>The Cabinet are asked to recommend to the County Council the current capital programme 2018/19 to 2020/21</p>

Reason for Recommendation	The available resources after taking account of committed projects are sufficient to meet the current capital programme.
Appendices	Appendix 1 Capital Expenditure Estimates Appendix 2 Current Capital Programme
Background Papers	Asset Management Report – Cabinet, December 2017; Treasury Management Strategy Statement and Prudential Indicators for 2017/18 – Cabinet, February 2017; Asset Management Plan 2015/2018 – Cabinet, March 2015.
Officer Contact	<p>Name: Richard Bates, Chief Financial Officer Tel: (01305) 228548 Email: r.m.bates@dorsetcc.gov.uk</p> <p>Name: Peter Scarlett, Estates & Assets Service Manager Tel: (01305) 221940 Email: P.Scarlett@dorsetcc.gov.uk</p> <p>Name: Tony Diaz, Senior Finance Manager Tel: (01305) 224950 Email: t.diaz@dorsetcc.gov.uk</p>

1. Background

- 1.1 As members will recall whilst setting the 2017/18 budget the Cabinet agreed the utilisation of all the available capital funds for the years up to the end of 2020/21 resulting in there being no funds available for any new bids this year.

2 Financial Summary and Capital Control Totals

- 2.1 The provisional settlement was announced by the Secretary of State for Communities and Local Government in December 2017. The majority of the settlement was already known as Members had signed-up to the Government's four-year funding deal and we will continue to press our case around negative RSG in 2019/20.
- 2.2 In terms of capital funding the DfT and DfE have not yet notified the County Council of its capital allocations and at present no further capital allocations from the other Government Departments have been made. These will be added to the existing funding once notified.
- 2.3 The approval of the revised capital control totals implies gross capital expenditure of £63.1M in 2017/18, £64.3M in 2018/19, £45.1M in 2019/20 and £39.4M in 2020/21. These control totals include utilisation of the budget flexibility. Provision for the revenue implications arising from projects, including capital financing and running costs, is included as a commitment in the Medium Term Financial Strategy (MTFS).
- 2.4 The revised control totals and anticipated commitments against them indicate that if the assumptions up to 2020/21 regarding capital financing are included this would provide £0.3M of funds unallocated up to end of 2020/21. It should be remembered that this is year two of a two-year programme to ensure consistency with the revenue budget.

3 Capital Programme – Effects of the borrowing policy

- 3.1 The capital programme estimated gross spend for 2017/18 is in excess of £63M and £64M for 2018/19.
- 3.2 The cost of financing this spend depends partly upon how much is funded by grants and other contributions. These stand at around £43.887M for 2017/18 and £42.753M for 2018/19. The remaining spending is predominantly funded through prudential borrowing.
- 3.3 The borrowing costs are twofold – firstly the interest payable on the loans, currently around 4%, which is payable once the loan is drawn down, often towards the end of the year. The other element is the Minimum Revenue Provision (MRP) which the Council is required to make a provision (charge to the revenue account) for the repayment of any borrowings it has each financial year, regardless of whether any actual debt is repaid.
- 3.4 The Ministry for Housing, Communities and Local Government, (MHCLG) requires that before the start of each financial year the County Council should prepare a statement of its policy on making such provisions known as the Minimum Revenue Provision (MRP) for that year. This will be presented to the Cabinet at today's meeting within the Treasury Management Strategy Statement and Prudential Indicators for 2018-19 report.

3.5 The County Council is required to calculate for the current financial year an amount for the MRP which it considers to be prudent. The broad aim of prudent provision is to ensure that the underlying borrowing need, as expressed by the Capital Financing Requirement (CFR), is repaid over a period reasonably commensurate with the life of the capital assets that the borrowing has financed. The statement should indicate which of the options for MRP are to be followed.

3.6 The Cabinet is recommended to note the current MRP Statement approved February 2017:

For capital expenditure incurred before 1 April 2008 or which is Supported Capital Expenditure, the MRP policy will be based, as now, on the CFR.

From 1 April 2008 for all unsupported borrowing, the MRP policy will be based on the Asset Life Method. MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must also be applied for any expenditure capitalised under a Capitalisation Directive).

3.7 As the Cabinet were informed previously, the capital programme would still be around £40M per annum, dependant on levels of grant funding by the government, but would require no additional borrowing. Effectively, this would be made up of approximately £10M LTP structural maintenance, £2.5M LTP integrated transport, £5M DfE Schools Capital, £7M Buildings structural maintenance, £3M APTs plus around £12.5M towards other capital schemes, assuming grants remain at around the current level.

3.8 This could be supplemented if the assumed grants were higher, additional grants were obtained, capital receipts generated above the level assumed and developer contributions obtained.

4 Projects

Digital Dorset – our digital strategy

4.1 *A digital strategy is currently being drafted which aims: to put people and their needs first by becoming design-led and using digital technology to make a positive difference, enabling us to become a digital council in a digital place.*

4.2 Whilst it involves technology, it is not about technology but rather how we meet people's needs. The strategy very much supports the council's new vision and is being developed further over the next few months.

4.3 A delivery programme underpins the strategy comprising 'hard' projects like improving our online services and culture/skills support to help embed design and digital into how we work. Business cases or project briefs will be developed, which could lead to significant investment requirements beyond the sums available for ICT projects within the capital programme.

4.4 Funding will be required but may come through the transformation fund or as part of the investment in the new authority if LGR is approved.

Adult Social Care Accommodation Strategy including Bridport Connect Project

4.5 A high-level care accommodation analysis has been completed setting out for each locality what is needed over the next ten years, this is currently at high level but also

takes into account the impact of the Clinical Services Review and the expectation that more care will be provided at home, and the need for sufficient housing for care workers. On-going discussions are taking place about whether any capital or asset contributions from the council will be required to support this programme and ensure that Dorset assets across the public sector are used effectively for both capital and revenue value for money benefits.

- 4.6 Work is currently ongoing to formulate an updated offer for the provision of Adult Social Care facilities in the Bridport and Purbeck areas. In Bridport, this envisages the provision of a care village which would include a care home; extra care housing for older people; supported living accommodation for people with learning disabilities; key worker housing; and a small Day Services hub building, offering accessible bathing and toileting facilities and meet-and-greet facilities. In Purbeck we are currently going through a care accommodation assessment and also developing detailed projects which will need to be considered during the year. It is intended that the majority of these facilities will be provided by partner organisations at no initial cost to the County Council. However, there may be a requirement for an element of capital to be allocated to enable this scheme to proceed. This would be subject to a revised capital bid being taken through the approval process.

Monkton Park

- 4.7 Cabinet agreed on 17th January 2018 to move Dorchester Learning Centre into the old school buildings on Monkton Park. Costs are currently being calculated and a budgetary allowance has been provisionally set at £500,000 but will be firmed up over the next month. Whilst this will reduce the capital receipt available for the site, it will avoid the need for a new site to be purchased for the learning centre and a new building provided which was estimated at £2.7M.

Hurn Roundabout

- 4.8 Planning permission has been secured for a new, enlarged, offline roundabout to the east of the current roundabout position. However, negotiations with the owner of the land required to build this scheme have not progressed well and it is now clear that significant additional delay and cost would be incurred in order to deliver this scheme.
- 4.9 An enhancement to the current Hurn roundabout has now been designed and can be delivered mainly with highway land. If this smaller scheme is pursued this will not provide the same level of benefits as the offline roundabout, however costs will be significantly reduced. We are now reviewing the remainder of the programme and will bring any recommendations back to the Cabinet in March.

5 Conclusion

- 5.1 As referred to in paragraph 2.7 and Appendix 1, if the assumptions for 2020/21 regarding new capital financing are included, the provisional control totals and anticipated commitments indicate that there would be £0.3M unallocated. This provides a small level of flexibility to deal with any variations in the agreed capital programme.
- 5.2 The Cabinet is invited to set the final control totals as detailed in Appendix 1 and confirm the Appendix 2 projects for inclusion in the capital programme.

Richard Bates, Chief Financial Officer, January 2018

DIRECTORATE	EXPENDITURE ESTIMATES (GROSS)			
	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000
CHILDRENS	20,102	23,990	1,593	3,988
ENVIRONMENT	31,741	22,405	18,483	12,965
ADULT & COMMUNITY	690	850	4,622	2,838
CABINET / WHOLE AUTHORITY	8,088	14,962	1,893	1,893
DORSET WASTE PARTNERSHIP	2,829	5,114	6,991	5,798
CAPITAL FLEET REPLACEMENTS	1,539	1,053	510	1,000
CAPITAL R & M	5,517	5,967	5,967	5,967
TOTAL	70,506	74,341	40,059	34,449
Anticipated Slippage	(10,000)	(10,000)	5,000	5,000
Contingency re Risk Items	2,279	0	0	0
(Overcommitted) / Remaining flexibility (to meet target)	276	0	0	0
Gross Predicted Capital Spend	63,061	64,341	45,059	39,449
Grants / Contributions / Growth Deal	(30,182)	(24,897)	(22,326)	(12,630)
Capital Receipts	(5,550)	(7,373)	(1,000)	(1,000)
Vehicle Sales	(200)	(200)	(200)	(200)
RCCO	(5,126)	(5,229)	(5,326)	(5,326)
DWP Contributions	(2,829)	(5,114)	(6,991)	(5,798)
Additional Capital Financing Requirement	19,174	21,528	9,216	14,495
Borrowing Brought Forward	213,282	217,654	228,643	227,070
MRP	(10,289)	(10,539)	(10,789)	(11,039)
UNDER BORROWING B/FWD	85,487	90,000	90,000	90,000
UNDER BORROWING C/FWD	(90,000)	(90,000)	(90,000)	(90,000)
BORROWING REQUIREMENT	217,654	228,643	227,070	230,526
ADDITIONAL BORROWING REQUIRED	4,372	10,989	(1,573)	3,456
Underlying Borrowing Requirement B/FWD	298,769	307,654	318,643	317,070
Underlying Borrowing Requirement C/FWD	307,654	318,643	317,070	320,526
MRP	10,289	10,539	10,789	11,039
INTEREST	7,475	7,967	8,365	8,628
	17,764	18,506	19,154	19,667
Control Sheet	18,561	18,561	18,561	18,561
Additional budget requirement (RAM)	(797)	(55)	593	1,106
Target				
Ave Interest Rate	3.5%	3.6%	3.7%	3.8%

- ☺ Project being delivered within or on previously agreed budget and time
- ☹ Project being delivered within 5% or £250k of previously agreed budget or time
- ⊖ Project not being delivered within 5% or £250k of previously agreed budget or time

Project Code	Total Payments £'000	Before 2017-18 £'000	2017-18 £'000	2018- 19 £'000	2019-20 £'000	2020-21 £'000	After 2020-21 £'000		
CHILDREN'S SERVICES									
School Access Initiative Schemes < £250k	various	x	9,130	8,080	450	200	200	200	0 ☺
Blandford School STP	mch 400175	x	1,000	907	93	0	0	0	0 ☺
Funding from the FA		c	(350)	(350)					
Capital Receipts		c	(650)	(650)					
Leeson House - DDA Works	mch 400176 & PCH 425240	x	664	579	34	51	0	0	0 ☺
Contribution		c	(2)	(2)					
Yewstock and Mountjoy Schools Invest to Save Bid		x	550		550				☺
APT Projects	various	x	1,200		300	300	300	300	0 ☺
Carry forward from previous year		x	(296)		(296)				
Mobiles and Urgent Provision	various	x	3,172		1,150	436	793	793	0 ☺
Carry forward from previous year		x	(350)		(350)				
Gross Expenditure			15,070	9,566	1,931	987	1,293	1,293	0
ENVIRONMENT									
Weymouth Relief Road - Scheme Costs	men 600007	x	86,816	83,092	1,075	1,075	1,574	0	0 ☺
DFT Grant - WRR		c	(80,694)	(80,694)					
Developer Contributions		c	(474)	(474)					
Railway Overbridge Parapet Protection - Fees & Feasibility	men 600014	x	195	167	28	0	0	0	0 ☺
Contribution from Network Rail		c	(60)	(60)					
Dorchester Transport and Environment Plan	men 600012	x	3,477	1,161	1,732	584	0	0	0 ☺
LTP Contribution	plus MEN 600012	c	(403)	(403)	0	0	0	0	0
WDDC Contribution		c	(745)	0	(745)	0	0	0	0
S106 monies		c	(61)	0	(61)	0	0	0	0
DTC Contribution		c	(190)	0	(190)	0	0	0	0
Network Traffic Control Centre	men 600069	x	325	217	108	0	0	0	0 ☺
Contribution		c	(25)		(25)				
Implementation of Waste Management Strategy - Bridport HRC Phase 2 (Order of Cost)	men 600081 & men 600003	x	8,900	9,491	(591)	0	0	0	0 ☺
Shaftesbury Traveller Site	men 600079	x	1,004	946	58	0	0	0	0 ☺
Contributions NDDC		c	(922)	(922)					
Contributions APT		o	(82)	(24)	(58)				
Hardy's Birthplace Project at Thorncombe Wood	pen 625197 & len 650418	x	1,119	1,048	15	56	0	0	0 ☺
Contributions		c	(1,063)	(1,063)					
Springfield Distributor Road, Verwood	men 600029	x	1,828	526	1,302	0	0	0	0 ☺
Contribution from LTP		o	(293)	0	(293)				
Other Contributions (Capital Receipts)		c	(295)	(295)					
Lyme Regis Coastal Stabilisation	men 600077	x	4,270	3,417	853	0	0	0	0 ☺
Hayward Main Bridge	men 600088	x	1,548	1,129	419	0	0	0	0 ☺
Dinahs Hollow and Church Slope, Melbury Abbas	men 600097 & 98	x	1,744	1,206	538	0	0	0	0 ☺
A338 Major Maintenance	men 600091	x	20,000	20,337	(337)	0	0	0	0 ☺
Contribution from Growth Deal		c	(10,336)	(10,336)	0	0			
Contribution from LTB		c	(9,200)	(9,200)	0	0			

	Project Code		Total Payments £'000	Before 2017-18 £'000	2017-18 £'000	2018- 19 £'000	2019-20 £'000	2020-21 £'000	After 2020-21 £'000	
Chapel Gate Roundabout	men 600092	x	3,300	299	1,461	1,540	0	0	0	☺
Contribution from LTB		c	(3,000)	(2,369)	(631)					
Hurn Roundabout	men 600093	x	2,400	162	600	1,638	0	0	0	☺
Contribution from S106 Agreement		c	(400)	(400)						
Blackwater Interchange	men 600094	x	8,000	386	2,200	3,000	2,414	0	0	☺
Contribution from Growth Deal		c	(6,000)	0	(1,564)	(2,600)	(1,836)			
Contribution from S106 Agreement		c	0	0	0	0				
Contribution from S106 Agreement CBC		c	(250)	0	(250)	0				
Contribution from CIL		c	0	0	0	0				
Longham Mini Roundabouts	men 600095	x	2,000	1	100	900	999	0	0	☺
Contribution from Growth Deal		c	(1,800)	0	(900)	(900)				
Contribution from S106 Agreement EDDC		c	(200)	0	(200)	0				
A338 Widening Scheme	men 600096	x	850	0	850	0	0	0	0	☺
Contribution from S106 Agreement		c	(75)	0	(75)	0				
Contribution from S106 Agreement		c	0	0	0	0				
Contribution from CIL		c	0	0	0	0				
Local Transport Plan (Integrated Transport)	various	x	19,067	6,037	6,474	2,456	2,050	2,050	0	☺
DFT Grant		c	(15,273)	(3,654)	(5,381)	(2,138)	(2,050)	(2,050)	0	
Partner Contributions		c	(2,457)	(1,403)	(893)	(161)	0			
Local Transport Plan Maintenance	various	x	54,388	15,381	12,255	8,901	9,191	8,660	0	☺
DFT Grant		c	(50,687)	(12,381)	(12,135)	(8,851)	(8,660)	(8,660)	0	
Local Transport Plan Bridge Maintenance		x	10,020	2,120	2,140	1,920	1,920	1,920	0	☺
DFT Grant		c	(9,820)	(1,920)	(2,140)	(1,920)	(1,920)	(1,920)	0	
APT Projects	various	x	1,340		335	335	335	335	0	☺
Carry forward from previous year		x	126		126					
County Farms Ringfenced & Property Review	various	x	643	643						☺
Capital Receipts		c	(643)	(643)						
Gross Expenditure			233,360	147,766	31,741	22,405	18,483	12,965	0	

ADULT AND COMMUNITY

Dorset History Centre Extension	pac 125117	x	3,355	33	7	0	762	2,553	0	☺
External Contributions		c	(2,473)	0	0	0	(2,473)			
Bridport Connect	mac 100005	x	4,700	105	50	700	3,710	135	0	☺
Integrated Digital Care Fund		x	400	0	400	0	0	0	0	☺
Adults APT Projects	various	x	500		125	125	125	125	0	☺
Carry forward from previous year		x	83		83	0				
Libraries APT Projects	various	x	100		25	25	25	25	0	☺
Carry forward from previous year		x	0		0	0				
Gross Expenditure			9,138	138	690	850	4,622	2,838	0	

	Project Code		Total Payments £'000	Before 2017-18 £'000	2017-18 £'000	2018- 19 £'000	2019-20 £'000	2020-21 £'000	After 2020-21 £'000	
CABINET / WHOLE AUTHORITY										
Disabled Access to County Buildings	mca 200030	x	1,326	1,306	20	0	0	0	0	0 ☺
Superfast Broadband Project	mcr 300001	x	38,004	25,364	204	12,436	0	0	0	0 ☺
Developer Contributions (BDUK)		c	(11,742)	(11,742)	0	0				
District & Borough Contributions		c	(3,667)	(3,197)	(470)	0				
Other Contributions (BT)		x	(14,226)	(6,384)	0	(7,842)				
County Hall Masterplan - The Workspaces Project	mca 200029 &	x	2,000	1,979	21	0	0	0	0	0 ☺
Contribution from R&M		o	(200)	(200)						
Implementation of Replacement Childrens Social Care System (RAISE) and (AIS)	MIT 350061	x	4,500	1,564	600	2,336	0	0	0	0 ☺
Implementation of Replacement Library Management System	MIT 350062	x	496	456	40	0	0	0	0	0 ☺
Dorset Management Information System for Children (DMISC)	mit 350043	x	1,223	1,150	2	71	0	0	0	0 ☺
Contributions		c	(123)	(123)						
ICT - Whole Authority provision for business change, cost effectiveness improvements & infrastructure maintenance through ICT	various	x	5,394	4,095	600	699	0	0	0	0 ☺
Contributions from revenue		c	(306)	(306)						
Contribution to Dorset Green Purbeck (Quadrant)	pca 225086	x	1,147	500	647	0	0	0	0	0 ☺
Contribution to Dorset Innovation Park		x	2,276	0	0	2,276	0	0	0	0 ☺
Contributions from DLEP		c	(1,000)			(1,000)				
ICT Project Portfolio		x	1,200	0	0	1,200	0	0	0	0 ☺
County Wide Office Reconfiguration		x	3,143	0	2,250	893	0	0	0	0 ☺
Contributions from R&M		o	(250)		(250)					
County Hall Masterplan Year 3		x	500	0	500	0	0	0	0	0 ☺
Community Offer for Living & Learning		x	2,700	0	1,700	1,000	0	0	0	0 ☺
APT Projects (County Buildings)	various	x	420		105	105	105	105	0	0 ☺
Carry forward from previous year		x	(48)		(48)					
APT Projects (ICT)	various	x	5,752		1,438	1,438	1,438	1,438	0	0 ☺
Carry forward from previous year		x	277		277					
APT Projects Development Schemes	various	x	540		135	135	135	135	0	0 ☺
Carry forward from previous year		x	(568)		(568)					
APT Projects Minor Works & Feasibilities	various	x	240		60	60	60	60	0	0 ☺
Carry forward from previous year		x	58		58					
APT Chief Executives Special Projects	various	x	620		155	155	155	155	0	0 ☺
Carry forward from previous year		x	(108)		(108)					
Gross Expenditure			56,866	30,030	8,088	14,962	1,893	1,893	0	
DORSET WASTE PARTNERSHIP										
DWP Capital Programme (Infrastructure, Containers and Vehicles)	various	x			2,829	5,114	6,991	5,798	0	0 ☺
Gross Expenditure					2,829	5,114	6,991	5,798	0	

MODERNISING SCHOOLS PROGRAMME

Completed Projects awaiting Final Account	various	x	773	63	188	522	0	0	0	☺
Project Development Allowance	various	x	3,520	3,187	333	0	0	0	0	☺
Chesil Cove Federation Replacement Primary	sch 450055	x	8,921	8,483	378	60	0	0	0	☺
Hot Meals - STANDARDS FUND MONEY		c	(18)	(18)	0	0				
Pimperne Primary - Replacement	sch 450080	x	6,170	5,729	102	339	0	0	0	☺
Queen Elizabeth School - replacement	sch 450012	x	57,441	57,433	8	0	0	0	0	☺

PURBECK SCHOOLS RE-ORGANISATION

Purbeck School - core works	sch 450095	x	7,813	7,759	54	0	0	0	0	☺
Internal contributions (EC & R&M & Asbestos)		o	(821)	(821)	0	0				
Contribution from Hot Meals		c	(200)	(200)	0	0				
St Mary's RC Primary Swanage	sch 450088	x	3,668	3,415	238	15	0	0	0	☺
Contribution from Kitchen & Dining		o	(30)	(30)	0	0				
Wool Primary	sch 450085	x	569	566	3	0	0	0	0	☺
Contribution from Kitchen & Dining		o	(30)	(30)	0	0				
Swanage St Mark's Primary	sch 450089	x	3,103	3,013	90	0	0	0	0	☺
Sandford St Martin	sch 450084	x	3,613	3,598	15	0	0	0	0	☺
Contribution from Kitchen & Dining		c	(30)	(30)	0	0				
Lulworth Primary	sch 450073	x	2,938	2,642	95	201	0	0	0	☺
Contribution from school		c	(37)	(37)						
Contribution from Sustainable Property		o	(16)	(16)						
Bere Regis	sch 450139	x	5,372	4,959	157	256	0	0	0	☺
Contribution from Asbestos		o	(1)	(1)						
Contribution from School		o	(21)	(21)						
Contribution from MUWP		o	(342)	(342)						

BASIC NEED PROJECTS

Completed projects & projects < £500k	various	x	3,420	2,391	885	144	0	0	0	☺
Contribution from R & M		o	(39)	(39)						
Project Development Allowance	various	x	1,133	624	259	250	0	0	0	☺
Manor Park First School	sch 450118	x	4,118	3,974	144	0	0	0	0	☺
Contributions from School		o	(5)	(5)						
Contribution from R & M (Asbestos)		o	(146)	(146)						
Twynham Primary	sch 450134	x	8,306	1,261	5,000	1,745	300	0	0	☺
Damers Replacement	sch 450120	x	10,380	9,422	480	478	0	0	0	☺
Chickerell Primary	sch 450116	x	832	829	3	0	0	0	0	☺
Burton Primary	sch 450130	x	905	847	58	0	0	0	0	☺
Contribution to Lytchett Minster (Playing Field)	sch 450094	x	150	0	150	0	0	0	0	☺
Christchurch School (Twynham) school within a	sch 450141	x	1,365	1,333	32	0	0	0	0	☺
Contribution from School		c	(40)	(40)						
Downlands		x	2,838	2,737	80	21	0	0	0	☺
Contribution from R&M		o	(65)	(65)						
Highcliffe St Marks		x	2,808	2,128	226	454	0	0	0	☺
Contribution from R&M		o	(18)	(18)						
Wimborne First		x	11,205	119	900	6,920	2,366	900	0	☺
St Osmund's		x	3,685	755	2,645	285	0	0	0	☺
Sherborne Abbey		x	2,384	115	2,119	150	0	0	0	☺
Shaftesbury Primary Modular Extension	sch 450154	x	700	1	615	84	0	0	0	☺
Mudford Junior Modular Extension	sch 450172	x	547	0	492	55	0	0	0	☺
Other Basic Need Projects not yet approved	balancing item	x	12,368	0	1,862	10,506	0	0	0	☺

	Project Code	Total Payments £'000	Before 2017-18 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	After 2020-21 £'000		
14 - 19 PROJECTS / SEN PROJECTS										
SEN Projects (Yewstock)	sch 450101	x	3,931	3,829	102	0	0	0	0	☺
Contributions		c	(13)	(13)						
Other Schemes awaiting approval plus funding available or over committed		x	3,251	2,846	458	518	(2,366)	1,795	0	
			0	0						
DFE Basic Need / Maintenance Allocation		c	(53,333)	(36,097)	(4,522)	(7,327)	(5,387)	0	0	
Modernising Schools Programme Control Total			178,227		18,171	23,003	300	2,695	0	
Capital Fleet Replacements		x			1,539	1,053	510	1,000	0	
Capital R & M		x			5,517	5,967	5,967	5,967	0	
TOTAL EXPENDITURE			144,847		70,506	74,341	40,059	34,449	0	
TOTAL GRANTS / CONTRIBUTIONS			(55,079)		(30,182)	(24,897)	(22,326)	(12,630)	0	
TOTAL NET COST TO DCC			89,768		40,324	49,444	17,733	21,819	0	



People and Communities Overview and Scrutiny Committee

Minutes of the meeting held at County Hall, Colliton Park, Dorchester, Dorset, DT1 1XJ on Wednesday, 10 January 2018.

Present:

Mary Penfold (Vice-Chairman in the Chair)
Graham Carr-Jones, Katharine Garcia, Andrew Parry, Byron Quayle and Clare Sutton.

Members Attending

Steve Butler, Cabinet Member for Safeguarding
Deborah Croney, Cabinet Member for Economy, Education, Learning and Skills
Jill Haynes, Cabinet Member for Health and Care
Rebecca Knox, Leader of the Council
Daryl Turner, Cabinet Member for Natural and Built Environment
Pauline Batstone, Chairman of the Safeguarding Overview and Scrutiny Committee
Kate Wheller, Member of the Safeguarding Overview and Scrutiny Committee.

Officers Attending: John Alexander (Senior Assurance Manager - Performance), Helen Coombes (Transformation Programme Lead for the Adult and Community Forward Together Programme), Steve Hedges (Group Finance Manager), Nick Jarman (Interim Director - Children's Services), Mark Taylor (Group Manager - Governance and Assurance) and Helen Whitby (Senior Democratic Services Officer).

For certain items, as appropriate

Diana Balsom (Commissioning Manager, Housing and Prevention), Ed Denham (School Admissions Manager), Katie Lowe (Commissioning and Contracts Manager) and Steph Lyons (Commissioning Manager).

(Notes: These minutes have been prepared by officers as a record of the meeting and of any decisions reached. They are to be considered and confirmed at the next meeting of the People and Communities Overview and Scrutiny Committee to be held on **Wednesday, 21 March 2018.**)

Apologies for Absence

1 Apologies for absence were received from Cllrs Derek Beer, William Trite and David Walsh.

Code of Conduct

2 There were no declarations by members of disclosable pecuniary interests under the Code of Conduct.

Minutes

3 The minutes of the meeting held on 11 October 2017 were confirmed and signed.

Progress on Matters Raised at Previous Meetings

4 The Committee considered a report by the Transformation Programme Lead for Adult and Community Forward Together Programme which set out outstanding actions from previous meetings and an update on identified reviews.

Dorset Syrian Refugee Programme

Members had been sent an update by email on 11 December 2017. The Lead

Member for the review stated that on the basis of the information provided, and the need to prioritise future reviews, there was no need to progress this review at this time. This was agreed.

Dorset Education Performance

The review had been delayed because of the Lead Member's ill health. It would now go ahead in February 2018.

SEND Budget

The Cabinet Member for Economy, Education, Learning and Skills explained that at a recent meeting pressure to improve delivery of Education Health Care Plans continued. The next performance figures were expected at the end of January 2018. Good outcomes would be reported later in the school term.

Workforce Capacity

Work was progressing and a report would be considered in March 2018.

Integrated Transport

The review was being progressed.

Mental Health Workshop

The workshop had been held on 13 December 2017 and a full report would be provided for the March 2018 meeting. A number of issues had arisen on the day including access to services, housing and benefits, commissioning and the need for safe places.

Delayed Transfers of Care

This item had been added to the Committee's work programme. Significant pressures were being experienced in local acute and community hospitals. Up to the beginning of the week the social care department was tracking below target although NHS delays were not performing so well. Cases of flu were increasing and this was starting to affect the system. A full report would be provided to the March 2018 meeting.

Race and Hate Crime

The Lead Member referred to current evidence which showed a downward trend and did not think there was any reason for a review to continue. Should incidents increase then this decision could be reviewed. The Lead Officer agreed with this view. Attention was drawn to the number of other agencies monitoring such cases which provided some assurance for the Committee.

In light of this, members agreed that the review should not progress further.

Social Inclusion

The findings of this review would be reported to the June 2018 meeting. The Lead Officer for the review added that many partner organisations were contributing to the review and that future meetings were being outside of County Hall.

Homelessness

The Lead Member had not received any information as requested at the last meeting and that a recent email had suggested that responsibility for homelessness lay with district and borough councils. The Transformation Programme Lead for Adult and Community Forward Together Programme apologised for the lack of information and reminded members that they had asked for a better understanding of how the Council worked with district and borough councils, the new Act, and adult and children's services. She undertook to arrange for the appropriate information to be provided.

Members noted that Dorset Councils Partnership was holding a homeless reduction briefing on 31 January 2018 for its members and that other members would be welcome to attend. It was also reported that East Dorset and West Dorset Councils were holding similar briefings.

Brexit

Terms of Reference were being drawn up.

Noted

Public Participation

5 Public Speaking

There were no public questions received at the meeting in accordance with Standing Order 21(1).

There were no public statements received at the meeting in accordance with Standing Order 21(2).

Admission Arrangements 2019-2020 and Transport Policy 2018-2019

- 6 The Committee considered a report by the Interim Director for Children's Services which summarised the results of the statutory consultation the Council had undertaken for the admission arrangements for 2019-20, the transport policy for 2018-19 and a proposed change to the Published Admission Number for Charmouth Primary School.

The Council consulted annually on admission arrangements for voluntary controlled and community schools before any changes were determined. Voluntary Aided schools and Academies were their own admission authorities and would go through a similar process. The Committee then considered the individual elements contained within the report.

Admissions Arrangements

No significant changes were proposed and the Committee agreed to recommend these to the Cabinet for formal agreement.

Home to School Transport Assistance Eligibility Policy

The proposed changes aimed to make entitlement clearer for families to understand. Members were reminded that a series of incremental rises for Post 16 transport were agreed two years ago. The increase in a surplus seat price from £640 to £770 from September 2018 had been consulted upon and a likely increase in 2019 in line with the tender index for transport as advised by Dorset Travel was highlighted for consultation in April 2018. It was noted that families in receipt of working families tax credit or free school meals would be eligible for a 50% discount. The increases had been reviewed by Dorset Travel for consistency, were competitive with other councils, and were progressing towards cost recovery.

Whilst members supported the need for policies to be clear and understandable, views were expressed about the proposed increases. These included concerns about travel distances for children on Portland, that the lack of assistance meant that more families were choosing to home educate which meant that children were further disadvantaged; a need for a good communications plan to explain the reasoning behind any increases; any increase to take into account the use of taxis or one-off provision; that any increase might result in more parents driving their children to school, thus increasing congestion and impacting on cost recovery; and that a decision should be delayed pending further information being sought, given the concerns expressed.

It was suggested that any increase should not be more than inflation but this was balanced by a view that if this was the case then a similar decision about increases would be needed in subsequent years; and that it would have been helpful if the report had included how figures were calculated by Dorset Transport, how many pupils would be affected and safeguards for those most at risk.

The Interim Director for Children's Services referred to the Children's Services budget and the need to address a £7m funding gap with a significant part being attributed to home to school transport. If the increases were not agreed, then any shortfall would have a serious impact on the Council's budget and would have to be found from elsewhere, resulting in equally difficult decisions needing to be made in other areas of spend.

The Cabinet Member for the Natural and Built Environment drew attention to the fact that there had been little consultation with the Head of Transport prior to the report's publication and that any impact on commercial routes because of the proposed changes needed to be addressed.

Transport Catchment Area for the Swanage School

The proposed change would give the Swanage School an identified transport catchment area and bring it into line with other secondary schools. Members noted that the proposed change was part of a wider review currently being undertaken across Dorset.

3 or 5 Mile Criteria for the reduction of 50% for contribution to Post 16 Transport

The change of the criteria from 5 to 3 miles was proposed to bring it in line with the criteria for Key Stages 3 and 4. The change would result in an additional cost of £70k.

A member commented that the reduction might result in greater uptake of available places.

The Cabinet Member for Health and Care, whilst recognising the problem facing those needing to access further education in rural areas, was concerned about the additional cost and, given the current pressures on the Children's Services budget, where this would be found. The Interim Director for Children's Services explained that the cost would be added to the home to school transport savings of £483k already identified and that this would have to be found from within the budget.

Pupil Admission Number (PAN) for Charmouth Primary School

Charmouth Primary School currently had a PAN of 25 but was suffering from low numbers. A reduction to 15 from 2019 onwards would be more efficient and cost effective.

Members were concerned about the school's viability and asked whether it could be used more. It was explained that the school would be viable, efficient and provide a quality of education for a total of 105 students. Primary school numbers were not as acute now and, should the numbers increase or there be additional housing in the area, then there would be capacity to increase the PAN again. The Interim Director for Children's Services added that although the optimum level for primary schools was 250 students on roll, Dorset had a lot of small, rural schools which were more expensive. Based on the forecasts for births, it looked like demand in the catchment area would decline. If the PAN were retained there would be surplus places and this would result in an unnecessary attenuation of the school's budget. In his view, the reduction was the right option.

Recommended

That the Cabinet formally agree to the adoption of the following:-

1. Dorset County Council Admissions Arrangements including the Co-ordinated Scheme, the Admissions Arrangements for Community and Voluntary Controlled Schools in Dorset 2019-20, the Admission of Armed Forces Community Children Policy and the Guidance on the Placement of a Pupil Outside His or Her Normal Age Group, the 6th Form Admissions Policy and the Nursery Admissions Policy.
2. The Home to School Transport Assistance Eligibility Policy for Children and Young People attending School 2018-19 and the Dorset Post 16 Transport Support Policy for 2018-19 which includes a rise in the surplus seat price from £640 to £770. Cabinet is also advised that a cost of £795 will be used for consultation in April 2018 for September 2019 surplus seat/cost recovery charge.
3. Approval of the identification of a transport catchment area for the Swanage School.
4. Approval of the 5 mile criteria for the reduction of 50% for contribution towards Post 16 Transport.
5. Changes to the Pupil Admission Number for Charmouth Primary School reducing from 25 to 15.

Reason for Recommendations

1. To determine admissions arrangements in accordance with statutory requirements including the School Admissions Code December 2014.
2. To ensure compliance with the latest legislation and subsequent regulation/statutory guidance.

Budgets for Adult and Community and Children's Services

- 7 The Committee received a presentation from the Interim Director for Children's Services on the Children's Services budget for 2018/19. He explained that the cost of service delivery for 2018-19 was £66m compared to the available funding of £58m. He then gave a detailed breakdown of proposed identified savings of £6.3m. This resulted in a gap of £1.8m but to meet this shortfall staff would have to change their attitudes, be more disciplined and focused on doing the right things at a faster rate than they were used to.

One member referred to a recent meeting he had attended with fostercarers and asked what was being done to address the concerns they had raised and to avoid a mass exodus. The Interim Director explained that a review of payment rates had been undertaken and these had been brought into line with other authorities. An incentive scheme had also been included so that those achieving qualifications received additional payments as did those fostercarers looking after harder to place children. There was also a need for better customer care for them, for a change in staff attitudes and understanding, and for existing fostercarers to be retained.

Another member, welcomed the additional funding provided to recruit additional social workers but asked what support was given to family members to take on children. The Interim Director explained that staff were actively trying to increase the number of family placements as this provided better continuity for the children.

The Committee then received a presentation on the Adult and Community Services budget for 2018-19 from the Transformation Programme Lead for Adult and Community Forward Together Programme.

Members were reminded that the adult social care budget was the largest within the Council and that the social care precept was ringfenced for spend on adult social care. There would be an increase in the Improved Better Care Fund (IBCF) but there were strict rules as to how this money could be spent and performance managed. Members were also reminded that fees and charges were based on the ability to pay so that those who could not afford to pay had their services funded.

Savings of £9.3m were needed during 2018-19 and an explanation of how these would be achieved was given. Attention was drawn to the increased number of older people living longer in Dorset and the increased complexity of their needs; the increasing amount of safeguarding work which impacted on the number of assessments and reviews undertaken; and the increased need to undertake more deprivation of liberty cases due to people not planning for their future at an early stage and the implications this had for the service. There was a need for provision of early advice in order to help people make the decisions about their future at an early stage.

She then explained identified savings which she considered achievable but cautioned that if these savings were not realised, then additional savings would have to be made elsewhere.

One member drew attention to the older populations reluctance to apply for attendance allowance as they saw this as a failure or a stigma and asked whether steps were being taken to address this reluctance. More was being invested in the welfare service, and to district councils revenue and benefits services to inform people about the allowance and of the need to plan for the future. Cllr Jill Haynes, Cabinet Member for Health and Care, added that the Dorset Health and Wellbeing Board would be working more closely with GP Locality Groups on the prevention agenda and talk to people about this.

Another member asked how voluntary organisations were being encouraged. It was explained that they were involved in helping communities to become more enterprising and respond to local need and the Dorset Care Framework was encouraging community organisations to tender for services. These measures, combined with increasing take up of personal budgets would improve markets and give more flexibility.

In response to other questions it was confirmed that current work on social isolation included the superfast broadband team and Age Concern, and that Age UK were involved in some community development work.

The work Tricuro was doing in Weymouth to make better use of its centres was highlighted as was the rising cost of the Council's transport to get people to day centres like the Acorns in Weymouth and the reduction in income that might result. Members were reminded that since 2007 the policy was for people to have individual personal budgets so that they had control of how the money allocated to them could be used for their benefit. The Council was trying to increase awareness of this through use of social media, financial advisers, banks etc.

With regard to potential changes to libraries, one member highlighted the success of the community library in his area and that their experience might help other libraries. Another member emphasised the use of the library in her division as a resource centre. It was recognised that previous changes to library services had been painful but Cllr Deborah Croney, Cabinet Member for Economy, Education, Learning and Skills, recognised the valuable role played by libraries and had already given a commitment that any future strategy would be set out clearly before any steps were taken.

Noted

Outcomes Focused Monitoring Report, January 2018

- 8 The Committee considered a report by the Transformation Programme Lead for Adult and Community Forward Together Programme which set out performance against the 2017-18 Corporate Plan and population indicators for the Healthy and Independent

outcomes. The report also included performance measures which showed the Council's services' contribution and impact on outcomes, risk management information relating to outcomes and population indicators, and some value for money information relating to the three service directorates.

Attention was drawn to the suggested areas of focus for the indicators on the inequalities in life expectancy and the rate of hospital admissions related to alcohol related conditions.

Following the last meeting a member had asked for a briefing paper on the rate of hospital admissions for alcohol-related conditions and a brief explanation of the findings was given. Increased drinking affected safeguarding for both children and adults, crime levels, work force absenteeism, and had an impact on the Council's services and outcomes. Many partner organisations had a role in prevention, treatment and safety and the issue formed part of the Sustainability and Transformation Plan which was scrutinised through Dorset's Health and Wellbeing Board. Any improvement in performance would need to be by way of a joined up approach by the organisations involved. One suggested way of increasing take up was by referral at hospitals or by GPs. The paper would be sent to members following the meeting. Other indicators had already been identified by the Overview and Scrutiny Committees and were the subject of current or planned reviews.

Other interrelated or causal factors involved in alcohol misuse were raised which needed to be explored before scarce resources were allocated to any review. Only 25% of the lower quartile were accessing Livewell Dorset, who provided many interventions and that prevalence of mental health conditions was increasing yet spend was being cut by 50%.

The Transformation Programme lead for the Adult and Community Forward Together Programme added that many people using alcohol or substances were not looking for medical intervention and this explained the low take up rates.

Noted

Work Programme

- 9 The Committee considered a report by the Transformation Programme Lead for Adult and Community Forward Together Programme which detailed the updated work programme for 2017-18.

Noted

Questions from County Councillors

- 10 No questions were asked by members under Standing Order 20(2).

Meeting Duration: 10.00 am - 12.35 pm

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Economic Growth Overview and Scrutiny Committee

Minutes of the meeting held at County Hall, Colliton Park,
Dorchester, Dorset, DT1 1XJ on Wednesday, 24 January 2018

Present:

Ray Bryan (Chairman)
Cherry Brooks, Andy Canning, Jean Dunseith and Jon Orrell.

Members Attending

Deborah Croney, Cabinet Member for Economy, Education, Learning and Skills
Daryl Turner, Cabinet Member for Natural and Built Environment.

Officers Attending: Mike Harries (Corporate Director for Environment and Economy), Matthew Piles (Service Director – Economy), Andrew Martin (Service Director - Highways and Emergency Planning), Andy Smith (Assistant Head of Finance), Kate Tunks (Transport Planning Team Leader), John Alexander (Senior Assurance Manager), Doug Gilbert – (Advisor - Children’s Services), David Northover (Senior Democratic Services Officer) and Heather Lappin (Group Finance Manager).

Also attending

Hilary Trevorah – Chief Executive of Dorset Association of Parish and Town Councils.

(Note: These minutes have been prepared by officers as a record of the meeting and of any decisions reached. They are to be considered and confirmed at the next meeting of the Committee to be held on **Monday, 26 March 2018.**)

Apologies for Absence

44 Apologies for absence were received from Councillors Jon Andrews, Spencer Flower, Peter Hall, Margaret Phipps and David Shortell.

As this was the final meeting Andy Smith would be attending before retiring from the County Council, the Chairman, on behalf of the Committee, took the opportunity to thank him for his contributions to the Committee over the years and wished him every success for the future,

Code of Conduct

45 There were no declarations by members of disclosable pecuniary interests under the Code of Conduct.

Minutes

46 The minutes of the meeting held on 16 October 2017 were confirmed and signed.

Matter arising

Arising from minute 37, the Committee were being given the opportunity to nominate a member to be appointed to serve on the Brexit Advisory Group.

Resolved

That Councillor Cherry Brooks be appointed to serve as the Committee’s representative on the Brexit Advisory Group.

Public Participation

47 There were no public questions received at the meeting in accordance with Standing Order 21(1).

There were no public statements received at the meeting in accordance with Standing Order 21(2).

Update on "Working Together Highways" Initiative

48 The Committee considered a report and received a presentation from the Service Director, Highways and Emergency Planning updating on progress being made with the "Working Together Highways" initiative - a partnership arrangement with the Dorset Association of Parish and Town Councils which was designed to enable individual parishes and towns to contribute towards and undertake routine highways maintenance works for themselves. The presentation was designed to show how the initiative was working in practice; what, if any, obstacles there were; what part each was playing; how this was being co-ordinated; was it achieving what it was designed to do; and was it delivering on its outcomes.

This approach was based on the fact that the highway's service routine maintenance funding could now only provide for the delivery of a basic and fundamental service that would fulfil its statutory obligations and ensure the safety of the highway network by that means. It also recognised that local communities had a considerable knowledge on what assets they had, where these could be found and what was needed for them to function as they should. Such knowledge was invaluable in communities being given the choice to determine for themselves where they considered their priorities to be and what benefits would be gained. This initiative also gave local councils the opportunity to undertake works in excess of those able to be done by the County Council, so that enhancements could be made if desired, with the costs of these being borne by the town or parish council's precept budgetary provision.

A consultation exercise into this initiative had been widely publicised in the summer of 2016 and had generated considerable interest from the majority of parishes whom the DAPTC represented. Officers confirmed that this offer had also been extended to those parishes which were not aligned to the Association, ensuring all had the scope to partake if they so wished, with interest being shown by them too. Access to a specialised webpage for parish and town councils to be able to identify the maintenance needs in their parish, had been made available to all.

The presentation detailed what type of maintenance work could be – and was being – undertaken; how this was being done; what this entailed and who was involved. How contractual agreements would be managed was outlined as well as what necessary legal obligations needed to be fulfilled so that these arrangements complied with governance standards. How risk was assessed, as well as how volunteers could be recruited and managed and what the relationship was for their supervision by County Council employees – at no charge to them - were all detailed as part of the presentation. This clearly demonstrated the County Council's commitment to the initiative.

The means of identifying opportunities to supplement the County Council's operations were outlined, with four commissioning options being available to parishes as a means of progressing matters. Option 4 – Parish/Town Councils entering into an Agency Agreement with the County Council – had proven to be the most popular, beneficial and practical option for those who had already committed to the scheme. The process for reaching agreement on this was outlined. What maintenance could be done, by whom and by what means was explained as part of the option appraisal process.

The presentation gave a sense of indicative outputs in terms of typical works that could be undertaken, typical costs for these and typical hours required to do said tasks. Those Councils which had signed up to the scheme, or were in the process of

signing up, were shared with the Committee together with what works that had agreed to undertake. It was confirmed that some of the towns that had signed up had made arrangements of with adjoining parishes to undertake minor routine works on their behalf as the town council had the capacity to do so.

There was some concern expressed that standards had been seen to lapse but the reason for this was understood as savings had to be made. However there was an acknowledgement that there was a strong case for continued investment to maintain the quality of the road network to avoid future deterioration - i.e invest to save. Given what the initiative was designed to do, members considered that the reasoning for this should be more readily explained to local communities and the wider public to ensure they were familiar with that message.

On this the Committee considered it beneficial establishing a Policy Development Panel on Highway Maintenance Management to assess what was being done; how it was being done; what the priorities were and; what, if any, improvements could be made. It was considered that this was an opportune time to look again at this in light of there being a new code of practice. Likewise, comparisons were made with other highway authorities to establish how the County Council was performing, with details of this being provided to members. Whilst highway maintenance was fundamentally a revenue issue, capital investment had a bearing on what level of maintenance was necessary and, on that basis, it was agreed that the Dorset LEP should be invited to any meeting where the fabric of the network was being assessed on what capital implications there were.

Given that such an exercise had been undertaken in the recent past, the Panel would be provided with some context as to the reasoning for the decisions previously taken and the basis on which those decisions were made so that a more meaningful assessment could be made on what needed to be done.

The Chairman was of the view that emphasis should be given to ensuring that all Dorset MP's fully advocated the need for sufficient funding to be made available for the delivery of necessary services, with highway maintenance seen to be a priority.

Hilary Trevorah complemented the Service Director's presentation in being able to provide a perspective on behalf of the parishes on how the partnership arrangements were working and what benefits this working relationship brought. The issue of how Dorset MP's supported sufficient funding provision could be raised at a DAPTC management meeting during 2018.

The Committee were pleased to see how successful this initiative was proving to be and that the partnership arrangements with local communities to identify and meet their specific needs was a positive approach being taken. They thanked Mrs Trevorah for the contribution she had made to their understanding.

Resolved

That the progress being made to date with the Working Together Highways Initiative be endorsed and that a Policy Development Panel on Highway Maintenance Management be established to review what arrangements were in place and how applicable these were to meet the needs going forward, with the Chairman and Vice-Chairman – whose suggestion it was - being nominated to serve on this, with up to three other members to be determined in due course.

Reason for Decision

To ensure that a successful collaborative arrangements between the County Council and local communities was established in relation to the delivery of minor highway maintenance activities.

Application of the Local Transport Plan

49 The content of the report by the Service Director Economy on the application of the Local Transport Plan, what it was designed to achieve and the means by which this was to be done was considered by the Committee. The Plan was designed to target where improvements were most beneficial and would achieve the most and the means by which this could be delivered.

How the LTP worked in practice between the three highway authorities of Dorset County, Bournemouth Borough and the Borough of Poole was seen to be an exemplar of what could be achieved by collaborative working arrangements. The LTP continued to prioritise safety measures, as well as the practical means of applying transportation measures, with emphasis being placed on active travel schemes to support better health outcomes and transport schemes to support economic growth outcomes.

The Committee were informed about how transport improvement schemes were prioritised; what the LTP funding delivered; and the major achievements of the 2014-17 and the key priorities of the 2017-2020 LTP Implementation Plans respectively. Emphasis was being placed on reducing the need to travel; urban air quality /transport solutions and green technologies. There was working with Clinical Commissioning Groups, focussing on public health in ensuring there was opportunities for every individual to be able to play their part in contributing to society. The work being done in collaboration with Sustrans warranted special mention in delivering sustainable transport solutions where practicable.

Emphasis was also being placed on education and working within schools in instilling healthy transport practices amongst students. Housing allocation and supply was integral to what could be achieved and had a bearing on what transport solutions could be delivered. The travel to work area in the south east conurbation had implications for all three highway authorities.

The Committee were pleased to see that the health agenda was being actively promoted. With reference to Weymouth, improvements were being targeted at strategic junctions and key hubs to ensure that sustainable methods of transport could be achieved and the Weymouth Masterplan and the Western Dorset Growth Strategy would have a bearing on the means for this to be realised. South Western Railways has a part to play in the ability for cycle provision on their trains and links were being made to ensure this could be delivered. Similarly, the Growth Deal funding took into account how to better deliver sustainable transport solutions.

The Chairman was pleased that community led initiatives – such as that recently agreed Traffic Regulation order at Regulatory Committee for a 20 mph zone in Iwerne Minster – could be fulfilled, wherever practicable, and showed what could be achieved with some thought.

The way in which footway conditions were assessed and managed and how maintenance of the these was addressed was explained. A particular issue raised was the condition of a footway, on a school route, adjacent to A31 near St Leonards. Officers confirmed the importance of road safety education in encouraging children to walk to school where they could and what bearing this had on the health and wellbeing agenda and that they should have adequate means of them being able to so. Given this they would investigate the matter drawn to their attention.

The Service Director - Economy explained that the LTP was designed to look at

transportation needs holistically, so that the most beneficial solutions could be found as necessary. It was recognised that the needs of urban transport differed markedly from that which the rural areas required. An Integrated Transport Focus Day was being held on 26 February to allow discussion on this by interested parties.

The Committee recognised the importance of an integrated parking strategy between the County and Borough/District councils, in order to sustain and deliver managed parking in practice to cover on-street and off-street provision. The LTP provided the means for this to be delivered and formed the basis for how this could be achieved. The pilot scheme established for Dorchester through the Dorchester Transport and Environment Plan (DTEP) was seen to be a good basis for other schemes in market towns, given the collaborative working across all their tiers of local government to achieve this.

The Committee considered that, where practicable, generating income from sponsorship of highway, and County Council, assets should be pursued as there appeared to be considerable opportunity to do this. The Service Director-Economy confirmed that much success had already been realised from doing this and had proved beneficial in terms of income generation. He was pleased to say that current roundabout sponsorship attracted some £150,000 per annum, with a dedicated team identifying opportunities to make further gains where possible, with any rationalisation of local government in Dorset providing greater opportunities still.

The Committee were pleased to see what practical achievements could be made from the collaborative working of the LTP and that the priorities identified were ones which met the County Council's own corporate outcomes and aims.

Recommendations

- 1) That the LTP and Corporate Plan outcomes be approved as a method of prioritising the local transport projects to be delivered in Dorset.
- 2) That the transport project areas identified in the Service Director's report be approved.

Reasons for Recommendations

The LTP priorities have been previously agreed and are fixed in the LTP 2011. The Corporate Plan 2017 outcomes have been added to ensure alignment with the County Council's aims and objectives, with particular reference to health, physical activity and economic growth. The types of projects being delivered meet these priorities and outcomes.

Outcomes Focused Monitoring Report, January 2018

50 The Outcomes Focused Monitoring report - as at January 2018 - set out progress against the 2017-18 Corporate Plan. The report provided relevant data on the population indicators within the prosperous outcome and:-

- performance measures - by which the County Council could measure the contribution and impact of its own services and activities on the outcomes
- risk management information - identifying the current level of risks on the Corporate Risk Register that related to outcomes and the population indicators

The Committee were being asked to make an assessment of current progress and to identify any priorities for further investigation. Attention was drawn to productivity and how there was scope for improvement to this. The suppression of wages and what this meant for standards of living in certain areas of deprivation in the county – parts of Weymouth being one - was acknowledged. Typically the commercial vibrancy of seaside towns was influenced by seasonal trade, employment and attractions. What scope there was for this to be addressed and improvements made was discussed. Officers recognised those areas in particular need and confirmed that action was

being targeted so that issues could be addressed through the skills agenda. From this, improvements could be made, with scope for social mobility being actively pursued through this means. Moreover, Government funding had been allocated to 12 identifiable “Opportunity Areas” countrywide – socially deprived regions that would benefit from a funding injection to meet particular needs. The Committee considered that there could be a good case made for socially deprived wards within Weymouth being included in such designated areas, with evidence supporting this, and efforts should be made for this to be actively pursued. The County Councillor for Weymouth Town agreed to play his part in ensuring that the Melcombe Regis Board had some input into this. He was also keen to promote what attributes Weymouth had, asking that consideration be given to promoting wave and tidal power and the benefits this could bring.

From the report it could be seen that the condition of county roads had slightly deteriorated and this could be attributed to the reduction of road maintenance funding available. In reducing the need for travel could have a reduction on the abrasion of the road network and, in turn, maintenance needs would not be so great.

Turning to Children’s Services, Doug Gilbert outlined the performance of attainment levels amongst pupils, how these had been assessed and what might be done to see improvements being made. A contributing factor to this was the way in which nationally grading had been changed – in going from an alphabetical to numerical system - which was not necessarily conducive to comparison. Moreover, how Ofsted had “raised the bar” in now adjudging the performance of schools was also reflected in the performance standards being shown. The County Council had a part to play in ensuring employers, especially small businesses, understood the changes to the grading levels and took this into account when job applications were being made. Ways in which the Dorset LEP could become more engaged in what the skills agenda had to offer was felt to be critical to its success. Efforts would be made for their involvement to be reinvigorated. Similarly schools had an integral part to play in ensuring that children had the right skills to be able to access future opportunities and that they were aware of what options were available to them.

The Committee asked to be updated on a regular basis on what improvements – or otherwise - were being made. This should remain a focus for all that the Committee did, as skills underpinned any success that was able to be achieved. Any funding opportunities should be identified wherever possible, with what other authorities were doing being used as basis for what Dorset could do. This would ensure Dorset was in the best position possible to meet what lay ahead.

Resolved

- 1) That the evidence of Dorset’s position with regard to the outcome indicators in Appendix 1 of the report be noted; and:
- 2) that the issues and opportunities identified in the above text be actively pursued, where possible and practicable.

Reason for Decision

The 2017-18 Corporate Plan provides an overarching strategic framework for monitoring progress towards good outcomes for Dorset. The Overview and Scrutiny Committees provide corporate governance and performance monitoring arrangements so that progress against the corporate plan can be monitored effectively.

Work Programme

- 51 The opportunity was taken to assess the Work Programme and decide what needed to be considered and scrutinised in the upcoming months. The Chairman encouraged all members to contribute items to the programme as they saw fit. Topics identified for the next meeting included “Green Infrastructure “ and The Industrial Strategy” – with

the Dorset LEP's involvement in this.

It was also considered beneficial that, looking ahead, economic development teams across Dorset strengthened their collaborative working arrangements for the benefit of all.

Noted

Questions from Councillors

52 No questions were asked by members under Standing Order 20 (2).

Meeting Duration: 10.00 am - 12.10 pm

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Safeguarding Overview and Scrutiny Committee

Minutes of the meeting held at County Hall, Dorchester, Dorset,
DT1 1XJ on Tuesday, 30 January 2018

Present:

Katharine Garcia (Vice-Chairman in the Chair)
Katharine Garcia, Toni Coombs, Beryl Ezzard, Steven Lugg, Bill Pipe and Kate Wheller

Officers Attending: John Alexander (Senior Assurance Manager - Performance), Sarah Baker (Group Finance Manager), Andy Frost (Community Safety and Drug Action Manager), Cathy Lewis (Communications Officer (Internal)), Nick Jarman (Interim Director for Children's Services), Mark Taylor (Group Manager - Governance and Assurance), Mary Taylor (Designated Safeguarding Manager), Sally Wernick (Strategic Lead for Safeguarding and Quality - Adults) and Fiona King (Senior Democratic Services Officer).

(Note: These minutes have been prepared by officers as a record of the meeting and of any decisions reached. They are to be considered and confirmed at the next meeting of the Safeguarding Overview and Scrutiny Committee to be held on: **Tuesday, 13 March 2018**)

Apologies for Absence

1 Apologies for absence were received from Derek Beer, Kevin Brookes and Pauline Batstone (Chairman).

In the absence of Cllr Batstone the Vice-Chairman took the Chair.

Code of Conduct

2 There were no declarations by members of disclosable pecuniary interests under the Code of Conduct.

Minutes

3 The minutes from the meeting held on 12 October 2017 were agreed and signed.

Public Participation

4 Public Speaking
There were no public questions received at the meeting in accordance with Standing Order 21(1).

There were no public statements received at the meeting in accordance with Standing Order 21(2).

Petitions

There were no petitions received at the meeting in accordance with the County Council's Petition Scheme.

Domestic Abuse - Inquiry Day

5 The Committee considered a report by the Transformation Lead for Adult and Community Services Forward Together Programme which highlighted the objectives of the recent Inquiry Day that had been held and showed that whilst there were pockets of good practice further progress was needed to deliver the changes that were required.

Members noted the importance of having a robust approach with the right strategies

in place and were pleased to see a concerted effort being made to achieve a joined-up approach to domestic abuse. The Community Safety and Drug Action Manager highlighted work being undertaken with partners to develop a whole family approach and the mapping of service pathways for victims. Officers were working closely with partners including those from the voluntary sector.

One member, whilst recognising the importance of being joined-up, highlighted how at times when discretionary spend was dropped, for example bus services, this impacted on areas such as domestic abuse as abuse was usually contained in a whole package of issues. He would like to see the County Council joined up in policy in respect of domestic abuse.

Following a discussion about data protection and the sharing of information, the Interim Director for Children's Services noted members' comments and concerns and advised that there was now a multi-agency safeguarding hub in place where information, data and intelligence could be shared and which had made major strides forward.

The Strategic Lead for Safeguarding and Quality – Adults, undertook to provide members with an update from the Pan Dorset Domestic Abuse Strategic Group on their Action Plan to understand how different agencies were working together and how successful they were.

Recommended

That the Cabinet be asked to support to commit to further targeted activity, with key partners to tackle domestic abuse and improve outcomes for vulnerable adults and children.

Reason for Decision

To monitor and comment on the work of Adult and Children's Services and their partner agencies, including the Community Safety Partnership to be satisfied that they were working together effectively to improve the safety of adults and children and to prevent and reduce incidents of violence and domestic abuse.

Modern Slavery Protocol and Guidance

- 6 The Committee considered a report by the Transformation Lead for Adult and Community Services Forward Together Programme which notified members of the County Council's duty to notify the Government of any potential victims of human trafficking or slavery.

The Community Safety and Drug Action Manager highlighted to members that this was a complex and fast evolving area and that officers had worked with partners to develop a Modern Slavery Protocol and Guidance. The document provided guidance for staff on how to fulfil the statutory duty to notify Central Government if they encountered a potential victim of modern slavery. It also set out how partners would organise themselves in the event of a modern slavery operation. The Protocol and Guidance was a working tool for practitioners and would need to be updated regularly by officers to incorporate any changes in legislation or guidance and in light of any practical experience gained whilst using it. Regular updates would also be required to the contacts and services listed in the document.

One member was concerned that the UK Border Force was not included in the list of agencies under a duty to notify the Government of any suspected victims of human trafficking or slavery. The Community Safety and Drug Action Manager advised that Home Office staff within UK Visas and Immigration, Border Force and Immigration Enforcement were required to comply with this duty. They were also engaged in various partnership work to tackle modern slavery. Members felt it was important to

mention in the Protocol and Guidance that other agencies, in addition to those referenced in the covering report, needed to make a notification.

The Lead for Safeguarding and Quality – Adults advised members that she was the nominated slavery lead for the Authority and confirmed that the Border Force did sit on the Anti-Slavery Partnership. Following a concern from a member about an issue in his division, the officer undertook to discuss it further outside of the meeting.

In response to a concern about a minor being deported as a result of slavery, the Interim Director for Children’s Services advised that if there were young people that were immigrants, they were by definition looked after children and therefore were the responsibility of the local authority, in their role as the Corporate Parent.

Recommended

That the Cabinet be asked to adopt the Modern Slavery Protocol and Guidance, with the inclusion that there were other agencies who needed to comply with the duty to notify.

Reason for Decision

To ensure that the County Council met its statutory duty to notify central government of any potential victims of modern slavery.

Elective Home Education and Attendance Scoping Report

7 The Committee considered a report by the Interim Director for Children’s Services which set out the issues, suggested scope and methodology for the Committee to explore Elective Home Education.

The Interim Director for Children’s Services advised members that the right of access was very circumscribed in respect of elective home education unless there was a safeguarding concern. There was very little evidence of children coming to harm through home education per se.

There were some concerns around home education in relation to safeguarding, when some parents withdrew children from school because of bullying and a considerable amount of informal activity was done around this. There were extensive opportunities of sources of intelligence and any work needed to be proportionate to the scale of the problem as there was still plenty to do within the Council’s own school service and children’s service.

Members’ discussed particular issues within their divisions and felt that if they had evidence of numbers of children being home educated in Dorset that it would be really helpful. The Director noted the importance of remembering that the law placed responsibility on the parent/carer to get their children to school and the role of the Council was to ensure that the parent/carer obeyed the law. There was a wealth of good quality information available for parents from the County Council’s Attendance Service.

Members’ discussed home education from a school transport appeal perspective where bullying was cited quite regularly. All members could do in these situations was to operate the County Council’s policy. The Director noted that bullying was a safeguarding standards issue in schools and with appropriate evidence the Local Authority would bring this to the attention of the Governors of a particular school. However, it was important to note that there was very little evidence of case reviews for children coming to harm whilst being home educated.

Member’s agreed it was important to establish the scale of the potential issue and requested a summary report of data to give them a view of what was going on in

readiness for their meeting on 5 July 2018.

Resolved

That the Committee to receive a report at their 5 July 2018 meeting to establish the scale of any potential issue with Elective Home Education.

Reasons for Decision

1. To enable Members to be sufficiently informed in order to decide how best and in what order to approach this subject.
2. To emphasise the need to conduct this work on the basis of what we know or need to know about Elective Home Education.

The Council's Approach to Social Worker Recruitment and Retention

- 8 The Committee considered a report by the Interim Director for Children's Services which provided an overview of the approach and activities which had been put in place to ensure the delivery of a strategy for the effective recruitment and retention of social workers within Children's Services.

The Interim Director for Children's Services made reference to the caseloads for front line teams due to insufficient number of social workers for children that required a service. A consequence of this was taking too many children into care which had resulted in a major overspend. The Cabinet had recently agreed to an additional £1m of funding to recruit additional social workers in order to help manage risk safely and avoid taking too many children into care. He also referred to a marketing campaign which was ongoing that was already attracting good quality social workers. With regards to the County Council becoming an 'employer of choice', it was recognised that the cost of living in Dorset was a barrier and officers were currently working on a supply of pop up accommodation which would be available for people that wished to take advantage of it. One member made reference to accommodation being available in some of the hubs around the County which could be a consideration.

Following a question from a member regarding the work with Bournemouth University, the Director advised that this was still intact and there was an ongoing strong relationship with them.

Noted

Outcomes Focused Monitoring Report, January 2018

- 9 The Committee considered a report by the Interim Director for Children's Services which set out performance against the 2017-18 Corporate Plan and population indicators for the Safe corporate outcome. The report also included performance measures which showed the Council's services' contribution and impact on outcomes, risk management information relating to outcomes and population indicators, and some value for money information relating to the three service directorates.

Attention was drawn to the suggested areas of focus for the indicators on rates of crime, antisocial behaviour and domestic abuse in Dorset, the number of people killed or seriously injured on Dorset's roads and the rate of Children in Care.

Reference was made to the slight decrease in the number of children leaving local authority care after a special guardianship order.

Following a discussion about persistent absenteeism, the Interim Director for Children's Services advised that the duty was with the school to secure attendance and that this formed part of the Ofsted Inspection process for schools. Members also discussed how persistent absence could also be an indication of underlying safeguarding issues. One member highlighted the value of local knowledge when

putting statistics together. For example, particular schools could have higher levels of recorded absence because of local policies on what constitutes absence.

Following a comment about first time entrants into the justice system the Director undertook to provide further information outside of the meeting.

Noted

Road Collisions Task and Finish Group

10 Cllr Wheller, provided members with an update on the work she and Cllr Lugg had been involved in with updating the Road Casualty Reduction Plan. She undertook to circulate the note to members outside of the meeting.

One member commented that the Police and Crime Commissioner was looking to replace fixed speed cameras with average speed ones.

Noted

Emergency Planning Update

11 Cllr Lugg advised members that the main outcome of his work with Emergency Planning was to introduce briefings for all members of all tiers. However, there were now only 4 Emergency Planning officers, and he undertook that he and Cllr Brookes would keep members updated when arrangements were in place.

Noted

Work Programme

12 The Committee considered its work programme and gave consideration to the inclusion of a number of items which had been discussed earlier in the meeting:-

13 March 2018

- Update on Workforce Development (Adult Social Workers)
- Early Intervention and Prevention Outcomes Report
- Traffic Collisions Report

5 July 2018

- Update on whole family approach
- Domestic Abuse update
- Elective Home Education Report

One member highlighted to members that Personal Independent Payments (PIP) which the committee had discussed in January 2017 and written to the minister for Disabled People, Health and Work was now going back for review.

Resolved

That the Committee's Work Programme be updated accordingly.

Questions from County Councillors

13 No questions were asked by members under Standing Order 20(2).

Meeting Duration: 2.00 pm - 4.05 pm

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Dorset Health Scrutiny Committee

Minutes of the meeting held at County Hall, Colliton Park,
Dorchester, Dorset, DT1 1XJ on Monday, 13 November 2017

Present:

Bill Pipe (Chairman)
Alison Reed, Ros Kayes, Nick Ireland, Peter Oggelsby, Bill Batty-Smith, Tim Morris and
Peter Shorland

Officers Attending: Ann Harris (Health Partnerships Officer) and Helen Coombes (Transformation Programme Lead for the Adult and Community Forward Together Programme) and Denise Hunt (Senior Democratic Services Officer).

Others in attendance:

Dr Phil Richardson (Director, Design and Transformation, NHS Dorset CCG)
Des Persse (Executive Director, Healthwatch Dorset)
Caroline Hamblett (Chief Executive, Weldmar Hospicecare)
Hilary Lawson (Dorset Healthcare University NHS Foundation Trust)
Neal Cleaver (Deputy Director of Nursing, Dorset County Hospital Foundation Trust)

(Notes: These minutes have been prepared by officers as a record of the meeting and of any decisions reached. They are to be considered and confirmed at the next meeting of the Cabinet to be held on **Thursday, 8 March 2018.**)

Apologies for Absence

36 Apologies for absence were received from Ray Bryan, Graham Carr-Jones, David Jones and Steven Lugg.

Code of Conduct

37 There were no declarations by members of disclosable pecuniary interests under the Code of Conduct.

Cllr Bill Batty-Smith declared a general interest as his granddaughter was employed by the NHS.

Cllr Alison Reed declared a general interest as she was employed as a community nurse by Dorset Healthcare University NHS Foundation Trust.

Cllr Peter Shorland declared a general interest as a Governor of Yeovil Hospital.

Cllr Ros Kayes declared a general interest as a mental health professional.

Minutes

38 The minutes of the meeting held on 4 September 2017 were confirmed and signed.

Public Participation

39 Public Speaking – Clinical Services Review and Referral to Secretary of State for Health

Three public questions were received from Deborah Monkhouse, Chris Bradey and David Holman at the meeting in accordance with Host Authority Standing Order 21(1). The questions are attached as an annexure to these minutes. The responses to the questions were addressed within the discussion outlined below.

Three public statements were received from Philip Jordan, Steve Clark and Margaret O'Neill in accordance with Standing Order 21(2). The statements are attached as an annexure to these minutes.

Councillor Bill Trite addressed the Committee as the Local Member for Swanage. He endorsed the concerns expressed by the public speakers and referred to a local petition signed by 8000 people which reflected the serious concern in relation to this proposal. He stated that it would take significantly longer for patients from Swanage and the Isle of Purbeck to travel to Bournemouth Hospital leading to an increase in fatalities due to the longer journey time. Swanage had a high proportion of elderly and vulnerable people as well as the worst traffic congestion during the Summer and the ambulance service had a poor record of responding to emergencies in this area.

He informed the Committee that Swanage Town Council submitted its views to the Dorset Clinical Commissioning Group (CCG) on 27 February and 18 September 2017. The response by the CCG had not been received in time for consideration at a recent Town Council meeting, however, it failed to answer the points that had been made. He therefore asked the Committee to consider referring the matter to the Secretary of State for Health on the basis that the plans were insufficient to meet the needs of the area.

Cllr Ros Kayes stated that the matter should be referred to the Secretary of State by the Dorset Health Scrutiny Committee (DHSC) at this stage and that there were sufficient reasons to inform a referral such as the lack of an equalities impact assessment, no clear financial plan and the reduction in numbers of beds. She considered that it would be inappropriate to wait until the Joint Health Scrutiny Committee meeting in February 2018 on the basis that implementation and funding of the existing plan would be underway.

The Chairman stated that Dorset was a member of a Joint Health Scrutiny Committee that had been set up to consider the proposals within the Clinical Services Review and any concerns related to those proposals and the associated consultation process. However, the individual authorities, including Dorset, had reserved the right to refer the proposals to the Secretary of State.

In light of the concerns raised, the DHSC could invite the Joint Health Scrutiny Committee (JHSC) to further scrutinise the proposals regarding the reduction in the number of acute hospital beds and the travel and transport implications and provide a view on whether Dorset should make a referral to the Secretary of State. This approach would fit with the governance arrangements as the scrutiny of the proposals and the way in which the consultation was conducted had been delegated to the Joint Committee. However, the ultimate decision to make a referral to the Secretary of State was retained locally with the DHSC in this instance.

Members of the Committee endorsed the concerns made by members of the public at the meeting and made further comments on travel times and the performance data in relation to the ambulance service.

The meeting adjourned in order that officers could obtain further legal advice to inform the decision making process and the Committee reconvened at 11.05am.

The Chairman confirmed that a referral to the Secretary of State could be made by the Committee pending a meeting of the JHSC to consider whether a referral could be made jointly. However, if the JHSC did not agree on this way forward, there remained the right for the DHSC to continue with a referral.

Cllr Ros Kayes proposed that the matter be referred by the DHSC to the Secretary of State on the basis of the reduction in number of acute beds, insufficient planning for

travel times, an insufficient Equalities Impact Assessment, lack of a clear finance plan, lack of integration with the ambulance service and a reduction in the provision of A&E services at Poole Hospital.

This was seconded by Cllr Tim Morris and supported unanimously by the Committee.

Cllr Kayes further amended the proposal by requesting that a meeting of the Joint Committee was convened by Friday 15 December 2017 that was also supported by the Committee.

The Chairman thanked members of the public for attending the meeting and assured those who had submitted questions that they would receive a written response.

Resolved (unanimous)

1. That the Dorset Health Scrutiny Committee make a referral to the Secretary of State for Health regarding the outcome of the Clinical Services Review, pending a meeting of the Joint Health Scrutiny Committee by 15 December 2017; and,
2. That the referral is made based on concerns about the proposed reduction in the number of acute hospital beds, the reduction in Accident and Emergency services at Poole Hospital, concerns about travel times, confidence in the ambulance service data, and the lack of a clear Equality Impact Assessment or financial plan.

Petitions

- 40 There were no petitions received at the meeting in accordance with the County Council's Petition Scheme.

Clinical Services Review and Mental Health Acute Care Pathway Review - Update

- 41 The Committee considered a report providing an update on the Joint Health Scrutiny Committee (JHSC) convened to scrutinise the NHS Dorset Clinical Commissioning Group's Clinical Services Review (CSR) and the Mental Health Acute Care Pathway Review.

Members noted that the Clinical Services Review timeline had concluded in September 2017 and requested a more detailed timeline beyond this timeframe. It was confirmed that a new timeline was currently being developed by the CCG that would be available in December 2017.

The Chairman asked whether a Memorandum of Understanding existed for the integration of paediatric services between Dorset County Hospital and Yeovil District Hospital. He expressed the Committee's view that it would be preferable if services were retained at Dorset County Hospital to avoid the need to travel out of the County. The Committee was informed that a Memorandum of Understanding had been agreed between the hospitals around working together and there would be a joint Dorset and Somerset CCG paper on a sustainable maternity and paediatric service for the West of the County.

Points were raised in respect of the CCG's response to the letter on behalf of the JHSC regarding the findings of the CSR and Mental Health Care Pathway Review consultations. It was noted that the letter included an invalid link to the equalities impact assessment, and members considered there to be a lack of value placed on the concerns expressed by Healthwatch and of the concerns of people who responded to the consultation through petitions, particularly in respect of the Poole A&E services. The Executive Director of Healthwatch confirmed its published review had commented that the CSR consultation could have been better and that further consultation with the public must be taken in future in relation to service delivery.

Noted

End of Life and Palliative Care in Dorset

- 42 The Committee considered a report concerning the provision of End of Life and Palliative Care in Dorset. A presentation given by Hilary Lawson, Dorset Healthcare University NHS Foundation Trust, Neal Cleaver, Dorset County Hospital and Caroline Hamblett, Chief Executive - Weldmar Hospicecare, had been included in the report.

It was confirmed that the aim was to provide end of life care for people in the same way regardless of where a person lived and that community nurses worked closely with care homes in areas where there was no community hospital.

Speaking as a community nurse working in a multi-disciplinary environment, Cllr Alison Reed raised a number of issues including the need for improved communication and patient history for patients not known to community nurses, problems in accessing information on the computer System 1 and issues of equipment being in place at the right time. Hilary Lawson agreed to meet separately with Cllr Reed following the meeting with the aim of working towards resolving the problems experienced on the ground.

The Committee was subsequently advised that community equipment had been jointly commissioned by Health and Social Care for the past 3 years and that the issue could be one of a lack of knowledge.

The CCG confirmed that a group working with the Dorset Care Record was looking at ways to improve access to System 1 across the Primary Care and Community Trusts. This work was at an early stage and the concerns relating to access to the system by community nurses would be fed back to this group.

Members asked whether there was sufficient funding to employ a nurse for end of life care for people suffering from motor neurone disease. It was confirmed that additional funding for a nurse had been provided by the CCG and Motor Neurone Disease Society and that charitable money would be used if this funding was not available in future.

The Committee discussed end of life live-in care packages in the home and were advised that some live-in packages were supported as part of the Dorset Care Framework jointly commissioned with Dorset County Council and the CCG. There remained a fundamental issue of a lack of people in the workforce in order to provide the necessary care, even when all funding was in place.

Noted

Work Programme and Forward Plan

- 43 The following members agreed to participate in the areas of work outlined below:-
- Child and Adolescent Mental Health Services (CAMHS) – Ros Kayes
 - Transport for Health – Bill Pipe
 - Suicide Prevention – Nick Ireland
 - The Impact of Housing on Health – Alison Reed / Tim Morris
 - Road Traffic Collisions – Peter Oggelsby

Resolved

That the forward plan be noted.

Briefings for Information/Noting

- 44 There were no briefings for information at this meeting.

Liaison Member Updates

- 45 Cllr Ireland advised the Committee that he had attended a Dorset County Hospital Board meeting in September 2017 when the discussion had included nursing

retention and recruitment (and impact of Brexit), the review of maternity and paediatric services and issues around the development of a strategy between Yeovil District Hospital and Taunton Hospitals. There had been no formal consultation in Somerset yet.

Questions from County Councillors

46 No questions were asked by members under Standing Order 20.

Meeting Duration: 10.00 am - 12.35 pm

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Dorset Health Scrutiny Committee

Minutes of the meeting held at County Hall, Colliton Park, Dorchester,
Dorset, DT1 1XJ on Wednesday, 20 December 2017

Present:

Bill Pipe (Chairman)

Ros Kayes, Ray Bryan, Nick Ireland, Peter Oggelsby, Bill Batty-Smith, Tim Morris and
Peter Shorland

Officers Attending: Helen Coombes (Transformation Programme Lead for the Adult and Community Forward Together Programme), Ann Harris (Health Partnerships Officer) and Lee Gallagher (Democratic Services Manager).

For certain items as appropriate: Tim Goodson (Chief Officer, Dorset Clinical Commissioning Group), Dr David Haines (Clinical Chair, Purbeck Locality), Stuart Hunter (Chief Finance Officer, Dorset Clinical Commissioning Group), Jennie Kingston (Deputy Chief Executive, South Western Ambulance Service NHS Foundation Trust), Dr Karen Kirkham (Clinical Chair, Weymouth and Portland Locality), Patricia Miller (Chief Executive, Dorset County Hospital NHS Foundation Trust), Paul Miller (Director of Strategy, Poole Hospital), Sally O'Donnell (Locality Director, Dorset Healthcare University NHS Foundation Trust), Dr Phil Richardson (Director, Design and Transformation, Dorset Clinical Commissioning Group), Adrian South (Deputy Clinical Director, South Western Ambulance Service NHS Foundation Trust), Dr Forbes Watson (Clinical Commissioning Group Chairman) and Dr Simone Yule (Clinical Chair, North Dorset Locality).

(Notes: These minutes have been prepared by officers as a record of the meeting and of any decisions reached. They are to be considered and confirmed at the next meeting of the Cabinet to be held on **Thursday, 8 March 2018.**)

Apologies for Absence

47 Apologies for absence were received from Cllrs David Jones, Graham Carr-Jones, Steven Lugg and Alison Reed.

(Note: Cllr David Jones did not attend the meeting as he was a governor of Poole Hospital.)

Code of Conduct

48 There were no declarations by members of disclosable pecuniary interests under the Code of Conduct.

Cllr Bill Batty-Smith declared a general interest as his granddaughter was employed by the NHS.

Cllr Peter Shorland declared a general interest as a Governor of Yeovil Hospital.

Minutes

49 The minutes of the meeting held on 13 November 2017 were confirmed and signed.

Note: Maternity and Overnight Children's Service in Dorchester

At this point in the meeting, Tim Goodson, Chief Officer of the Dorset Clinical Commissioning Group (CCG), announced that the CCG intended to work to maintain a consultant-led maternity and overnight children's service in Dorchester as part of a single maternity and paediatrics service for Dorset. The retention of services was identified as a result of the conclusion of the Clinical Services Review public

consultation. The delivery of consultant-led maternity services would also seek to be integrated across Dorset County Hospital and Yeovil District Hospital for the Dorset population.

In addition, it was reported that Somerset CCG would also be undertaking a review of clinical services which would include maternity and paediatrics. The future possible configuration across Dorchester and Yeovil would continue to be discussed by both CCGs.

Dorset CCG's Governing Body would agree a way forward in the new year, and if a sustainable model was possible then public consultation would be undertaken on the proposals before making any decision.

Patricia Miller, Chief Executive of Dorset County Hospital NHS Foundation Trust welcomed the retention of the services at Dorset County Hospital as good news for patients and staff.

Noted

Public Participation

50 Public Speaking

Three public questions and two public statements were received at the meeting in accordance with Standing Order 21(1) and 21(2). All public participation at the meeting related to minute 51 in respect of the Clinical Services Review (CSR). The questions, answers and statements are attached as an annexure to these minutes.

Petitions

There were no petitions received at the meeting in accordance with the County Council's Petition Scheme.

Joint Health Scrutiny Committee re Clinical Services Review and Mental Health Acute Care Pathway Review - Update

51 The Committee received presentations by the Clinical Commissioning Group (CCG) and the NHS partners in response to the Dorset Health Scrutiny Committee's request to make a referral to the Secretary of State (SoS) for Health in respect of the concerns about the Clinical Services Review at its meeting on 13 November 2017, and subsequent consideration of further information at the Joint Health Scrutiny Committee meeting on 12 December 2017. The remit of the referral was about the proposed reduction in the number of acute hospital beds, the reduction in Accident and Emergency services at Poole Hospital, concerns about travel times, confidence in the ambulance service data, and the lack of a clear Equality Impact Assessment or financial plan.

All concerns raised as part of the referral request related to the proposals in respect of the acute hospitals which included:

- a major emergency hospital (MEH) at Bournemouth with 24/7 consultant led Accident & Emergency (A&E) Department;
- a major planned hospital at Poole including an Urgent Care Centre 24/7; and,
- Emergency and planned hospital at Dorchester with retention of A&E services.

Tim Goodson, Chief Officer for the Dorset CCG, also drew attention to his announcement earlier in the meeting on the intention to work to maintain a consultant-led maternity and overnight children's service in Dorchester as part of a single maternity and paediatrics service for Dorset.

Three public questions and two public statements were received at the meeting under public participation. The questions, answers and statements are attached as an annexure to these minutes.

Detailed presentations were received in relation to:

Ambulance Travel Times

The presentation focused on the assessment of the proposed changes in the CSR, which included population growth and service demand, and had taken into account the impact on travel times as a result. The changes would see a transformation of service provision as a whole system plan, and would look to ensure people were taken to the right hospital at the right time which would save lives through the right care being provided at the right place, in addition to reducing the number of transfers between hospitals by ambulance. Fewer patients who call 999 were taken to hospital these days (over half were treated on-scene) and, of those who were taken, only 1% were deemed to be life threatening cases. 85% of future ambulance journeys could be made in the same or less time than the existing arrangements. From the remaining 15%, with particular reference to Purbeck, there was a spread of admissions to Dorchester, Bournemouth and further afield to other hospitals depending on the circumstances of the emergency which would see an increase in travel time, but these would be to the most appropriate hospital setting for the patient rather than the closest hospital.

In terms of ambulance waiting times to transfer patients to A&E, the pressure on services was a major concern of the NHS and proposed changes to Royal Bournemouth Hospital would include mitigation through the physical extension of the A&E service in a revised hospital design over the next 5 years. New road access to the Hospital from the A338 was raised, but it was clarified that the new road would be needed with or without the hospital changes. The plan would also evolve over time and would continually change and adapt moving forward.

The 'golden hour' concept was discussed by members, and challenged by NHS professionals as the reality of population, dispersity and transport in Dorset did not make the concept realistic, and it also did not take account of the care provided in the ambulance and the start time of the hour being from the point of injury or trauma, where it was often not possible to arrive at hospital within an hour.

The Chairman drew attention to the recommendation of the Joint Health Scrutiny Committee on 12 December 2017 to jointly scrutinise the capacity and performance of the ambulance service. Further views were expressed by members which included the lack of funding available to resource the Ambulance Trust; concern over the funding of transport to rural-proof Dorset, including travel times without ambulance; and support for community based transport initiatives.

Integrated Transport

Following the concern raised above, clarification was given by the CCG that it was not their statutory responsibility to provide funding for integrated transport, but it was willing to be part of identifying solutions. The CCG was already embedded in a process of joint working with the County Council to address rural isolation through a Pan-Dorset Transport Reference Group with health identified as a priority. Investment in the non-emergency Patient Transport Scheme had also been increased from £3m to £5m through an integrated transport programme.

Matthew Piles, Service Director – Economy from Dorset County Council, provided an overview of the joint working to identify and use assets and knowledge to effectively facilitate travel planning and deploy community and local transport initiatives, including schemes which included opening school bus routes to the public.

Community Based Services

An extensive summary on the steps being taken to move community care closer to

the home for patients was provided, which would lead to less patients needing to access acute care. Support was voiced by a range of GPs from across the whole of Dorset in respect of primary care provision, which explained the background input of over 600 clinicians to the CSR, the history of integrated health and social care services. A number of initiatives were outlined which included providing appropriate and timely care to enable people to stay at home; to avoid stays in hospital of more than 2 days; encouragement of school leavers and graduates to enter caring professions to support community care; relocation of diabetic support in Purbeck out of hospital setting; a Community Hub in Wareham as a template for other areas moving forward; a Community Services Reference Group in North Dorset; work with the Local Authority to improve domiciliary care; providing a focus on the wider determinants of public health; an Urgent Care Centre in Weymouth which prevented 30k of admissions to Dorset County Hospital (DCH); development of a frailty team including support for end of life care plans; development of GP access 7 days per week; enhanced intermediate care solutions (including a Community, Physical and Mental Health Hub in Bridport); and work beyond social care with recognition through local planning for key worker housing. Sally O'Donnell, Locality Director Dorset HealthCare, reiterated the value of the integrated work which had already started, which is building the infra-structure ahead of the planned changes associated with the CSR.

The benefits of the CSR to the wider population were felt by the CCG, hospitals, the South West Ambulance Trust and GPs to far outweigh the increase in time taken to get to hospital in emergency situations. It was also felt that any delay in the progression of the CSR would create a real risk to patient care and to funding.

Members highlighted that the question of a referral to the SoS for Health was not a criticism of the professionalism of people working in health services.

Acute Hospital Services

Patricia Miller, Chief Executive Dorset County Hospital (DCH), emphasised the support from her Trust for the proposals and noted that there would not be enough money in the system without the changes. DCH saw the retention of A&E and trauma services and the development of integrated community and primary care hubs as critical, and welcomed the announcement made by the CCG regarding the retention of maternity and paediatric services. The Chief Executive committed to making sure that any changes would deliver the best outcomes for Dorset residents.

Paul Miller, Director of Strategy Poole Hospital, also noted that the proposed changes to Poole Hospital were fully supported by the Hospital itself. He noted that it had taken 5 years to reach this point and implementation of the changes would take another 4-5 years. In addition to other views expressed, Poole Hospital also felt that the review could not afford a delay from a referral to the SoS for Health. There was still lots of opportunity for further detailed discussion on changes, but the national funding was not available indefinitely and progress needed to be made to enable an exciting future for Poole Hospital.

Financial Plan

The Financial Plan was part of the wider Sustainability and Transformation Plan and Clinical Services Review decision making process. Assurance had been given by NHS England through the process for securing national funding of £147 for the transformation of services in Dorset. The Plan would continue to be developed through investment into community, primary care and mental health whilst managing the reconfiguration of acute provision.

Reduction in Acute Beds

Bed movements were explained as part of the focus to increase care in people's

homes and in the community through integrated services, and avoid people entering the acute hospital setting. Planned Hospitals would then work to reduce patient time spent in hospital, and result in less need for beds from 1810 to 1632. The situation was more complex for Emergency Hospital settings, but was part of the whole picture of what bed shape would be needed for the future.

Equality Impact Assessment (EqIA)

The CCG had considered the variance of needs across all protected characteristics, and geography of Dorset, through clinical teams and through sense checking through a Patient, Carer and Public Group, which considered the clinical design and data. Other wider groups were also involved in the process for sense checking. Feedback was fed into the formal EqIA through an independent review and workshop with groups. The EqIA would continue to develop and was treated as a live document at the heart of CSR. Moving forward there would be a Patient Group with an independent Chairman to provide an assurance role in addition to the formal scrutiny process.

Concern about the 'minimal impact' conclusions of the EqIA not reflecting the issues within the document was raised, to which the CCG indicated that the document would be further developed to reflect issues about travel times; impact on rural and deprived areas; child poverty; disabled travel arrangements; teenagers access from Weymouth and Portland; and cuts to public transport.

It was explained by the CCG that existing services would have similar impacts to those detailed in the EqIA. There were a difficult set of issues faced and the CSR would seek to improve outcomes through the proposals around acute and community provision, but would not be able to resolve every issue.

Cllr Jon Orrell, County Councillor for Weymouth Town, addressed the Committee as a local councillor and as a GP to express his view that there needed to be sustainable change through Prevention at Scale to ensure community integration of health and social care. He explained that the need for ongoing savings had previously resulted in community services being diminished after a reduction in hospital beds. He also expressed the need for health organisations to recognise and have regard to the democratic process when reviewing services. Dr Forbes Watson, as the Chairman of Dorset CCG, refuted the claims made by Cllr Orrell and attention was drawn to the plan explained in detail at the meeting, which was leading wider influence on NHS systems and would impact on provision beyond Dorset across the Country. He also confirmed that the plan constantly responded to change and could be modified to meet demands and needs.

Recognition was given to the need to ensure the best use of assets through facilities and buildings to best serve Dorset. The focus of the CSR was repeated by the CCG, that it would provide what was best for the general public and what was in the best interests of patients. Original proposals looked at acute provision differently in relation to locations of emergency and planned hospitals, but through the extensive review process the proposals had been changed and refined, through testing and assessment of sites to provide a model which was the most sustainable for Dorset. The £147m funding from the NHS would also allow reconfiguration to take place through the best utilisation of assets.

In relation to the impact across Dorset, and on DCH in particular, if Poole Hospital was to retain A&E and major trauma services, it was explained that although there would not be a downgrading of DCH there would need to be consideration given to the services that had been reserved for DCH as it was not possible to keep all services at all sites.

At the end of the debate the Chairman summarised the areas considered throughout

the meeting including the contributions from professionals and health partners, and that a decision was needed based on service provision for the whole of Dorset, not just Bournemouth and Poole. He explained that in his view the continuation of a referral to the SoS for Health did not meet the necessary criteria for referrals and proposed an additional recommendation, subject to the referral to the SoS for Health not being progressed, to support the JHSC's resolution regarding the joint scrutiny of the capacity and performance of ambulance services. A further request was made to include detailed scrutiny of transport arrangements related to the changes.

On being put to the vote, the Committee voted to not progress the referral to the SoS for Health, and agreed the additional recommendation above.

Resolved

1. That the presentation by NHS Dorset Clinical Commissioning Group be noted;
2. That the outcome of the Joint Health Scrutiny Committee meeting held on 12 December 2017 be noted;
3. That, in light of the further information that has been provided and developments that have taken place, the Committee do not proceed with a formal referral to the Secretary of State for Health; and,
4. That the Joint Committee's resolution that some detailed (joint) scrutiny work around the capacity and performance of the ambulance service be supported, and detailed scrutiny of transport arrangements related to the changes would also be undertaken.

Questions from County Councillors

52 No questions were asked by members under Standing Order 20.

Meeting Duration: 9.30 am - 1.05 pm

Recommendation from Regulatory Committee – 4 January 2018

Delegation of Powers: A338 Wessex Way to provide a link to the Wessex Fields Business Park and the Royal Bournemouth Hospital

- 5 The application has been made jointly to Bournemouth Borough Council and Dorset County Council in their capacities as the Local Planning Authorities, as the scheme falls within both administrative areas, although only a small proportion of the scheme sits within Dorset County Council's area. The Committee was being asked to advise County Council that it supports and endorses the delegation of powers to Bournemouth Borough Council to enable the Borough Council to decide the planning application, within the County Council's area, for the development of a new road junction and associated works on the A338 Wessex Way, to provide a link to the Wessex Fields Business Park and the Royal Bournemouth Hospital.

A visual presentation explained what the application was about - made jointly by the Borough Council and the County Council - and which showed its delineation, its reasoning, what it was designed to achieve, what benefits it would bring and how it would be implemented. The characteristics of the scheme were drawn to the Committee's attention and what considerations would need to be assessed as part of the process.

Members understood that the County Council acknowledged corporately, in principle, the necessity for improvements to be made to traffic management across the network in that area and the means by which this should be done and the benefits this would bring. The permission being sought was an important part of a package of proposals funded by the Dorset LEP and partners to promote economic growth along the Bournemouth International Airport Corridor to relieve congestion, improve traffic management and access arrangements to the hospital and the adjoining business park development. This would be particularly necessary in light of the fact that the hospital was to become the principal hospital across Dorset as many more clinical and medical services would be provided there instead of at other local or community hospitals. The substantive part of the application lay within Bournemouth Borough Council's administrative area, with only a marginal proportion being located within the County's area - this being within the Borough of Christchurch.

Section 101 of the local Government Act 1972 makes provision to enable one local authority to delegate the discharge of its functions to another local authority. So that there was no duplication of the planning process and to reduce unnecessary risk of any challenge arising from the interpretation and implementation of that process and its procedures by two different two different planning authorities, it was considered pragmatic and practical that the County Council should delegate its powers to Bournemouth Borough Council to determine the application. As ordinarily the Regulatory Committee would have been asked to determine the application in its own right, its views were now being sought on what the process should be.

Clarification was provided that all members were being asked to consider whether do was decide whether, in the circumstances, it was more practical and appropriate for Bournemouth to determine the application, given the substantive part of the proposal was within Bournemouth. The Committee were assured that the Borough Council would be obliged to consider the application solely on its planning merits, taking into account all relevant material considerations and would come to their decision on that basis. The County Council, as a statutory consultee, would have an opportunity to comment on the application and ask for any

pertinent points to be taken into consideration as part of the process. At that stage, the Committee would be given the opportunity to express their views on the detail of the application and what they felt needed to be addressed.

The County Council member for Commons, in whose division the County Council's portion of the application lay, could see the benefit of Bournemouth being asked to decide the application, on the grounds described previously and, in those circumstances, proposed that the officer's recommendation be accepted.

In accepting the need for this important link and what it would achieve for improved access arrangements to and around the area of the Royal Hospital, the Committee agreed that it was more practical for Bournemouth Borough Council to be asked to determine the application on the grounds stated in the report and in the officer's presentation and, on that basis, agreed that the recommendation being made by the officer should be accepted.

Recommended

That County Council be advised to support and endorse the proposal to delegate to Bournemouth Borough Council the determination of the planning application for a new road junction on the A338 at Wessex Fields and the Royal Bournemouth Hospital to Bournemouth Borough Council.

Reason for Recommendation

To avoid duplication of work and to reduce the potential risk of a legal challenge arising from two different planning authorities interpreting and carrying out planning procedures in a slightly different way.

Regulatory Committee

Dorset County Council



Date of Meeting	4 January 2018
Officer	Service Director - Economy
Subject of Report	Delegation of powers to Bournemouth Borough Council to enable them to decide a planning application for the development of a new road junction and associated works on the A338 Wessex Way to provide a link to the Wessex Fields Business Park and the Royal Bournemouth Hospital.
Executive Summary	Bournemouth Borough Council and Dorset County Council as joint planning applicants have submitted proposals to both Bournemouth Borough Council and Dorset County Council to seek permission for a new road junction on the A338. This is part of a package of proposals funded by the Dorset LEP and partners to promote economic growth along the Airport Corridor. The substantive part of the application lies within the administrative area of Bournemouth Borough Council. To avoid duplication of work and to reduce the potential risk of a challenge arising from two different planning authorities interpreting and carrying out planning procedures in a slightly different way it is proposed that County Council delegate the powers to determine the application to Bournemouth Borough Council. Since in normal circumstances the Regulatory Committee would determine the application under powers delegated from County Council the Regulatory Committee is being asked for its views on this matter.
Impact Assessment: <i>Please refer to the protocol for writing reports.</i>	Equalities Impact Assessment: The report concerns the determination of an application for planning permission and not any changes to any new or existing policy with equality implications.
	Use of Evidence: The statutory and constitutional provisions to transfer planning powers has been fully examined.
	Budget: The County Council does not receive a fee for this application, the fee being made to Bournemouth Borough Council, in whose jurisdiction the substantive part of the application lies. Delegating the powers to determine the application to Bournemouth Borough Council therefore reduces the financial burden on the County Council who would otherwise have to bear all the costs of work itself.

	<p>Risk Assessment: As the subject matter of this report is the determination of a planning application the County Council's approved Risk Assessment methodology has not been applied. However, as set out in the main body of the report the principle reason for seeking the delegation of powers to determine the planning application is to remove the potential risk of challenge that could arise from two planning authorities interpreting and carrying out planning procedures in a slightly different way.</p>
	<p>Other Implications: None</p>
Recommendation	<p>That Regulatory Committee advises the County Council that it supports the proposal to delegate the planning application for a new road junction on the A338 at Wessex Field to Bournemouth Borough Council to determine.</p>
Reason for Recommendation	<p>To avoid duplication of work and to reduce the potential risk of a legal challenge arising from two different planning authorities interpreting and carrying out planning procedures in a slightly different way.</p>
Appendices	<p>None</p>
Background Papers	<p>None</p>
Officer Contact	<p>Name: Maxine Bodell Tel: 01305 224228 Email: m.bodell@dorsetcc.gov.uk</p>

1. Background

- 1.1 The Bournemouth International Growth (BIG) Programme is a major economic growth plan focused on improving connectivity, easing congestion, protecting existing jobs and creating new ones in and around Bournemouth Airport and Wessex Fields.
- 1.2 A key part of the programme is major investment in road improvements at Blackwater, Hurn, Chapel Gate and Wessex Fields. Work is already nearing completion at Chapel Gate and is underway at Blackwater. An application for a new roundabout at Hurn was approved by Regulatory Committee on the 18 August 2016. To date this has not been implemented due to issues of land assembly and consideration is being given to a smaller scheme with reduced land take that could be constructed under Permitted Development Rights within the existing highway corridor.
- 1.3 An application has now been made for a new road junction and associated works on the A338 Wessex Way at Wessex Fields. This will open employment land at the Wessex Fields Business Park and provide better access to the Royal Bournemouth Hospital.
- 1.4 The site of the application covers land in the administrative areas of both Bournemouth Borough Council and Dorset County Council. The application has therefore been

made jointly by Bournemouth Borough Council and Dorset County Council to each of the two planning authorities in respect of the land in each authority's area. The substantive part of the application lies within Bournemouth Borough Council. Only a very small area amounting to approximately 10,000 square meters lies within Dorset. A plan at Appendix 1 shows the relative amounts.

- 1.5 Applications associated with growth are inevitably and rightly subject to scrutiny by interested parties. Having two authorities dealing with the proposal does, however, run the risk that procedures may be carried out slightly differently by each authority. For instance, each Authority will have its own Statement of Community Involvement which sets out the procedures for engaging with stakeholders and local people. These may require different people to be consulted and in different ways. A more consistent approach is best delivered by a single authority. This would significantly reduce the potential that a legal challenge could be made that local people were not being given the same opportunities to influence the process.
- 1.6 As the Authority considering the substantive part of the proposed junction improvement the planning fee is paid to Bournemouth Borough Council. No fee is paid to the County Council. It therefore makes sense that if delegation is being considered from one authority to another that it is Bournemouth Borough Council who take responsibility for processing and deciding the application.

2. Delegation

- 2.1 Section 101 of the Local Government Act 1972 makes provision to enable one local authority to delegate the discharge of its functions to another local authority.
- 2.2 The Regulatory Committee determines planning applications and other roads and rights of way matters under powers delegated to it from the County Council. A decision to delegate the authority for determining application to Bournemouth Borough Council must therefore be made by the County Council. It is thought proper that the Regulatory Committee makes its views known to County Council.
- 2.3 In circumstances such as this it is also essential that the receiving authority are happy to take the delegation. Officers have been in discussion with officers at Bournemouth Borough Council. In view of the local interest being shown in this proposal Bournemouth Borough Council would welcome the ability to determine the application in order to avoid any duplication of processes or decision making.

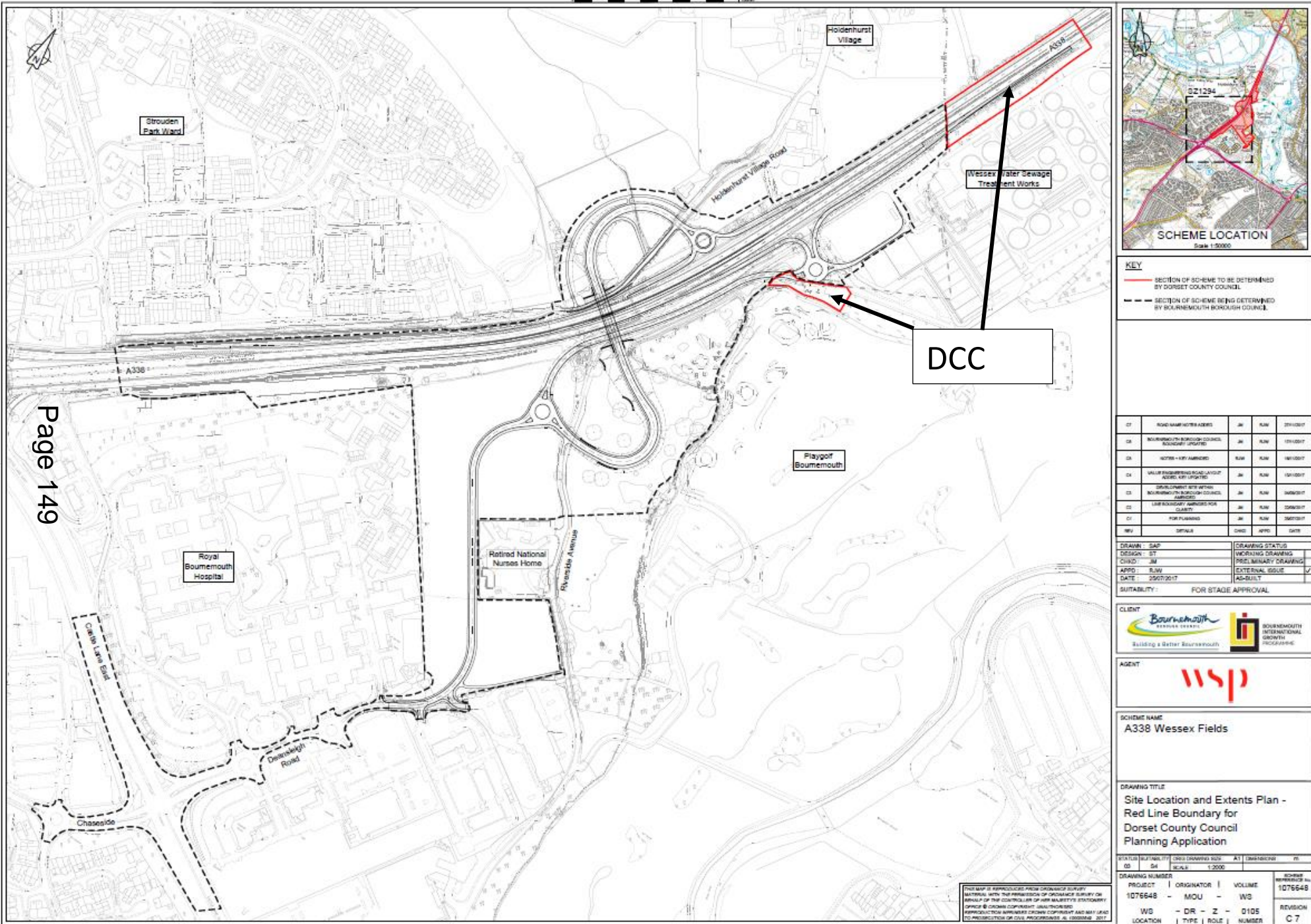
3. Implications for the County Council

- 3.1 The County Council sits on the LEP Board and has supported proposals for improving the airport corridor. The BIG programme represents a major government investment in road infrastructure funded through the Growth Deal which is locally administered through the LEP. It is sensible that the County Council takes what steps it can to reduce any risks associated with the delivery of the programme as unspent money would be returned to central government.
- 3.2 Whilst responsibility for determining the application would rest with Bournemouth Borough Council the considerations that apply would be identical. Any decision should therefore be the same. Clearly the County Council local members would still be consulted as part of the process and would have the same opportunity to make their views known.

4. Conclusion

- 4.1 Officers at both authorities have been working closely together to assess the risks associated with dealing with a split planning application. On balance, it is considered that delegating authority from Dorset County Council to Bournemouth Council to determine the application would carry less risk than should each authority deal with the applications separately in the normal way. Furthermore, there would be the added benefit that there would be less duplication in work and less of a financial burden on the County Council.

Matthew Piles
Service Director for the Economy
January 2018



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County Council – 15 February 2018

Recommendation from the Audit and Governance Committee meeting held on 19 January 2018

Constitutional Changes

- 15 The Committee considered a report by the Monitoring Officer suggesting 3 changes in relation to the Petition Scheme, Regulatory Committee membership and Pension Fund Committee membership.

The changes to the Petition Scheme were in line with that used by neighbouring county councils and retained the opportunity for the public to submit a petition from a threshold of 50 signatures.

Members discussed the size of the petition panel and it was suggested that a minimum of 3 panel members would be practical if the local member did not wish to attend and in terms of allowing a 2:1 vote on some decisions.

A membership of 10 councillors and 1 trained substitute for each political party on the Regulatory Committee, was supported. Nominations would be sought from Group Leaders in due course.

RECOMMENDED

That County Council approves the following constitutional changes as amended by the Audit and Governance Committee:-

1. County Council's Petition Scheme (including Petition Panels comprising a minimum of 3 members - the local member(s) should be given first choice and the relevant cabinet member should be expected to be involved).
2. Regulatory Committee Membership – 10 members (in accordance with political proportionality) plus one substitute for each political party; and
3. Pension Fund Committee Membership to include a maximum of 2 Cabinet members.

Reason for Recommendation

To contribute to the County Council's Corporate Plan "Working Together for a Strong and Successful Dorset".

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Audit and Governance Committee

Dorset County Council



Date of Meeting	19 January 2018
Officer	Monitoring Officer
Subject of Report	Constitutional Changes
Executive Summary	<p>The Constitution is a living document and is updated from time to time. The Audit and Governance Committee has a specific role in commenting upon proposed changes to the Constitution prior to consideration by the full Council.</p> <p>This report proposes changes which have arisen for consideration by the County Council at its meeting on 22 February 2018.</p>
Impact Assessment:	<p><u>Equalities Impact Assessment:</u> Not applicable</p>
	<p><u>Use of Evidence:</u> Evidence is detailed throughout each section of the report to describe the reasons for suggested changes to the Constitution.</p>
	<p><u>Budget:</u> There are no consequential budget implications as a result of this report.</p>
	<p><u>Risk Assessment:</u> Having considered the risks associated with this decision, the level of risk has been identified as: Current Risk: LOW Residual Risk LOW</p>
	<p><u>Other Implications:</u> Not applicable</p>
Recommendation	<p>That the Audit and Governance Committee recommend to the County Council that constitutional changes in relation to the following areas be approved:</p> <ul style="list-style-type: none"> • County Council's Petition Scheme • Regulatory Committee Membership

Constitutional Changes

	<ul style="list-style-type: none"> Pension Fund Committee – Membership
Reason for Recommendation	To contribute to the County Council’s Corporate Plan: - Working Together for a Strong and Successful Dorset.
Appendices	Appendix 1 – Feedback from the Petition Scheme survey Appendix 2 – The proposed revisions to the Petitions Scheme
Background Papers	None
Officer Contact	Name: Lee Gallagher, Democratic Services Manager Tel: 01305 224191 Email: l.d.gallagher@dorsetcc.gov.uk

- 1.1 The Constitution is a living document and is updated from time to time. The Audit and Governance Committee has a specific role in commenting upon proposed changes to the Constitution prior to consideration by the full Council.
- 1.2 This report proposes three changes which have arisen and will need to be considered by the County Council at its meeting on 22 February 2018. These are set out below:

The County Council Petition Scheme

- 2.1 The Council’s Petition Scheme has been in operation since 2010. It was updated in 2014 to amend the number of signatories required to trigger consideration by Committees, in 2015 regarding the requirements when compiling a petition and in 2016 regarding the use of petition panels when the number of signatories was between 50 and 999. The current scheme has been in operation since 8 June 2016.
- 2.2 Following a recent meeting of Group Leaders on 6 November 2017 the petition scheme has been reviewed due to the impact on members because of the number of petition panel meetings arranged. In addition, a survey was sent in November 2017 to all members and officers who have experienced petition panels to provide feedback on their experiences to date. As a result of the survey, and from monitoring the arrangements, the feedback showed that there could be some difficulty in holding panels with five members; there were a range of views on the thresholds for holding Petition Panels; Traffic Regulation Order petitions could be time consuming; and historical petitions should form part of the consideration of current petitions.
- 2.3 It was also highlighted that since the previous changes better decisions were being made, the process was more reactive to the public, and petitions were being taken seriously following a more direct democratic process.
- 2.4 The changes introduced in June 2016 meant that petitions of between 50 and 999 signatories were considered by a Petitions Panel comprising the relevant Cabinet member(s), the local County Councillor(s) and three other County Councillors. This provided for a panel of five members to consider each petition and has been monitored since its introduction to evaluate how effective the arrangements have been.
- 2.5 It is suggested that in order to address the feedback received, that improvements should be made to the way petitions are considered by:

Constitutional Changes

- Reducing the size of the Petition panels to just the relevant Cabinet member(s) and local County Councillor(s); and,
- Making it clear that Town and Parish Council approval of Traffic Regulation Order petitions would be sought prior to consideration.

2.6 The thresholds for petitions is one which requires further consideration and is set out below against the current schemes of neighbouring rural county councils.

Threshold	Current	Wiltshire	Devon	Cornwall	Hampshire
Ordinary Petition	50 Petition Panel – Cabinet Member, local member, plus 3 other members	1% of Area Board population	No threshold	250 Refer to Cabinet Member, Committee, Director or other officer.	No threshold. Cabinet Member written response.
County Council	1000	1% of population.	6000 (1% population)	5000	32,000 (2.5% population)
Call to Account	500	Not in scheme	Not in scheme	Not in scheme	Not in scheme

2.7 Given the arrangements summarised above, it is suggested that the County Council amend its threshold for County Council consideration to 1% population rounded to the nearest 250 (*population 422,730 – threshold 4250*), and to remove the part of the scheme that enables senior officers and Cabinet members to be called to account. (There have not been any ‘call to account’ petitions since the adoption of the scheme in 2010.)

2.8 The scheme requires an update to make the new arrangements clear, and is attached at Appendix 2 with changes marked in red.

Regulatory Committee Membership

3.1 The Regulatory Committee was formed by combining the former Planning Committee, Rights of Way Committee and licencing Committee on 24 July 2014. A membership of 15 was created, and over time the management of a committee of this size have been raised, with suggestions being made to reduce the size to become more operationally effective.

3.2 The Committee is appointed in accordance with politically proportionality (the entitlement to seats allocated to each political group must bear the same proportion as the membership of the County Council), with places allocated as follows:

Committee size	Conservative	Liberal Democrat	Green	Labour
15	10	4	1	0

3.3 A suggested reduction in the size of the committee to 10 or 12 members would see proportionality change as follows:

Committee size	Conservative	Liberal Democrat	Green	Labour
10	7	2	1	0
12	8	3	1	0

3.4 Based on the information above, members are asked to consider the appropriate size of the Regulatory Committee for the future, to be approved by County Council as an amendment to the Committee’s terms of reference. In addition, any recommendation to reduce the size of the Committee should be accompanied by nominations to the new

Constitutional Changes

Committee being sought by Group Leaders for approval at the County Council meeting on 22 February 2018.

Pension Fund Committee - Membership

- 4.1 The Terms of Reference for the Pension Fund Committee allow for a committee to have a membership of 9 members comprising 5 members of the County Council, (not more than one being a member of the Cabinet), 1 nominated by Bournemouth Borough Council, 1 nominated by the Borough of Poole and 1 representing Dorset District Councils, plus 1 scheme member nominated by the unions.
- 4.2 To maintain the effectiveness of the Pension Fund Committee, based on the expertise and knowledge of members currently appointed to the committee, it is suggested that the membership requirements be amended to enable multiple Cabinet members to represent the County Council. At present Cllrs Ferrari and Cllrs Wharf are both appointed to the Committee and are also appointed to the Cabinet. Following Cllr Wharf's recent appointment to the Cabinet this has raised the matter for consideration. It is therefore proposed that the membership wording be amended to read '*not more than two being a member of the Cabinet*'.
- 4.3 The division of executive and non-executive functions is part of the Local Authorities Functions Regulations which have been variously updated since 2000. The list of functions not to be the responsibility of an authority's executive includes "functions relating to pensions". The Council has taken the view in the past that functions relating to pensions cannot therefore be discharged by the Cabinet as a whole but that a member of the Cabinet can participate on a committee dealing with pensions matters. If an arrangement where two of the five County Council members on the Committee are members of the Cabinet there remains a non-executive member majority.

Next Steps

5. The Audit and Governance Committee is asked to consider the proposed changes in the report, and to recommend changes through the constitutional review process (where applicable) for decision by the County Council in February 2018.

Jonathan Mair
Monitoring Officer
January 2018

Petitions Scheme Feedback

	Comment
Frequency of Meetings	Happy with the frequency of the meetings.
	Because of the difficulty in Member involvement we seem to “save them up” with 3 on one day shortly – fills a day! not useful in Highways issues as we can only suggest an outcome eg TRO to the relevant Committee anyway who will repeat the process in some cases – as above.
Threshold	I would seek a threshold for petitions that means historical numbers of petitions are considered whatever that threshold might be.
	I feel 50 signatures is too low when it comes to petitions. Petition panels should be based on 300 signatures unless the local parish council also supports the petition. In this case, I believe a panel should be set up with 150 signatures.
	Very time consuming, in Highways cases we cannot authorise a TRO (if required) only pass to the relevant Cmte. Not the best use of Members times. Threshold is very low particularly with Social Media, would suggest increase to 100-200 names. Difficult to find “free” Members.
	I have not as yet sat on an appeals panel but am doing so for the first time next week. So from my limited knowledge the scheme seems good to me. It does mean we are able to react reasonably quickly to residents. They are able to see that their request is being taken seriously and is following a democratic process. There are, I would have thought, sufficient members to cover the panels in a reasonable time frame.
	Currently only 50 signatures are required for a petition to meet criteria for discussion at panel – could this be raised? Or is this just moving the goal posts? I have a slight reservation with focusing on the signature criteria as this could inadvertently create a post code lottery i.e. the higher the local population that easier it will be get signatures - even if 50+ signatures are gathered, this may only represent a small proportion of the overall community – vice versa, the petition with 49 signatures or less could represent the view of a low population area or all residents of a road for example.
Quality of Outcomes	I believe better decisions are made.
General	As I have not as yet attended a panel, any reply would be uninformed and speculative , and perhaps my only thought would be how embarrassing it is that members have found it difficult to commit to dates on offer.
	I would be interested in the historical number of petitions raised. The aim of a mechanism to deal with petitions is to raise the profile of issues considered significant by large numbers of the community to ensure they are considered. The process is not to ensure that every issue is escalated. Technology has made the thresholds easier to reach meaning that important issues get subsumed by the increased number.
	I feel that the panels do offer our residents a more direct line to participate in matters that concerns them. The panel process offers this in a more direct route than previously. There is time for a more personal one to one with officers and petitioners which, in my opinion, brings out better decisions. As I've seen on a previous panel.
	I have had a look at this, but do not have any comments to offer as to how things could be done differently.

Constitutional Changes

	I feel that for petitions to be taken to panel meeting then they should at least have 'approval' from the relevant town or parish council and/or the relevant County Councillor.
Suggestion for Future	We know that petitions will be delivered at full council meetings. If we set up two panel sessions a month after each council meeting and asked everyone to volunteer for one session everything would be in place and so easier for us to respond promptly
	Increase threshold, Officer Delegation
	<p>I also wonder whether it is possible to only accept petitions where the request being made is clear. Petitions my team are involved with typically centre around a desire to make something 'safer'... this implies that the situation is already inherently unsafe when in the vast majority of cases, safety is relative and dependent upon peoples' decisions and behaviours. A petitioner 'campaigning' to improve safety is also likely to gather support relatively easily i.e. who would say 'no, I don't want this road to be made safer'.</p> <p>Could a petition go through an initial 'filter' i.e. officer assess whether what is being request meets with basic criteria – if basic criteria is assessed then a decision is made on whether a panel meeting is warranted.</p> <p>Or, could a meeting take place on site with the lead petitioner and local member with the relevant officer(s) to discuss the situation – it could be that small-scale measures satisfy or at the very least appease the petitioner.</p> <p>Some petitions have been put together in response to an unsatisfactory response by officers i.e. a 'no' – perhaps some officers suggest that customer arranges a petition... this is something that I can reiterate internally.</p> <p>Also – I have asked my counterparts across the south west and they have not reported an increase in the number of petitions raised in the way that we continue to experience. I have heard of elected members encouraging residents to raise a petition... this should not be a 'go-to' suggestion for members.</p>

Dorset County Council Petitions Scheme

If you wish to petition Dorset County Council you can either:

- Send the Council a paper petition signed by those who support your petition. The petition should be sent to: *Democratic Services, Dorset County Council, County Hall, Colliton Park, Dorchester, DT1 1XJ - 01305 225113 - e.a.eaton@dorsetcc.gov.uk*
- Use the e-petitioning facility on Dorset for You to organise your own petition or to support someone else's petition - <https://epetitions.dorsetforyou.com/list-petitions>

What are the guidelines for submitting a petition?

Petitions submitted to the council **must** include:

- A clear and concise statement covering the subject of the petition. It should state what action the petitioners wish the council to take.
- All or some of the following details of any person supporting the petition; name, address, postcode, signature, email address.
- The total number of signatures collected.

Petitions should be accompanied by contact details, including an address, for the petition organiser.

The Council will respond to petitions organised and supported by people who live, work or study in Dorset. Most petitions will be of relevance only to local people. Some petitions will be of relevance to visitors and some will cross local authority boundaries and in such cases those from outside Dorset will be able to participate. In addition, children are welcome to petition the Council about an issue of particular concern to them.

Petitions which are considered to be vexatious, abusive or otherwise inappropriate will not be accepted. In the period immediately before an election or referendum we may need to deal with your petition differently – if this is the case we will explain the reasons and discuss the revised timescale which will apply. If a petition does not follow the guidelines set out above, the council may decide not to do anything further with it. In that case, we will write to you to explain the reasons. Decisions about whether a petition is vexatious, abusive or otherwise inappropriate will be made by the Monitoring Officer.

What will the Council do when it receives my petition?

An acknowledgement will be sent to the petition organiser within 5 working days of receiving the petition. It will let them know what we plan to do with the petition and when they can expect to hear from us again. It will also be published on our website.

- If your petition is supported by 50 or more signatories then it will be considered by a Petitions Panel (**comprising the relevant Cabinet member(s) and local County Councillor(s)**).
- If your petition is supported by ~~4,000~~ 4250 (**1% of the total population of Dorset**) or more signatories it will be scheduled for a debate at the next meeting of the full County Council.
- ~~Alternatively a petition can call for a senior officer of the Council to be called to account at a meeting of the Audit and Governance Committee. This requires 500 or more signatures.~~

If we can do what your petition asks for, the acknowledgement may confirm that we have taken the action requested and the petition will be closed. The acknowledgment will confirm the arrangements for what will happen with the petition and tell you when and where a meeting will take place. We will aim for your petition to be dealt with within 6 weeks of receipt.

If the petition applies to a planning or rights of way application, is a statutory petition (for example requesting a referendum on having an elected mayor), or on a matter where there is already an existing right of appeal, other procedures apply. **In addition, if the petition relates to a Traffic Regulation Order the approval of the relevant Town or Parish Council will be sought prior to consideration.**

To ensure that people know what we are doing in response to the petitions they will be published on our website when they are reported to the Council or a committee, except in cases where this would be inappropriate. We will also keep available for inspection at our

Constitutional Changes

offices all correspondence relating to the petition (all personal details will be removed). All personal details are kept securely and are not passed to any third party for any purpose.

How will the Council respond to petitions?

Our response to a petition will depend on what a petition asks for and how many people have signed it, but may include one or more of the following:

- taking the action requested in the petition
- considering the petition at a council meeting
- holding an inquiry into the matter
- undertaking research into the matter
- holding a public meeting
- holding a consultation
- holding a meeting with petitioners
- referring the petition for consideration by the council's audit and governance committee
- calling a referendum
- writing to the petition organiser setting out the panel's views
- any other action that is considered appropriate

If your petition is about something that a different council or organisation is responsible for we will give consideration to what the best method is for responding to it. This might consist of simply forwarding the petition to the other council, but could involve other steps. In any event we will always notify you of the action we have taken.

Consideration at Full Council, ~~Committees~~ and ~~Petition Panels~~

If your petition is referred to the Council, ~~the Audit and Governance Committee~~ or a Petitions Panel, we will endeavour to consider the petition as soon as practicable. The petition organiser will be given ten minutes to present the petition at the meeting and the petition will then be discussed by councillors for a maximum of 15 minutes (full Council or committees) or as required (panels). A decision will then be made as to how to respond to the petition at this meeting. Where the Cabinet is required to make a decision ~~after Council or Panel consideration~~, a recommendation will be made to the next available meeting. The petition organiser will receive written confirmation of this decision.

Officer evidence

Officers will be required to produce background information for any petition submitted. ~~However, if your petition contains at least 500 signatures and requests a senior officer to be held to account, the relevant senior officer will give evidence at a public meeting of the council's Audit and Governance Committee. You should be aware that it may be more appropriate for another officer to give evidence instead of any officer named in the petition. The Committee may also decide to call a relevant Cabinet member(s) and/or councillor(s) to attend the meeting.~~

E-petitions

E-petitions must follow the same guidelines as paper petitions. The petition organiser will need to provide us with their name, postal address and email address. You will also need to decide how long you would like your petition to be open for signatures, up to a maximum of 12 months. When you create an e-petition, it may take 5 days before it is published online. If we feel we cannot publish your petition for some reason, we will contact you within this time to explain. You will be able to change and resubmit your petition if you wish. When an e-petition has closed for signature, it will automatically be submitted to Democratic Services. You will then receive an acknowledgement within 5 working days.

County Council – 15 February 2018

Recommendation from the Staffing Committee meeting held on 29 January 2018

Pay Policy Statement 2018/19

- 9 The Committee considered a report from the Chief Executive which included the proposed Pay Policy Statement for 2018/19, as required by the Localism Act 2011.

The report showed the pay for highest paid Chief Officers and the pay for the lowest paid officers and the relationship between them. The pay multiples were very similar to last year and the slight difference was as a result of the different structures that were now in place. Attention was drawn to the updated schedule of Chief Officers remuneration at Appendix 1 of the Chief Executive's report. As a result of the current interim management arrangements in Adult and Community Services. The Chief Executive explained that the aim was to properly represent the money that was being spent in specific areas.

Following a comment from a member about whether the pay grades were performance related, the HR & OD Service Manager highlighted that roles were Job Evaluated and advised that processes were in place to address any performance issues.

Members felt it would be helpful for future reports to include comparisons of pay multiples from other authorities.

RECOMMENDED

That the County Council be recommended to approve the Pay Policy Statement for 2017/18.

Reason for Recommendation

The Staffing Committee oversees matters relating to staff terms and conditions.

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Staffing Committee

Dorset County Council



Date of Meeting	29 January 2018
Officer	Chief Executive
Subject of Report	Pay Policy Statement 2018/19
Executive Summary	<p>As required by the Localism Act 2011 the attached report sets out the County Council's Pay Policy Statement for the financial year 2018/19. Previous statements have been published for each of the financial years since 2012/13.</p> <p>The Act places a requirement on local authorities to produce a statement on an annual basis, setting out their policies on the remuneration of their Chief Officers and lowest paid employees, and the relationship between the remuneration of its Chief Officers and non Chief Officers.</p>
Impact Assessment:	<p>Equalities Impact Assessment: The Localism Act was subject to consideration in terms of compatibility with the European Convention on Human Rights and contains a statement by the then Secretary of State that the provisions are compatible with equalities legislation. The Pay Policy Statement is now part of a wider transparency and equality framework alongside gender pay gap reporting requirements.</p>
	<p>Use of Evidence: The Localism Act 2011 and Supplementary Guidance dated February 2013.</p>
	<p>Budget: None arising directly from this report although the production and maintenance of a Pay Policy Statement creates additional and ongoing work for Human Resources.</p>
	<p>Risk Assessment:</p> <p>Having considered the risks associated with this decision using the County Council's approved risk management methodology, the level of risk has been identified as: Current Risk: LOW Residual Risk: LOW</p>
	<p>Other Implications: None arising directly from this report.</p>

Pay Policy Statement 2018/19

Recommendation	<p>It is recommended that the Staffing Committee:</p> <ul style="list-style-type: none"> (i) Note the provisions of the Localism Act and content of the Pay Policy Statement for the 2018/19 financial year. (ii) Recommend the approval of the Pay Policy Statement to the County Council.
Reason for Recommendation	The Staffing Committee oversee matters relating to staff terms and conditions.
Appendices	<p>Appendix 1: Pay Policy Statement Appendix A1: Schedule of Chief Officers Remuneration Appendix A2: Overview Table of Policies Relating to Remuneration for the Chief Officers and Lowest Paid Employees Appendix B1: Schedule of Partnerships Chief Officers Remuneration Appendix B2: Overview Table of Policies Relating to Remuneration for Partnership arrangements for Public Health Chief Officers</p>
Background Papers	None.
Report Originator and Contact	<p>Name: Tracy Scott, Principal HR & OD Adviser Tel: 01305 224619 Email: t.scott@dorsetcc.gov.uk</p>

1. Introduction

- 1.1 The Staffing Committee has received reports setting out Pay Policy Statements for previous financial years as required by the Localism Act 2011.
- 1.2 The Localism Act, Part 1, Chapter 8 under the heading 'Pay Accountability' places a requirement on local authorities to produce a Pay Policy Statement on an annual basis.
- 1.3 This report sets out the main aspects of the Localism Act and details the scope of the Pay Policy Statement for the financial year 2018/19.

2. Pay Policy Statement 2018/19

- 2.1 A Pay Policy Statement for the financial year 2018/19 has been produced to meet the requirements of the Act and this is attached at Appendix 1.
- 2.2 The Statement sets out the policies for the financial year relating to:
 - (a) the remuneration of its Chief Officers,
 - (b) the remuneration of its lowest paid employees, and
 - (c) the relationship between the remuneration of its Chief Officers and the remuneration of its employees who are not Chief Officers.
- 2.3 The Pay Policy Statement broadly follows the same format as those produced for the previous financial years. The statement refers to overview tables setting out the general policies relating to the remuneration of the County Council's Chief Officers and lowest paid employees, and further tables detailing the specific elements for each individual Chief Officer.
- 2.4 The Pay Policy Statement also provides clear details of the County Council's various partnership arrangements which are in place and work towards improving efficiency in local government. The County Council currently has jointly funded partnership arrangements for Public Health and the Dorset Waste Partnership. The 2018/19 Pay Policy Statement separates these partnership positions.

3. Requirements of the Localism Act

- 3.1 In preparing the Pay Policy Statement for the 2018/19 financial year, it is recommended that the Staffing Committee note the following in respect of the Act's requirements detailed in paragraph 2.2.
- 3.2 Chief Officers
 - 3.2.1 The Act defines Chief Officers by reference to various sections of the Local Government and Housing Act 1989. In essence, Chief Officers equate to those in the top three tiers of the staffing structure. At present, the Chief Executive is fulfilling the role of Director of Adult Services and the unintended consequence of this is that a number of less senior managers (on grades 12 – 16), whom members might not think of as Chief Officers, have been brought within the strict definition use to compile the schedule of Chief Officers.

Pay Policy Statement 2018/19

3.2.2 The details for Chief Officers (Appendices A1 and B1) reflect the position as at 1 January 2018 and, in respect of the partnership arrangements, indicates Dorset County Council's contribution to the remuneration packages.

3.2.3 The Council also engages via contracts for service through third party organisations, which have been assessed as IR35 compliant (and fall outside of the IR35 legislation). These are included at Appendix C1.

3.3 Definition of Lowest Paid Employees

3.3.1 In line with the previous six Pay Policy Statements, the County Council has defined its lowest paid employees as those on the lowest Green Book spinal column point.

3.3.1 As such, the Pay Policy Statement and accompanying overview table (Appendix A2) reflects those elements of Green Book remuneration that could apply to this group.

3.3.2 For both Chief Officers and the Lowest Paid Employees, the County Council adopts all relevant national agreements and the associated national pay bargaining arrangements. As a result, any pay awards negotiated by the National Employers will be contained within the appendices as required.

3.4 Relationship between Chief Officers and non Chief Officers

3.4.1 In line with previous Pay Policy Statements, the relationship between Chief Officer remuneration and non Chief Officer remuneration has been calculated as the ratio between the highest paid officer's earnings and the median earnings of employees.

3.4.2 Using taxable earnings for the 2016/17 financial year (including elements such as pension contributions and lease car allowance) the ratio for the County Council is 8.76:1. This is the same as the figure provided in last year's Pay Policy Statement of 8.76:1.

3.4.3 In calculating the pay multiple based on FTE salaries (excluding allowances and enhancements) as at 1 January 2018 the ratio of the Chief Executive's salary to the median FTE salary of employees was 7.29:1. This is slightly higher than the previous two years.

3.4.4 The pay multiples from previous years are as follows:

Financial year Pay Policy Statement	Pay multiple Taxable earnings	Pay multiple FTE salary
2012/13	11.01:1	8.79:1
2013/14	10.36:1	8.32:1
2014/15	9.61:1	8.25:1
2015/16	9.29:1	7.95:1
2016/17	9.27:1	7.15:1
2017/18	8.76:1	7.15:1
2018/19	8.76:1	7.29:1

The figures from 2017/18 onwards no longer include Tricuro employees who transferred employment on 1 July 2015.

4. Next Steps

- 4.1 It is recommended that the Staffing Committee agree to recommend the attached Pay Policy Statement for the financial year 2018/19 to the County Council.
- 4.2 Once agreed, and in advance of 31 March 2018, the Pay Policy Statement will be published on the County Council's website.
- 4.3 Prior to its publication, Privacy Notices will be issued to each of the Chief Officers detailed in the Schedule (Appendices A1 and B1).

Debbie Ward
Chief Executive

Jonathan Mair
Head of Organisational Development

10 January 2018

DORSET COUNTY COUNCIL PAY POLICY STATEMENT 2018/19

1. Purpose

- 1.1 This Pay Policy Statement is required under Part 1, Chapter 8 'Pay Accountability' of the Localism Act 2011 and as such does not form part of an employee's contract of employment and does not create any contractual rights.
- 1.2 The Pay Policy Statement has been approved by resolution of the full County Council.
- 1.3 The Pay Policy Statement, along with appendices, is published on the County Council's Website - www.dorsetforyou.gov.uk
- 1.4 The County Council has published an annual Pay Policy Statement since the financial year 2012/13. This Pay Policy Statement is for the financial year 2018/19 and will be updated and re-published on an annual basis thereafter.
- 1.5 Should any amendments to the Pay Policy Statement be required during the financial year 2018/19 this will be approved by the full County Council, after which the amended version of the Pay Policy Statement will be published.
- 1.6 A glossary of terms used in the Pay Policy Statement can be found at the end of the document.

2. Context of Dorset County Council

- 2.1 The County Council employs 4,010 staff and provides a wide range of services managed through the Chief Executive's Department and Directorates:
- 2.2 The Chief Executive is the lead adviser to elected members and the head of paid service.
- 2.3 The Chief Executive's Department includes Organisational Development (Human Resources, Legal, Democratic Services, Governance & Assurance), Finance and Business Transformation.
- 2.4 Children's Services includes Care & Protection, Prevention & Partnerships and Design & Development.
- 2.5 Environment and the Economy includes Economy, the Environment, Highways, ICT & Customer Services.
- 2.6 Adult and Community Services includes Adult Care, Early Help & Community Services and Safeguarding & Quality.

3. Partnerships

- 3.1 In addition to the Chief Executive's Department and Directorates, the County Council has various partnership arrangements in place which work towards improving efficiency in local government. By working together with other public sector organisations, the authority can provide high quality services more efficiently and cost

effectively resulting in the better use of resources. Meaningful and productive partnerships have been established which provides joint funding for services, with each partner contributing an agreed percentage towards costs, including remuneration.

- 3.2 The County Council currently has jointly funded partnership arrangements for Public Health and the Dorset Waste Partnership. The following provides details of Dorset's contribution to the remuneration package. These percentages are subject to periodic review.

Partnership	DCC Contribution to remuneration package
Public Health	55.5%
Dorset Waste Partnership	64.3%

- 3.3 On 1 April 2013, the Public Health Service transferred to the County Council under a statutory transfer order and provides services in relation to prevention, health protection, healthcare and health promotion programmes. The County Council is the host employer and provides Public Health services for Dorset which includes the Borough of Poole and Bournemouth Borough Council.

- 3.4 In addition, the Dorset Waste Partnership is hosted by the County Council in partnership with the District Councils. The Dorset Waste Partnership includes services such as waste, recycling and street cleaning services.

4. Contracts for Service Arrangements

- 4.1 In addition the Council may, in exceptional circumstances, engage non-specific individuals via a contract for services through third party organisations. This allows the Council to engage under a contract for service for a specific project or in specialised areas where there is no ongoing requirement for a specific role within the County Council. These contracts for service have been assessed as IR35 compliant (and fall outside of the IR35 legislation).

For the purposes of transparency the County Council's Pay Policy Statement includes information under these arrangements in Appendix C1.

5. Requirements of the Localism Act

- 5.1 In accordance with the Localism Act, the Pay Policy Statement outlines the County Council's policies relating to:

- The remuneration of its Chief Officers
- The remuneration of its lowest-paid employees, and
- The relationship between the remuneration of its Chief Officers and the remuneration of its employees who are not Chief Officers.

- 5.2 The Pay Policy Statement applies to Dorset County Council employees excluding schools. This is in line with the Secretary of State's "Openness and Accountability in Local Pay: Guidance under section 40 of the Localism Act" (February 2012) and Supplementary Guidance (February 2013). Each school has a separate Pay Policy with a reporting line to the Governing Body and it is the school that ultimately determines the terms and conditions for its employees.

5.3 The Pay Policy Statement excludes Apprentices engaged on contracts for training.

6. Remuneration of Chief Officers

6.1 The Localism Act defines Chief Officers by reference to various sections of the Local Government and Housing Act 1989. For the purposes of this Pay Policy Statement and in terms of the County Council's structures the definition of Chief Officers incorporates the Chief Executive, Directors, Chief Financial Officer, Monitoring Officer and any officer who reports directly to these post-holders (other than those whose duties are solely secretarial or clerical or otherwise in the nature of support services).

6.2 Chief Officers are employed under either the Joint Negotiating Committee (JNC) for Chief Executives of Local Authorities, the JNC for Chief Officers of Local Authorities or the National Joint Council (NJC) for Local Government Services (Green Book terms and conditions of employment). Public Health Chief Officers (other than the Director) are employed under the National Health Service (NHS) terms and conditions in accordance with the statutory transfer order.

6.3 A schedule of Chief Officers' post specific remuneration is contained at Appendices A1 and B1. These detail:

- Position Title
- Directorate / Partnership
- Overview Table Category (Appendices A2 and B2)
- National Terms and Conditions of Service
- FTE Annual Salary
- FTE Salary Range
- FTE Allowances

6.4 Overview Tables detailing terms and conditions have been produced. Appendix A2 details those policies relating to remuneration which are not post specific and refers to Chief Officers and lowest paid employees. Appendix B2 details those policies relating to remuneration which are not post specific and refers to Public Health Chief Officers.

6.5 A further explanation of the Overview Tables (Appendices A2 and B2) is contained within Section 7.

6.6 The Chief Executive is the Returning Officer for County Council elections and the salary range for the post is inclusive of returning officer fees.

6.7 The appointment of Directors and Heads of Service/Assistant Directors/Service Directors is delegated to the Staffing Committee.

6.8 The Staffing Committee recommend the appointment of Statutory Chief Officers and the Chief Executive, with confirmation of the appointment being ratified by full County Council.

6.9 The appointment of all staff not covered by paragraphs 5.7 and 5.8 is undertaken by the appropriate Director or their nominees under powers delegated under the Scheme of Delegation.

7. Remuneration of Lowest Paid Employees

- 7.1 The Localism Act requires the Pay Policy Statement to define the Lowest Paid Employees. The Local Government Association, Localism Act: Pay Policy Statements Guidance for Local Authority Chief Executives” (November 2011) suggests that the simplest and most easily understood definition of lowest paid employees might be those employees on the lowest pay point in use by the authority.
- 7.2 In line with the above, DCC define this as those employed on the minimum of Grade 1 (NJC Green Book terms and conditions of service).
- 7.3 Roles at this grade may include:
- School Crossing Patrol
 - Catering – Housekeeper - Facilities Assistant
 - Driver/Delivery Person
- 7.4 The salary scale for Dorset Grade 1 is indicated on the Overview Table (Appendix A2).
- 7.5 The Overview Table (Appendix A2) details further policies relating to remuneration that can apply to the lowest paid employees (it also refers to Chief Officers).

8. Overview Tables

- 8.1 Appendix A2 details the policies relating to the remuneration of Chief Officers and the lowest paid employees. Policies relating to the remuneration of Public Health Chief Officers are outlined in Appendix B2. It should be noted that the tables reflect only those key elements of each policy relating to remuneration.
- 8.2 For the purposes of the Overview Tables, terms and conditions groups have been structured under the following headings:
- Chief Officer: Chief Executive and Directors
 - Chief Officer: Heads of Service/ Assistant Director/Service Director
 - Chief Officer: Other
 - Lowest Paid Employees: Dorset Grade 1 (Spinal Column Point 6)
 - Public Health Medical Staff
 - Public Health Non Medical Staff
- 8.3 The policies relating to remuneration details shown in both appendices have been grouped under 5 main headings that mirror the requirement of the Localism Act 2011:
- Elements of Remuneration
 - Remuneration on Recruitment
 - Increases and Additions to Remuneration
 - Performance Related Pay
 - Payments on Ceasing to Hold Office

8.4 Elements of Remuneration

The County Council applies a number of elements that could form the total remuneration package for Chief Officers and lowest paid employees. Details of these can be found under the following headings within the Overview Tables:

- Basic Salary Range
- Plussage to Basic Grade
- Weekend Enhancement
- Night Enhancement
- Standby Allowance
- Standby Callout
- Overtime
- Public Holiday Enhancement
- Sleeping In Allowance
- First Aid Allowance
- Retainer Payment
- Returning Officer Fees

In addition to the above elements, there may be occasions when the County Council makes payments that are considered to be a benefit in kind. The following should not be considered an exhaustive list, but provides a flavour of the types of benefits in kind that may be payable to employees and regarded as taxable by HMRC when certain circumstances dictate:

- Relocation Expenses over £8,000
- Broadband/Telephone Line Rental
- Relocation Mileage

8.5 Remuneration on Recruitment

Details of the County Council's policy on remuneration on appointment can be found in the Overview Tables under the following headings:

- Starting Salaries
- Recruitment and Retention Payments

8.6 Increases and Additions to Remuneration

In certain circumstances, the County Council may apply increases/additions to remuneration. Details of these can be found under the following headings within the Overview Tables:

- Payments for Additional Duties
- Cost of Living Pay Increases
- Salary Protection

8.7 Performance Related Pay

The County Council does not make bonus payments. Some elements of pay are performance related. Details of the following performance related elements of pay, and how they are applied, can be found within the Overview Tables:

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- Incremental/Scale Progression
- Merit Increments

8.8 Payments on Ceasing to Hold Office

The County Council applies a number of payments/provisions in the event of an employee ceasing to hold office. An outline of the following payments can be found within the Overview Tables:

- Notice Period
- Redundancy Provisions

9. Relationship between Chief Officer and Non Chief Officer

9.1 The Localism Act requires the County Council to set out the relationship between the remuneration of its Chief Officers and the remuneration of its employees who are not Chief Officers. In determining the relationship, regard has been given to Hutton's Review of Fair Pay in the Public Sector (Final report dated March 2011), the Secretary of State's guidance and Local Government Association (LGA) guidance. These reference sources define the relationship in terms of a pay multiple calculation.

9.2 In line with the above reports and guidance documentation, pay multiples have been calculated as the ratio between the Chief Executive's earnings and the median average earnings of employees.

9.3 The LGA guidance indicates that the pay multiple could be calculated based upon total taxable earnings or FTE salaries. For the purposes of this statement the County Council provides both.

9.4 In calculating the pay multiple based on total taxable earnings for the 2016/17 tax year (including benefits in kind and elements such as pension contributions*) the ratio of the Chief Executive's earnings to the median earnings of employees was 8.76:1.

9.5 In calculating the pay multiple based on FTE salaries (excluding allowances and enhancements*) as at 1 January 2018 the ratio of the Chief Executive's salary to the median FTE salary of employees was 7.29:1.

9.6 The pay multiples for each Pay Policy published are as follows:

Financial year Pay Policy Statement	Pay multiple Taxable earnings	Pay multiple FTE salary
2012/13	11.01:1	8.79:1
2013/14	10.36:1	8.32:1
2014/15	9.61:1	8.25:1
2015/16	9.29:1	7.95:1
2016/17	9.27:1	7.15:1
2017/18	8.76:1	7.15:1
2018/19	8.76:1	7.29:1

* Excluding schools employees and apprentices

- 9.7 The figures from 2017/18 onwards no longer include Tricuro employees who transferred employment on 1 July 2015.

10. Conclusion

- 10.1 These documents are considered to be an accurate reflection at the time of publishing. However, if subsequent amendments to the Pay Policy Statement are necessary during the financial year 2018/19 this will require approval by the full County Council, after which the amended versions would be published.

Glossary of terms

Basic Pay is the core element of salary payable before enhancements or additions.

Directorate/Department is the name given to one of the main departments/divisions of the County Council. Dorset County Council has the following directorates/departments: Chief Executive's Department, Environment & the Economy Directorate, Adult & Community Services Directorate, Children's Services Directorate and Public Health.

DCC – Dorset County Council.

Elected Members are Councillors elected through local elections to represent their communities in local government.

FTE is Full Time Equivalent. For the County Council this is 37 hours per week.

Green Book is the name given to the document containing the National Agreements on pay and conditions of service for Local Government Services. This agreement includes the full, current details of the National Joint Council (NJC) for Local Government Services. Known as the Single Status Agreement, the Green Book covers the pay and conditions for a range of local authority employees.

HMRC – Her Majesty's Revenue and Customs.

Incremental Progression is the process of moving up through a salary scale range.

Joint Negotiating Committee (JNC) is the body which sets the national framework used to pay certain groups of employees. The function of the JNC is to negotiate with Trade Unions on nationally determined terms and conditions of service and any yearly cost of living pay increase.

Median is found by arranging all values in order from the lowest to the highest and selecting the middle value.

Spinal Column Point (Pay Point) is the name given to a particular point on a salary range/grade.

Appendix A1 - Schedule of Chief Officers Remuneration							
Position Title	Directorate	Overview Table Category (Appendix A2)	National Terms and Conditions of Service	FTE Annual Salary as at 01.01.18 (checked 13/10/17)	FTE Salary Range £ per annum	Grade	FTE Allowances £ per annum
Chief Executive (and holding temporary responsibility as Director for Adults Social Services)	Chief Executive's Department	Chief Officer Chief Executive & Directors (JNC Terms and Conditions)	JNC for Chief Executives of Local Authorities	£155,055	£142,814 - £158,116	Chief Executive (CE)	£0
Corporate Director for Environment and the Economy	Environment & the Economy	Chief Officer Chief Executive & Directors (JNC Terms and Conditions)	JNC for Chief Officers of Local Authorities	£123,351	£111,630 - £126,281	CO Salary Band 1	£0
Head of Organisational Development	Chief Executive's Department	Chief Officer Heads of Service (JNC Terms and Conditions)	JNC for Chief Officers of Local Authorities	£91,910	£87,365 - £91,910	CO Salary Band 3	£0
Programme Director – Business Transformation (Part Time)	Chief Executive's Department	Chief Officer Other (Green Book Terms and Conditions)	JNC for Chief Officers of Local Authorities	£91,910 (FTE) (Pro Rata £49,681)	£87,365 - £91,910	CO Salary Band 3	£0
Assistant Director - Adult Care	Adult & Community Services	Chief Officer Heads of Service/Assistant Director/Service Director (JNC Terms and Conditions)	JNC for Chief Officers of Local Authorities	£90,395	£87,365 - £91,910	CO Salary Band 3	£0
Head of Financial Services (& Section 151 Officer)	Chief Executive's Department	Chief Officer Heads of Service/Assistant Director/Service Director (JNC Terms and Conditions)	JNC for Chief Officers of Local Authorities	£90,395	£87,365 - £91,910	CO Salary Band 3	£0
Assistant Director – Children's Care & Protection	Children's Services	Chief Officer Heads of Service/Assistant Director/Service Director (JNC Terms and Conditions)	JNC for Chief Officers of Local Authorities	£88,880	£87,365 - £91,910	CO Salary Band 3	£0
Service Director – Highways Operations	Environment & the Economy	Chief Officer Heads of Service/Assistant Director/Service Director (JNC Terms and Conditions)	JNC for Chief Officers of Local Authorities	£88,880	£87,365 - £91,910	CO Salary Band 3	£0
Assistant Director – Early Help & Community Services	Adult & Community Services	Chief Officer Heads of Service/Assistant Director/Service Director (JNC Terms and Conditions)	JNC for Chief Officer of Local Authorities	£84,335	£81,305 - £85,850	CO Salary Band 4	£0
Head of ICT and Customer Services	Environment & the Economy	Chief Officer Heads of Service/Assistant Director/Service Director (JNC Terms and Conditions)	JNC for Chief Officers of Local Authorities	£84,335	£81,305 - £85,850	CO Salary Band 4	£0
Assistant Director – Design & Development	Children's Services	Chief Officer Heads of Service (JNC Terms and Conditions)	JNC for Chief Officers of Local Authorities	£82,820	£81,305 - £85,850	CO Salary Band 4	£0
Service Director – Economy	Environment & the Economy	Chief Officer Heads of Service/Assistant Director/Service Director (JNC Terms and Conditions)	JNC for Chief Officers of Local Authorities	£82,820	£81,305 - £85,850	CO Salary Band 4	£0
Service Director – Environment	Environment & the Economy	Chief Officer Heads of Service/Assistant Director/Service Director (JNC Terms and Conditions)	JNC for Chief Officers of Local Authorities	£82,820	£81,305 - £85,850	CO Salary Band 4	£0
HR Specialist Services Lead	Chief Executive's Department	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£73,257	£64,621 - £73,257	Dorset Grade 17	£0
Chief Accountant (Deputy Section 151 Officer)	Chief Executive's Department	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£70,230	£64,621 - £73,257	Dorset Grade 17	£0

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Legal Services Manager	Chief Executive's Department	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£67,369	£64,621 - £73,257	Dorset Grade 17	£0
Head of Business Improvement	Chief Executive's Department	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£65,984	£64,621 - £73,257	Dorset Grade 17	£0
HR Specialist Project – HR Specialist Services	Chief Executive's Department	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£64,621	£64,621 - £73,257	Dorset Grade 17	£0
Group Manager	Chief Executive's Department	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£59,478	£52,670 - £59,478	Dorset Grade 16	£0
Service Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£57,062	£52,670 - £59,478	Dorset Grade 16	£0
Service Manager (Part Time)	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£54,748 (Pro Rata £28,113)	£52,670 - £59,478	Dorset Grade 16	£0
Service Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book) NJC for Local Government Services (Green Book)	£53,609	£47,989 - £53,609	Dorset Grade 15	£0
Service Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£53,609	£47,989 - £53,609	Dorset Grade 15	£0
Service Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£53,609	£47,989 - £53,609	Dorset Grade 15	£0
HR Operations Service Manager	Chief Executive's Department	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£51,730	£47,989 - £53,609	Dorset Grade 15	£0
Service Manager (Part Time)	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£50,788 (Pro Rata £30,844)	£47,989 - £53,609	Dorset Grade 15	£0
Services & Development Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£50,788	£47,989 - £53,609	Dorset Grade 15	£0
Services & Development Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£50,788	£47,989 - £53,609	Dorset Grade 15	£0
Service Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£50,709	£47,989 - £53,609	Dorset Grade 15	£0
Programme Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£49,847	£47,989 - £53,609	Dorset Grade 15	£0
Team Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£48,922	£43,821 - £48,922	Dorset Grade 14	£0

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Service Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£48,922	£43,821 - £48,922	Dorset Grade 14	£0
Services & Development Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£48,922	£47,989 - £53,609	Dorset Grade 15	£0
Team Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	Protected terms and conditions (TUPE)	£48,514	£40,428 - £48,514	Agenda For Change Band 8A	£0
Democratic Services Manager	Chief Executive's Department	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£47,989	£43,821 - £48,922	Dorset Grade 14	£0
Strategic Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£47,989	£47,989 - £53,609	Dorset Grade 15	£0
Principal Professional Lead	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£44,630	£39,177 - £44,630	Dorset Grade 13	£0
Team Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£44,630	£39,177 - £44,630	Dorset Grade 13	£0
Team Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£44,630	£39,177 - £44,630	Dorset Grade 13	£0
Principal Professional Lead	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£41,967	£39,177 - £44,630	Dorset Grade 13	£0
Practice Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£40,057	£34,538 - £40,057	Dorset Grade 12	£0
Practice Manager	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£39,177	£34,538 - £40,057	Dorset Grade 12	£0
Business Manager (Part Time)	Adult & Community Services	Chief Officer Other (Green Book Terms and Conditions)	NJC for Local Government Services (Green Book)	£36,379 (Pro Rata £21,631)	£34,538 - £40,057	Dorset Grade 12	£0
Interim Director for Children's Services	Children's Services	N/A	N/A	Consultant rate *£700 daily rate (+ £94.45 agency fees)	N/A	The substantive Grade for this post is CO Salary Band 1. The overall cost of the Interim appointment will not exceed that of a Director's grade with on-costs.	£0

Appendix A2 - Overview Table of Policies Relating to Remuneration for the Chief Officers and Lowest Paid Employees				
	<u>Chief Officer</u> Chief Executive & Directors (JNC Terms and Conditions)	<u>Chief Officers</u> Heads of Service/Assistant Director/Service Director (JNC Terms and Conditions)	<u>Chief Officers</u> Other (Green Book Terms and Conditions)	<u>Lowest Paid Employees</u> Grade 1 (Spinal Column Point 6) (Green Book Terms & Conditions)
Elements of Remuneration				
Basic Salary Range	See Appendix A1			Grade 1 £15,014 pa (FTE)
Weekend Enhancement	<p>Not applicable.</p> <p>The full time working week for this post is 37 hours. However due to the nature and seniority of the post there is a requirement to work longer hours as necessary. No additional payment/enhancement for any hours worked in excess of 37 hours per week or hours undertaken outside of normal office hours are applicable.</p>		<p>Where hours are worked at weekends on an ad hoc, irregular basis as part of normal flexibility to meet service demands, enhanced payments for weekend working will not apply and time off in lieu should be taken or flexi time recorded.</p> <p>For all hours worked on a Saturday or Sunday as part of a regular, rostered arrangement, payment will be at time plus one half of basic pay.</p>	
Night Enhancement	<p>Not applicable.</p> <p>The full time working week for this post is 37 hours. However due to the nature and seniority of the post there is a requirement to work longer hours as necessary. No additional payment/enhancement for any hours worked in excess of 37 hours per week or hours undertaken outside of normal office hours are applicable.</p>		<p>Where a designated waking night shift is undertaken by a designated night worker payment will be made at time plus one third of basic pay.</p>	
Standby Allowance	<p>Not applicable.</p> <p>The full time working week for this post is 37 hours. However due to the nature and seniority of the post there is a requirement to work longer hours as necessary. No additional payment/enhancement for any hours worked in excess of 37 hours per week or hours undertaken outside of normal office hours are applicable.</p>		<p>Stand-by Allowance is payable when an employee is required to be on stand-by in order to be available for call out in an emergency outside of normal working hours.</p> <p>Stand-by Allowance is normally paid for a 12 hour session. Monday - Friday £9.88. Saturday/Sunday/Public Holidays £17.78 per session.</p>	
Standby Callout	<p>Not applicable.</p> <p>The full time working week for this post is 37 hours. However due to the nature and seniority of the post there is a requirement to work longer hours as necessary. No additional payment/enhancement for any hours worked in excess of 37 hours per week or hours undertaken outside of normal office hours are applicable.</p>		<p>Standard - Employees called out to work during a period of stand-by, time worked over 30 minutes in any 12 hour period of stand-by will be paid at basic rate plus one half subject to a minimum payment of two hours.</p> <p>Bank Holiday - Employees called out to work whilst on stand-by duty on Christmas Day, Boxing Day, New Year's Day, Good Friday or Easter Monday will receive triple pay for all hours worked over 30 minutes in any 12 hour period. Double time will be paid for hours worked over 30 minutes in any 12 hour period when called out on other public holidays. Payments are subject to a minimum payment of two hours at the enhanced rate when called out.</p> <p>Best endeavours arrangement (i.e. no specific stand-by requirement) will receive the appropriate Stand-by Allowance and compensation for time worked in accordance with the Callout Scheme if called out and required to work more than 30 minutes in any one 12 hour period. If called out and required to undertake work for less than 30 minutes, they will receive the appropriate Stand-by Allowance in complete recompense.</p>	
Overtime	<p>Not applicable.</p> <p>The full time working week for this post is 37 hours. However due to the nature and seniority of the posts there is a requirement to work longer hours as necessary. No additional payment/enhancement for any hours worked in excess of 37 hours are applicable.</p>		<p>Usually overtime worked to manage peaks in workload should be taken as time off in lieu/flexitime at a later date. Where payment for overtime is authorised by a manager for work above 37 hours per week, payment will be at the employee's usual hourly rate (plain time).</p> <p>Exceptionally, where overtime is worked during a shift when enhanced payments are applicable for unsocial hours working, the appropriate enhanced rate will be paid in complete recompense.</p>	

Public Holiday Enhancements	<p>Not applicable.</p> <p>The full time working week for this post is 37 hours. However due to the nature and seniority of the post there is a requirement to work longer hours as necessary. No additional payment/enhancement for any hours worked in excess of 37 hours per week or hours undertaken outside of normal office hours are applicable.</p>	<p>Where work is required to be undertaken on a public holiday, payment is at double time for all hours worked on spring and late summer public holidays (May and August) and on May Day. Work on Christmas Day, Boxing Day, New Year's Day, Good Friday and Easter Monday is paid at triple basic pay rate for all hours worked.</p>
Sleeping In	<p>Not applicable.</p>	<p>If required to sleep in on work premises a sleeping in payment of £34.68 is payable per night. This rate covers the requirement to sleep in and up to 30 minutes call out per night. Any additional time worked in excess of 30 minutes during a sleeping in shift can be claimed, where approved, as additional hours.</p>
First Aid Allowance	<p>A designated first aider (appointed person) for a place of work, who commenced the role on or after 10 April 2017, is paid a fixed first aid allowance of £21 per month (pro rata for part time employees). A designated first aider (appointed person) for a place of work, who commenced the role on or before 9 April 2017, is paid a first aid allowance of £19.95 per month.</p>	
Retainer Payment	<p>Not applicable</p>	<p>Retainer payments for School Crossing Patrols and Passenger Assistants (employed directly by the County Council) ceased in October 2015. Three years cash protection applies until 31 August 2018.</p>
Returning Officer Fees	<p>The Chief Executive is the Returning Officer for County Council Elections. The Chief Executive salary is inclusive of returning officer fees.</p>	<p>Not applicable.</p>
Remuneration on Recruitment		
Starting Salaries	<p>Upon recruitment, appointment is made to the minimum spinal column point, with discretion to determine a higher incremental point subject to the following criteria:-</p> <ul style="list-style-type: none"> - the individual's knowledge, skills, experience and qualifications relating to the requirements of the role; - performance/capability as evidenced during the recruitment process; - existing market forces; - consideration of existing employees performing the same role as matched against the above criteria. 	
Recruitment and Retention Payments	<p>Not applicable.</p>	<p>Labour market increments (LMI's) are additional increments added to the top of the pay scale for a post where there is sufficient evidence that the current Dorset Grade maximum is insufficient to recruit or retain employees of the appropriate competence/skill mix. LMI's are approved by the Director and Elected Member and all posts attracting market forces increments are reassessed every three years in accordance with the Labour Market Adjustment Scheme in order to take account of current labour market information and evidence. If following review LMI's are reduced or removed a 3 year period of cash protection is applied.</p> <p>Key Skills Recruitment & Retention Bonus Scheme – introduced in 2016 a bonus scheme may be applied to any posts at any grade where a clear skills shortage and difficulty in recruiting key staff can be demonstrated. The bonus payable will be an amount between £1,500 and £2,000 (pro rata for part time positions) depending on the approved business case.</p> <p>Family and Friends Referral Scheme – introduced in 2016 this scheme is available to certain employees of the council and is intended to assist in the recruitment and retention of key staff in difficult to recruit to posts. The Director or Chief Executive can consider offering the friends and family referral payment to an existing employee who refers a successful candidate to a key vacancy. The amount payable is set at a maximum of £1,000 regardless of the post, pro rata for part time positions.</p>
Increases and Additions to Remuneration		
Payments for additional duties	<p>Acting up payment may apply where there is a requirement to undertake additional responsibilities for an extended period (normally over 4 weeks). A full acting up payment is calculated as the difference between the salary of the employee acting up and the minimum point of the grade of the post being covered. When an employee is already paid on a point within the higher grade, the allowance will be calculated based upon the next point within the grade. Where only part of the duties are being undertaken a proportioned (percentage) payment is made.</p> <p>An honorarium payment (usually a one off amount of up to £100) can be awarded to an employee who has performed exceptionally outside of the normal scope of their duties e.g. work on a complex temporary project.</p>	<p>Acting up payment may apply where there is a requirement to undertake additional responsibilities for an extended period (normally over 4 weeks). A full acting up payment is calculated as the difference between the salary of the employee acting up and the minimum point of the grade of the post being covered. When an employee is already paid on a point within the higher grade, the allowance will be calculated based upon the next point within the grade. Where only part of the duties are being undertaken a proportioned (percentage) payment is made.</p> <p>An honorarium payment (usually a one off amount of up to £100) can be awarded to an employee who has performed exceptionally outside of the normal scope of their duties e.g. work on a complex temporary project.</p>

Cost of Living Pay Increases	<p>Chief Executive - Cost of living pay increases agreed by Joint Negotiating Committee for Chief Executives of Local Authorities. The last cost of living pay increase at 1% was awarded from 1 April 2017.</p> <p>Directors, Heads of Service, Assistant Directors & Service Directors - Cost of living pay increases are agreed by the Joint Negotiating Committee for Chief Officers of Local Authorities. The last cost of living pay increase at 1% was awarded from 1 April 2017.</p>	<p>Cost of living pay increases are agreed by the National Joint Council for Local Government Services. The last cost of living pay increase of 1% was awarded from 1 April 2017.</p>		
Salary Protection	<p>18 months' salary grade protection applicable in cases of redeployment due to redundancy or reorganisation.</p> <p>12 months allowance/enhancement protection applicable in cases of redeployment due to redundancy or reorganisation where certain conditions apply.</p>			
Performance Related Pay				
Incremental/Scale Progression	<p>Chief Executive - Competence based incremental progression, to the maximum of the grade, is subject to an annual externally facilitated appraisal by a panel of elected members comprising of the Chairman of the County Council and the political group leaders.</p> <p>Directors - Competence based incremental progression is subject to an annual performance review with the Chief Executive. The panel of elected members as outlined above determine incremental progression for competency related points on the recommendation of the Chief Executive following a performance review.</p>	<p>Heads of Service/Assistant Directors/Service Directors – Competence based incremental progression is subject to an annual performance review and subject to confirmation by the Director/Chief Executive.</p>	<p>Incremental Progression – Progression through service increments takes place on 1 April each year. Service increments are automatic but can be withheld as part of action under capability or disciplinary procedures.</p> <p>Thereafter the remaining increments are competency related and payable based on satisfactory performance and development which is measured against agreed targets linked to objectives and priorities.</p> <p>Increments are payable on 1 April each year. Employees appointed between 1 October and 31 March may receive their first increment 6 months after commencement.</p>	
Merit Increments	<p>Not applicable.</p>		<p>Where there is a need to recognise exceptional effort/performance in circumstances which do not meet the guidelines for acting up or honoraria payments, managers can authorise the award of one or two merit increments (within the appropriate grade). These are permanent additions to pay.</p>	
Payments on Ceasing to Hold Office				
Notice Period	<p>Where an appointment is subject to a probationary period it may be terminated by 1 week's notice on either side. Thereafter;</p> <p>Following any probationary period employees in this group are required to give 13 weeks notice.</p> <p>Following any probationary period DCC is required to give employees in this group 13 weeks notice.</p> <p>Following any probationary period the contractual notice requirements go beyond those required by the Employment Rights Act 1996 which provide for 1 week's notice for each year of continuous employment up to a maximum of 12 weeks.</p>	<p>Where an appointment is subject to a probationary period it may be terminated by 1 week's notice on either side. Thereafter;</p> <p>Following any probationary period employees in this group are required to give 13 weeks notice</p> <p>Following any probationary period DCC is required to give employees in this group 13 weeks notice</p> <p>Following any probationary period contractual notice requirements go beyond those required by the Employment Rights Act 1996 which provide for 1 week's notice for each year of continuous employment up to a maximum of 12 weeks.</p>	<p>Where an appointment is subject to a probationary period it may be terminated by 1 week's notice on either side. Thereafter employees in this group are required to give 4 weeks notice.</p> <p>Following any probationary period DCC is required to give employees in this group 4 four weeks notice extended (as appropriate) by the Employment Rights Act 1996 to provide for 1 week's notice for each year of continuous employment up to a maximum of 12 weeks.</p> <p>Following any probationary period contractual notice requirements in the first three years go beyond those required by the Employment Rights Act 1996.</p>	
Redundancy Provisions	<p>A redundancy multiplier of 1.5 times the statutory redundancy pay formula (based on actual pay).</p>		<p>A redundancy multiplier of 1.5 times the statutory redundancy pay formula (based on actual pay*).</p> <p>*Employees in this group will have any redundancy payment calculated using a minimum weekly wage of £334.08 (pro rata for part time employees).</p>	

Appendix B1 - Schedule of Partnerships Chief Officers Remuneration

Position Title	Partnership	Overview Table Category (Appendix A2/B2)	National Terms and Conditions of Service	FTE Annual Salary as at 01.01.17	FTE Salary Range £ per annum	Grade	FTE Allowances £ per annum
The Dorset Waste Partnership is a partnership between Dorset County Council and the District Councils (Christchurch, East Dorset, North Dorset, Purbeck, West Dorset and Weymouth and Portland). Dorset County Council's contribution to the remuneration package is 64.3%.							
Director of Dorset Waste Partnership	Dorset Waste Partnership	Chief Officer Heads of Service/Assistant Director/Service Director (JNC Terms and Conditions)	JNC for Chief Officers of Local Authorities	£88,880	£87,365 - £91,910	CO Salary Band 3	£0
Head of Service - Operations	Dorset Waste Partnership	Chief Officer: Other (Green Book Terms and Conditions) Appendix A2 Overview table	NJC for Local Government Services (Green Book Terms & Conditions)	£55,896	£52,670 - £59,478	Dorset Grade 16	£0
Head of Service - Strategy	Dorset Waste Partnership	Chief Officer: Other (Green Book Terms and Conditions) Appendix A2 Overview table	NJC for Local Government Services (Green Book Terms & Conditions)	£55,896	£52,670 - £59,478	Dorset Grade 16	£0
Finance & Commercial Manager	Dorset Waste Partnership	Chief Officer: Other (Green Book Terms and Conditions) Appendix A2 Overview table	NJC for Local Government Services (Green Book Terms & Conditions)	£55,896	£52,670 - £59,478	Dorset Grade 16	£0
The Public Health Service is a partnership between Dorset County Council, Bournemouth Borough Council and the Borough of Poole. Dorset County Council's contribution to the remuneration package is 55.5%. Public Health transferred to Local Authorities on 1 April 2013 from the Primary Care Trust (National Health Service) with protected terms and conditions of employment.							
Director of Public Health Dorset, Bournemouth and Poole	Public Health	Chief Officer Chief Executive & Directors (JNC Terms and Conditions)	JNC for Chief Officers of Local Authorities	£126,281	£111,630 - £126,281	CO Salary Band 1	No allowances *
Assistant Director of Public Health Dorset (Part Time)	Public Health	Statutory Transfer Order Appendix B2 Overview table	Protected terms and conditions under Statutory Transfer Order	£92,074 (pro rata £55,244)	£76,761 - £103,490	Consultant Pay Scale	Allowance** £6,032
Assistant Director of Public Health Poole	Public Health	Statutory Transfer Order Appendix B2 Overview table	Protected terms and conditions under Statutory Transfer Order	£83,258	£67,247- £83,258	Agenda for Change Band 8 D	£0
Assistant Director of Public Health Dorset (Part time)	Public Health	Statutory Transfer Order Appendix B2 Overview table	Protected terms and conditions under Statutory Transfer Order	£83,258 (pro rata £71,036)	£67,247- £83,258	Agenda for Change Band 8 D	£0
Deputy Director of Public Health, Public Health Dorset	Public Health	Statutory Transfer Order Appendix B2 Overview table	Protected terms and conditions under Statutory Transfer Order	£100,431	£79,415 - £100,431	Agenda for Change Band 9	£0
Public Health Consultant (Part Time)	Public Health	Statutory Transfer Order Appendix B2 Overview table	Protected terms and conditions under Statutory Transfer Order	£92,074 (pro rata £82,867)	£76,761 - £103,490	Consultant Pay Scale	Allowance** £3,016

Pay Policy Statement 2018/19

Public Health Consultant	Public Health	Statutory Transfer Order Appendix B2 Overview table	Protected terms and conditions under Statutory Transfer Order	£86,369	£76,761 - £103,490	Consultant Pay Scale	£0
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* Director of Public Health moved across to Local Authority Chief Officer terms and conditions with effect from 1 April 2015.

** The Allowance is a Clinical Excellence Award in line with National Health protected terms and conditions of employment for which Appendix B2 provides details.

Appendix B2 - Overview Table of Policies Relating to Remuneration for Partnership arrangements for Public Health chief officers.

	<u>Public Health</u> Statutory Transfer Order protections apply Medical Staff (British Medical Association Consultants Terms & Conditions)	<u>Public Health</u> Statutory Transfer Order protections apply Non Medical Staff (Agenda for Change Terms & Conditions)
Elements of Remuneration		
Basic Salary Range	See Appendix B1	See Appendix B1
Plussage to Basic Grade	Eligible Medical Consultants can apply for a Clinical Excellence Award which recognises and rewards those consultants who contribute most towards the delivery of safe and high quality care to patients and the continuous improvement to NHS Services. Where relevant, this is included in the figures for remuneration at Appendix B1.	Not Applicable
Weekend and Night Enhancement	Not applicable	All time on Saturday (weekend - midnight to midnight) (night - any weekday after 8pm and before 6am) Pay Band 1 time plus 50% Pay Band 2 time plus 44% Pay Band 3 time plus 37% Pay Band 4 - 9 time plus 30% All time on Sunday (midnight to midnight) Pay Band 1 double time Pay Band 2 time plus 88% Pay Band 3 time plus 74% Pay Band 4 - 9 time plus 60%
Standby Allowance	Not applicable – ceased September 2016	Not applicable – ceased September 2016
Standby Callout	Not applicable	
Overtime	Non emergency work after 7pm and before 7am during weekdays or at weekends will only be scheduled by mutual agreement between the consultant and his or her clinical manager. Consultants will have the right to refuse non-emergency work at such times	Salary Bands 1 - 7 are eligible for overtime payments. Where payment for overtime is authorised by a manager for work above 37.5 hours per week, payment will be at time plus one half based on the employee's basic hourly rate. Double time will be paid for overtime worked on Bank Holidays. Part time employees will receive payment for the additional hours at plain time rate until their hours exceed standard hours of 37.5 hours per week. Staff may request time off in lieu as an alternative to overtime payments. However where hours are unable to be taken within 3 months, the overtime rate will be applied. Time off in lieu of overtime payments will be at plain time. Senior staff paid in bands 8 or 9 will not be entitled to overtime payments.

Public Holiday Enhancements	Consultants who in the course of their duties are required to be present in hospital or other place of work between the hours of midnight and 9am on statutory or public holidays should receive a day off in lieu.	<p>Equivalent time off in lieu at plain time rates, in addition to the appropriate payment:</p> <p>All time on Public Holidays (midnight to midnight)</p> <p>Pay Band 1 double time Pay Band 2 88% Pay Band 3 74% Pay Band 4 - 9 60%</p>
Remuneration on Recruitment		
Starting Salaries	Upon recruitment, appointment is made to the minimum spinal column point. Discretion to appoint to a higher incremental point is subject to the individual's knowledge, skills, experience and qualifications relating to the requirements of the role together with aggregated service with the NHS.	
Increases and Additions to Remuneration		
Cost of Living Pay Increases	The last cost of living pay increase agreed by the National Health Service Staff Council was awarded in 2017.	
Salary Protection	<p>NHS - Bournemouth & Poole Protection applies to staff who commenced employment on or after 1 October 1995 subject to having served a 12 month qualifying period; Short Term Protection - payable up to a maximum of 6 months Long Term Protection - payable up to a maximum of 7 years</p> <p>NHS Dorset Protection applies to staff dependant upon length of service; Short Term Protection - payable up to a maximum of 12 months Long Term Protection - payable up to a maximum of 4 years on a reducing percentage basis</p>	
Performance Related Pay		
Incremental/Scale Progression	<p>Medical Consultants Thresholds are set annually by the NHS Staff Council. The first 4 thresholds are awarded at one yearly intervals with the following 3 thresholds awarded at five yearly intervals based on successfully meeting set criteria.</p>	<p>Incremental Progression - Following an initial foundation (probation period) of up to 12 months, progression to the next point is subject to meeting criteria set under the Knowledge and Skills Framework for the post. Progression to subsequent points is every 12 months thereafter, until a second gateway point is reached and a further assessment against set criteria is undertaken as part of the development review.</p>
Payments on Ceasing to Hold Office		
Notice Period	3 months notice (although a longer / shorter period can be mutually agreed)	<p>Band 1 - 5 one months notice Band 6 + 3 months notice</p>
Redundancy Provisions	Redundancy Payment entitlement after completion of 2 years continuous services is one month's pay for each complete year of service up to a maximum of 24 years reckonable service.	

Appendix C1 - Schedule of Contracts for Service

Position Title	Directorate	Overview Table Category (Appendix C)	National Terms and Conditions of Service	FTE Annual Salary as at 01.01.17	FTE Salary Range £ per annum	Grade	FTE Allowances £ per annum
Contracts for Service are arranged in exceptional circumstances through third party organisations and have been assessed as IR35 compliant (and fall outside of IR35 legislation).							
Interim Transformation Programme Lead	Adult & Community Services	N/A	N/A	Consultant rate *£840 daily charge rate (includes all fees)	N/A	This role is under a contract for personal service and is IR35 compliant. The role is included for transparency purposes.	N/A
External Manager	Children's Services	N/A	N/A	Consultant rate *£700 daily rate (+ £109.65 agency fees)	N/A	This role is under a contract for personal service and is IR35 compliant. The role is included for transparency purposes	N/A

Note: No overview table is provided as terms and conditions do not apply.

County Council – 15 February 2018

Recommendations from the Staffing Committee meeting held on 29 January 2018

Senior Management Roles and Responsibilities – interim Arrangements – Review and Proposals

- 13 The Committee considered an exempt report by the Chief Executive which set out the progress that had been made to resolve matters and reviewed the arrangements made for the separation of the Director for Adult Social Services (DASS) and the Director for Children's Services.

The Chairman made reference to Article 12, as mentioned in recommendation 4, which the Audit and Governance Committee supported at its meeting on 19 January 2018. The HR & OD Service Manager explained that this referred to key officers and their functions within the organisation and it was recognised that this would need updating following agreement of the recommendations.

Following a comment from a member about the 6 month extension to the contract for the Interim Director for Children's Services, the Chief Executive advised that this was because they were still awaiting a final decision from the Secretary of State on LGR. If the decision was not to proceed with LGR then the authority would seek to appoint to a permanent post, as a preferred option.

RECOMMENDED

That the County Council be recommended to approve:

1. That the Chief Executive retains the statutory role of the Director for Adult Social Services on an interim basis.
2. That options for the discharge of the DASS role be confirmed within the new structure of Adult and Community Services and that discussions proceed with the Clinical Commissioning Group to consider a Joint Director post and resources to progress the Accountable Care System/Partnership development be agreed.
3. That delegated authority to develop these options be granted to the Chief Executive, after consultation with the Chairman of the Committee and Leader of the Council, Chair of the Health and Well-being Board and Cabinet Member for Health and Care.
4. That the changes, when approved by the County Council, be subject to Article 12 of the Council's Constitution, subject to the recommendations of the Audit and Governance Committee.
5. That the Interim Director for Children's Services appointment be extended for a 6 month period, to expire in October 2018, be agreed.
6. That the Adult & Community Services Directorate Scheme of Delegation from Senior Managers be amended accordingly.

Reason for Recommendations

To ensure the continued delivery of the County Council's statutory responsibilities and effective management.

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