

FULL COUNCIL

Members of North Dorset District Council are invited to attend this meeting at Nordon, Salisbury Road, Blandford Forum, Dorset, DT11 7LL, to consider the items listed on the following page.

A handwritten signature in black ink, appearing to read 'Matt Prosser'.

Matt Prosser
Chief Executive

Date: Tuesday, 21 February 2017
Time: 10.00 am
Venue: Council Chamber - North Dorset District Council

Members of Committee:

P Batstone, B Batty-Smith MBE, D Beer, P Brown, A Burch (Vice-Chair), E Butler, G Carr-Jones, A Cattaway, B Cooper, D Croney, C Dowden, V Fox (Chairman), J Francis, M Gould, T Handford, G Jefferson, S Jespersen, A Kerby, C Langham, D Milsted, E Parker, V Pothecary, S Pritchard, B Ridout, M Roake, D Skipwith, J Somper, Jackie Stayt, John Stayt, J Tanner, D Walsh, J Westbrook and P Williams MBE

USEFUL INFORMATION

For more information about this agenda please telephone Linda Quinton 01305 252211 email lquinton@dorset.gov.uk

This agenda and reports are also available on the Council's website at www.dorsetforyou.com/committees/ North Dorset District Council.

Members of the public are welcome to attend this meeting with the exception of any items listed in the exempt part of this agenda.



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A G E N D A

Page No.

1 APOLOGIES

To receive any apologies for absence.

2 CODE OF CONDUCT

Members are required to comply with the requirements of the Localism Act 2011 and the Council's Code of Conduct regarding disclosable pecuniary and other interests.

Check if there is an item of business on this agenda in which the member or other relevant person has a disclosable pecuniary or other disclosable 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 within 28 days)

Disclose the interest at the meeting (in accordance with the Council's Code of Conduct) and in the absence of dispensation to speak and/or vote, withdraw from any consideration of the item where appropriate. If the interest is non-pecuniary you may be able to stay in the room, take part and vote.

For further advice please contact Stuart Caundle, Monitoring Officer, in advance of the meeting.

3 MINUTES

To confirm the minutes of the last meetings of Council held on 21 October 2016 and 27 January 2017. (previously circulated)

4 CHAIRMAN'S NOTICES

To receive any notices from the Chairman

5 PUBLIC PARTICIPATION

Fifteen minutes will be set aside to allow members of the public to ask questions relating to the work of the Council. (if no questioners are present at this point, the meeting will proceed to the next item.)

6 2017/18 BUDGET REPORT

7 - 52

To consider the report of the Strategic Director.

7 2017/18 TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY 53 - 74

To consider a report by the Financial Services Manager.

8 APPOINTMENT OF EXTERNAL AUDITOR 75 - 78

To consider a report by the Strategic Director.

9 CABINET REPORT 79 - 96

The Leader of the Council to present a report on Cabinet activities during November to December 2016. Members may question individual Cabinet members on the contents of this report. Members are required to submit general questions, other than urgent ones, in writing to the Democratic Services Team by Friday 17 February 2017 at the latest

10 SHILLINGSTONE NEIGHBOURHOOD PLAN 97 - 132

To consider a report by the Planning Policy Team Leader.

11 PAY POLICY STATEMENT 133 - 144

To consider the Pay Policy Statement for 2016/17.

12 CALENDAR OF MEETINGS 2017/18 145 - 148

To consider the Calendar of Meetings for 2017/18.

13 APPOINTMENT TO THE DORSET WASTE PARTNERSHIP

To approve the recommendation of the Organisation Advisory Panel to appoint Councillor P Batstone as the reserve Member on the Dorset Waste Partnership.

14 URGENT BUSINESS

To consider any items of business which the Chair has had prior notification and considers to be urgent pursuant to Section 100B (4) (b) of the Local Government Act 1972. The reason for the urgency shall be specified in the minutes.

**From Councillor Vic Fox
Chairman of the Council**

10th February 2017

Dear Colleagues,

To enable a fair discussion and debate at our next Council meeting I wish to inform you that I will be following a similar procedure to the one used at our Council Budget setting meeting for the last ten years and trust that I can count on your support.

PROCEDURE FOR COUNCIL BUDGET MEETING: TUESDAY 21 FEBRUARY 2017

1. This will be the procedure for the conduct of the Council budget meeting, drawing on the processes set out in the Constitution. As the budget proposals will already have been discussed at the Overview and Scrutiny Committee and Cabinet, I do not anticipate the need for detailed questions on matters of fact.

2. You will recall that Regulations were made making it mandatory for all Councils to have a recorded vote for budget meetings.

3. Officers will be available to advise and answer questions **before** the meeting, and, if it is found to be necessary, I will call for an adjournment for further advice to be obtained.

4. The rules of debate will enable the Council to consider the Cabinet budget proposals and any forthcoming amendments. The Council may decide to either:-

- Accept them
- Amend them
- Refer them back to Cabinet with or without suggested amendment
- Substitute its own proposals

5. Amendments must be notified to the Democratic Services Officer, Linda Quinton by close of play on Thursday 16 February 2017. These will be collated and circulated to all Members at the meeting, alongside any financial implications so everyone is aware of the issues to be debated.

An amendment, as defined in the Constitution (meeting procedure rules) must be relevant to the motion and must do one of the following:

- Refer the matter elsewhere
- Omit words
- Omit and insert/add words
- Insert/add words
- Not be a direct negative

6. PROCEDURE

Eligibility for Voting

Members are asked to note that under Section 106 of the Local Government Finance Act 1992, a member who has not paid an amount due in respect of their Council Tax for at least

2 months after it became payable is precluded from voting on any matters affecting the level of Council Tax or the arrangements for administering the Council Tax. They may however speak and take part in the debate. In addition, a declaration should be made at the start of the meeting to say that this section

of the act applies to them and that they will not vote on any matter relating to the budget.

	Maximum time allowed
Cabinet budget proposals	
Proposed by Leader	15 minutes
Seconded by Deputy Leader	5 minutes
Response/Amendments by Liberal Democrat Group Leader	10 minutes
Seconder if amendment	5 minutes
Response/Amendments by Independent Group Spokesperson	10 minutes
Seconder if amendment	5 minutes
Other Notified Amendment(s) to Cabinet proposal	
Proposer	10 minutes
Seconder	5 minutes
Adjournment (if required).	
If there have been amendments moved to the Cabinet proposals it may be necessary to adjourn at this stage to clarify their implications.	
Response to Amendment(s) by Leader	5 minutes per amendment

Debate

The Cabinet proposals and all amendments will be discussed in the debate and any further proposed and seconded amendments noted as they arise. Each member may speak for **five** minutes but will only be invited to speak once.

Any amendments will be put to the vote in the order decided by me. After all amendments have been voted on, Council will be left with a substantive motion.

Adjournment (if required)

At the end of the debate, if required, there will be an adjournment while officers ensure the proposals and amendments to be put to the vote are written down and put in a logical sequence. This will be done in consultation with the Political Group Leaders/Spokesperson.

Closing speeches

Once the proposals and amendments have been put before members the following closing speeches may be made:

Relevant seconders	5 minutes
Independent Group Spokesperson	5 minutes
Liberal Democrat Group Leader	5 minutes
Leader of the Council	5 minutes

The motion will be put to the vote.

Councillor Vic Fox
Chairman of Council

Full Council 21 February 2017 Budget Update

For Decision

Portfolio Holder

Cllr P Batstone

Senior Leadership Team Contact:

J Vaughan, Strategic Director

Report Author: J Vaughan, Strategic Director

Statutory Authority

Local Government Acts 1972, 1988, 1992 and 2003

Purpose of Report

- 1 To set out the revenue and capital budget proposals for the 2017/18 financial year including the level of council tax and reserves. To outline the Medium Term Financial Forecast for future years.

Officer Recommendations

- 2 That the Council receives a report on the level of once-off funding available and potential bids at its next meeting.
- 3 That the Council agrees the following:-
 - a. That the funding for community-led housing developments is put into an earmarked reserve and that an action plan on its use is produced
 - b. That the proposals for balancing the 2017/18 revenue budget set out in Appendix 3 are approved
 - c. That the 2017/18 Capital Programme in Appendix 5 is approved
 - d. That the formal resolutions in respect of the 2017/18 Budget and Council Tax including details of the council tax levels for Dorset County Council, Dorset Police & Crime Commissioner and Fire & Rescue Authority and Town Councils are included in the Budget Report to the 21 February Council meeting

Reason for Decision

- 4 To enable the Council to balance the 2017/18 budget.

Background and Reason Decision Needed

- 5 The Budget report in February 2016 set out the financial forecast for the next 3 financial years with estimated budget gaps of £1.378m in 2017/18,

£460,000 in 2018/19 and £759,000 in 2019/20. Against this background the Councils Financial Strategy focused upon three strategic options, those being:-

- Plan A – Unitary Council
- Plan B – Single ‘super District’ Council
- Plan C – Stay as a stand-alone Council

6. Given the uncertainty over the longer term direction the strategy for the development of the 2017/18 budget has been to focus upon it as a single year and produce a balanced budget which allows all three strategic options to be considered.

Budget Changes

Revenue Support Grant

7. Following on from the Comprehensive Spending Review (CSR2015) announced by the Chancellor on 25 November 2015, the Council received the details of its funding for the next 4 years. Having details of the likely funding for the next 4 years was very welcome as it makes financial planning considerably easier. However the reductions in funding are significantly quicker and larger than anybody was expecting.
8. The finance settlement shows that the Revenue Support Grant (RSG) was reduced to £734,813 for 2016/17 and further reduced down to £394,773 for 2017/18 and £182,744 in 2018/19. There is no RSG for 2019/20. In addition the government has also taken into account the Council’s ability to increase council tax and calculated a ‘negative’ RSG payment of £54,091 in 2019/20. As it is not possible for there to be ‘negative’ RSG, the Council will have to pay the government this funding through a ‘tariff adjustment’.

Business Rates

9. The current system of providing funding to the Council through some of the Business Rates that they collect came into effect in 2013/14. The government still sets the pence in the pound national multiplier and the Valuation Office still determine the rateable value. The government assessed how much Business Rates would be collected in the District and set up a system for the funding to be split between the government, the Council, Dorset County Council and the Fire Authority. The idea behind the scheme is to incentivise the Council to ‘grow’ the amount of business rates in its area and that it would be able to keep 50% of this additional income. There is also a ‘safety net’ mechanism to ensure a minimum funding level for councils.
10. There has been a national revaluation of business rates which comes into effect from April 2017. This process should be cost neutral for the Council in that it should receive the same level of funding after the revaluation as it would have done before the revaluation. However, in practice this is unlikely to happen. It is also very hard to predict the number of businesses that will successfully appeal against the new ratings valuation. For budgetary purposes the 2017/18 budget is at the safety net. This means the funding that the Council is building into the 2017/18 budget for Business Rates is £1,433,372.

11. The Chancellor has already announced the intention to introduce a 100% business rates scheme and there has been some initial consultations on this. The new scheme could be introduced in 2019/20 or 2020/21 and will mean that at the national level, Councils will retain 100% of the business rates that they collect. It is important to point out that this does not mean that individual councils will retain all of the business rates they collect. The new funding being given through the 100% business rates scheme will not be additional funding for local government but will be funding for councils to take on new additional responsibilities. The precise details of how this will work are still being developed and will be subject to further consultation.

New Homes Bonus

12. The New Homes Bonus (NHB) scheme commenced in April 2011. Up until 2016/17, the amount of NHB that each authority received was dependent on two elements:
- a. The council tax band of each additional property built, multiplied by the national average council tax level from the preceding year i.e. the 2016/17 allocations were based upon the average Band D council tax set in 2015/16 at £1,484.
 - b. A payment of £350 for each affordable home.
13. The scheme originally made payments for six years. This meant that an authority received its 2011/12 allocation each year between 2011/12 and 2016/17.
14. The consultation paper, "New Homes Bonus: Sharpening the Incentive", was published in December 2015 and closed in February 2016. The results were announced in December 2016 with the government making significant changes to the New Homes Bonus Scheme, which are reflected in the 2017/18 allocations. A list of the changes made/planned are as follows:
- A move to 5-year payments for both existing and future NHB allocations in 2017/18 and then to 4 years from 2018/19.
 - The introduction of a national baseline of 0.4%, for 2017/18, below which allocations will not be made. This is higher than the baseline of 0.25% discussed in the consultation paper.
 - The government will also retain the option of making adjustments to the baseline in future years to reflect significant and unexpected housing growth.
 - It will not introduce the proposals to withhold payments for areas without a local plan in 2017/18; however, it will revisit this issue for 2018/19.
 - It will also consider withholding payments for homes that are built following an appeal (and the Minister mentioned in his statement that further consultation will take place in this area).
 - The allocations will continue to be an un-ring-fenced grant.

15. Nationally the funding for New Homes Bonus in 2017/18 was reduced from £1,493m to £1,252m, a reduction of £241m. The £241m has been used to fund a new grant, the “Adult Social Care Support Grant”, which is a grant for 2017/18 only to be paid based on the Adult Social Care Relative Need Formula to authorities providing Social Care. For 2017/18, the rate of payment for the scheme is:
- £1,530 per Band D Dwelling equivalent
 - £350 per affordable home
16. The impact of changes to the New Homes Bonus scheme upon the funding that the council receives is set out in Appendix 1.

Rural funding

17. As part of the finance settlement the government recognised that providing services in rural areas is more expensive than urban areas and provided additional funding for rural authorities. Income of £244,752 is included in the current year’s budget.

Community-led Housing Developments

18. The Government announced a £60 million fund to support community-led housing developments in areas where the impact of second homes is particularly acute. The fund will enable local community groups deliver affordable housing units of mixed tenure on sites which are likely to be of little interest to mainstream housebuilders and will thereby contribute to the overall national effort to boost housing supply. The fund will also help build collaboration, skills and supply chains at a local level to promote the sustainability of this approach to housebuilding. The fund will enable capital investment, technical support and revenue to be provided to make more schemes viable and significantly increase community groups’ current delivery pipelines. The funding is allocated between local authorities proportionate to the number of holiday homes in the local area and taking account of the affordability of housing to local people.
19. The funding we have been allocated is £ £238,057 and we have received 50% of the allocation. We are required to produce an action plan in order to receive the final 50%. It is therefore proposed to ring-fence this funding by putting it into an earmarked reserve and an action plan for its use is produced.

Staffing

20. The pay for staff is to increase by 1% for 2017/18 as part of the national pay bargaining agreed last year. Dorset County Council administers pensions on behalf of all the councils in Dorset and the pensions fund is reviewed every 3 years. As a result of the review, employer pension’s costs have increased from 12.4% in the current year to 15.3% for the next 3 years. This combined with an increase in backfunding funding means an additional cost pressure of £95,328 for 2017/18 and this takes the total employers pensions budget to £626,351

Inflation

21. An uplift of 3% has been applied to amount that the council has to pay on business rates. Where the council has contracts in place which set out

inflationary increases these have been built into the budget but there is no allowance for general inflation.

Revenue Budget Proposals

Budget Gap & Financial Forecast

22. All of the changes to the budget are summarised in Appendix 2 which also sets out the financial forecast until 2019/20. It shows that the budget gap for 2017/18 is £890,000 before any action is taken, with further gaps of £1,064,000 in 2018/19 and £778,000 in 2019/20.

Council Tax

23. As the billing authority the Council is responsible for sending out the bills and collecting council tax on behalf of the County Council, Police & Crime Commissioner, Fire Authority and for any Town/Parish Council. Each of these bodies is responsible for setting their own level of council tax. The latest estimate is that there is a surplus on the current years collection fund with the councils share being £33,985 which will be added to reserves.
24. As part of the 4 year finance settlement the Government has for the first time taken into account the Council's ability to raise funding through council tax. It has assumed that Council increase their council tax over the next 4 years of the finance settlement.
25. Although council tax is determined by the Council the government limits the amount of any increase to below 2% or £5 per year, whichever is the greater. The final finance settlement confirmed that this arrangement is in place throughout the settlement period. If the Council wanted to increase the council tax by more than this then it is required to undertake a public referendum.
26. The budget proposals for 2017/18 assume an increase in number of Band D equivalent properties of 222.6 (0.9%) to 25,910.1 and an in year collection rate of 97.5%. The proposal is to increase council tax by £5 per year for a Band D property.

Savings & Increased Income

27. The Council has been very effective in managing its finances over the longer term and putting in place the Stronger Together Transformation Programme to address the reduction in resources. This programme has already successfully delivered significant savings and a further £416,000 can be built into 2017/18.
28. There are a number of further saving and increased income options that are required in order to produce a balanced budget for 2017/18. These have been developed by managers and were detailed in the September report to the Committee and have been reviewed by Scrutiny. They are set out in Appendix 3 and total £542,000.
29. There are 2 savings listed in Appendix 3 which affect service levels. These have been the subject of public consultation and are further detailed in Appendix 4. They will also be discussed by Overview and Scrutiny on 6 February 2017.

Capital Budget

30. The Council now has an up to date Asset Management Plan which is a key document for future planning. It helps clarify the future costs of maintaining the current assets. There has also been considerable work over the last 6 months on the underlying data held on all of the Council's assets.
31. The Capital Programme for 2017/18 is set out in Appendix 5.

Reserves

32. The Council holds reserves which are funding that has been set aside for a particular purpose. In effect they are the Council's equivalent of savings accounts but it should be remembered that they are once off sources of funding and when they have been spent they are gone.
33. General Reserves are funding that is set aside to cover unforeseen circumstances. There is a legal duty for the Chief Finance Officer (Section 151 Officer) to provide members with assurance that the level of reserves are adequate. In order to help provide this assurance, a risk based assessment of the minimum amount of general reserves is undertaken and has been set as £610,713.
34. The other type of reserves are called Earmarked Reserves which are funds that the Council has set aside for a particular purpose.
35. As part of developing the budget proposals a number of bids for once off funding have been identified and it is proposed that these are considered at the next Committee alongside a detailed review of all once-off funding available that could be utilised to support them.

Section 151 Officer

36. As the legally appointed Chief Finance Officer (Section 151 Officer) I have a legal duty to the Council to ensure that the budget proposals are robust and that there is a balanced budget for 2017/18. I am able to provide a positive assurance statement that the current proposed budget for 2017/18 is a balanced budget and also that the level of reserves are at an adequate level based upon the current proposals.

Implications

Corporate Plan

The budget allocates the financial resources of the councils and therefore directly impacts upon the delivery of the corporate plan.

Financial

As set out in the report.

Equalities

The Equalities Impact Assessments for both service level options were presented as appendices to the report considered by 6 February 2017 meeting of the Overview and Scrutiny Committee.

Environmental

None directly from this report.

Economic Development

None directly from this report.

Risk Management (including Health & Safety)

The budget process should ensure that the 2017/18 budget estimates are robust. The council has general reserves to cover any unforeseen circumstances and the level of the reserves is assessed using a risk based methodology.

Human Resources

There are some the savings that have already been agreed involve changes to some staffing structures. There is an agree HR process for doing these which will be followed.

Consultation and Engagement

The budget proposals have been subject to review by Scrutiny. In addition there have been various member and staff briefings on the budget.

Appendices

Appendix 1 – New Homes Bonus

Appendix 2 – High Level Financial

Appendix 3 – Budget options

Appendix 4 – Consultation Report on Savings Options

Appendix 5 – Capital Programme

Background Papers

Budget Report February 2016

Footnote

Issues relating to financial, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

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New Homes Bonus Modelling - NDDC

	2016/17	2017/18	2018/19	2019/20
	£	£	£	£
Year 1 Allocation - confirmed	225,286			
Year 2 Allocation - confirmed	363,692			
Year 3 Allocation - confirmed	460,979	460,979		
Year 4 Allocation - confirmed	218,062	218,062		
Year 5 Allocation - confirmed	464,406	464,406	464,406	
Year 6 Allocation - confirmed	246,602	246,602	246,602	246,602
Year 7 Allocation - Provisional		44,620	44,620	44,620
Year 8 Estimate			40,000	40,000
Year 9 Estimate				40,000
Total Received	1,979,027	1,434,669	795,628	371,222
Reduction in Funding		544,358	639,041	424,406

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High Level Summary of Medium Term Financial Forecast

Updated - January 2017

North Dorset

This is the central case estimate of the changes to the Council's Finances over the next 4 years. This forecast will continually be updated for known changes and best estimates.

Budget Item	Annual Change		
	2017/18 £'000	2018/19 £'000	2019/20 £'000
Budget Changes			
Revenue Support Grant Reduction	340	212	183
Tariff Adjustment			54
New Homes Bonus - net effect	544	639	424
Reduction in HB Admin Grant	21	25	25
Reduction in LCTS Grant	0	1	1
Business Rates	(29)	(46)	(53)
Rural Funding	(170)	57	(57)
Inflation on Non Pay Budgets	20	64	65
Changes to staffing costs	177	74	67
Land Charges		10	45
Waste Partnership	0	28	23
Modgov	6		
16/17 Collection Fund Deficit	(20)		
Gross Gap if no action taken	890	1,064	778
Cumulative Gap assumes budget balanced each year	890	1,954	2,732
Actions to address budget gap			
Council Tax (£5)	(128)	(130)	(130)
Taxbase	(27)		
Options for Members	(217)		
Options already approved	(418)		
Collection Fund Surplus	(33)		
Reduction in contribution to reserves	(67)		
Total of Actions	(890)	(130)	(130)
Cumulative of Actions	(890)	(1,020)	(1,149)
Annual Remaining Gap	(0)	935	648
Remaining Cumulative Gap	(0)	935	1,583

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Budget Options for Member Approval

These options relate to decisions which require Member approval

Option	£'000s
Increase council tax by £5 for a Band D property, as included within the Government Finance Settlement	128
Addition income from Treasury Management Investments	80
Use CIL admin charges to fund staff costs operating CIL	6
Use of DCLG Neighbourhood planning funding for costs of supporting the work of neighbourhood plans	5
Reduction of the grant to Citizens Advice Bureau to £48,698 – In line with the CAB's Option 2 as set out in Appendix 4, but that should at any time North Dorset District Council cease to exist as a sovereign Council, then this annual funding to cease.	26
Reduction of funding for the Community Development service by £100,000 as per option B3 as set out in Appendix 4, leaving a budget of £22,000; and provide a time limited project completion fund of £10,000 for 2017-18	100
Total Budget Options for Members Approval	345

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Results of Public and Stakeholder Consultation – Budget Options on Grant to North Dorset CAB and Community Development Budget

Portfolio Holders

Cllr Andrew Kerby
Cllr Sherry Jespersen

Senior Leadership Team Contact:

S Hill, Strategic Director

Report Author:

J Nicklen, Community Planning & Development Manager

Statutory Authority

The Localism Act, 2011

Purpose of Report

1. To report on the outcomes of consultation on two budget options relating to North Citizens Advice Bureau (CAB) and the council's Community Development Budget and to make recommendations to Council.

Officer Recommendations

- 2 To recommend to Cabinet that the preferred option in relation to council funding for North Dorset CAB is £48,698 per annum, which supports the funding proposed by the CAB's Option 2, but that should at any time North Dorset District Council cease to exist as a sovereign Council, then this annual funding to cease.
- 3 To recommend to Cabinet that the preferred option for the council's community development budget is Option B3, to reduce the Community Development Services budget for 2017-18 by £100,000, leaving a budget of £22,000; and provide a time limited project completion fund of £10,000 for 2017-18.

Reason for Decision

- 4 To enable North Dorset District Council to make decisions on two discretionary budgets in order to reach a balanced budget for the financial year 2017-18. The preferred option for the grant to the North Dorset CAB also takes account of an alternative options proposed by the CAB.

Background and Reason Decision Needed

- 5 The council's annual grant of £73,920 to North Dorset CAB under a Service Level Agreement. For this grant the CAB provides 66 service hours a week, 30 at its main office in Gillingham and 36 hours outreach work at locations in Blandford, Shaftesbury, Stalbridge and Sturminster Newton. The budget options relating to this grant are:
- Option A1 – cease payment of the £74,000 annual grant to the Citizens' Advice Bureau from 1 April 2017, resulting in no district council funding.
 - Option A2 - reduce the annual grant to the Citizens' Advice Bureau by £39,000 to provide £35,000 funding from 1 April 2017 for the financial year 2017-18 only (and cease funding from 31 March 2018). This grant would cover work during any notice period if a decision to reduce and cease the grant is taken.
 - Option A3 – reduce the annual grant to the Citizen's Advice Bureau by £59,000 to provide £15,000 funding from 1 April 2017 for the financial year 2017-18 only (and cease funding from 31 March 2018). This grant would cover any notice period if a decision to reduce and cease the grant is taken.
- 6 North Dorset CAB has also submitted two alternative options to those above: Option 1 for funding of £62,832 (15% reduction) and Option 2 for £48,698 (35% reduction) for the financial years 2017-18 to 2019-20 inclusive. These are included at Appendix 4 to this report.
- 7 The community Development Services budget of £122,000 which funds community planning in the market towns of Blandford, Shaftesbury, Sturminster Newton and Stalbridge and staffing for this function in all but the latter town. The budget options relating to this budget are:
- Option B1 – cease the £122,000 district council funding for the Community Development Service from 1 April 2017, resulting in no district council funding
 - Option B2 – cease the £122,000 funding for the Community Development Service from 1 April 2017 resulting in no district council funding, and provide a time limited project completion fund of £10,000
 - Option B3 – remove £100,000 from the Community Development Service budget leaving a remaining budget of £22,000 for 2017-18, and provide a time limited project completion fund of £10,000.
- 8 Both are tabled as budget options for Member approval and are identified as having potential equalities impacts requiring public and stakeholder consultation. The Equalities Impact Assessments for both options were presented as appendices to the report considered by 6 February 2017 meeting of the Overview and Scrutiny Committee. The public and stakeholder consultation took place between 3 October and 28 November 2016.
- 9 The consultation was conducted online and paper copies were also made available for those without computer access. A total number of 568 responses were received. 474 responses were received online and 53

complete paper copies were received. 41 additional paper copies came from North Dorset CAB. These were CAB photocopies of the original paper copies and had some pages missing. Due to the missing pages, these 41 submissions have been analysed and reported separately as incomplete responses as like for like analysis was not possible.

- 10 This report provides a summary of the consultation results because the full appendices run to 130 pages. The full results can be provided on request and copies are available to view at this meeting. The appendices to this report provide the headline consultation responses (Appendix 1), the consultation responses for each option consulted upon (Appendix 2 & 3) and include two alternative options proposed by the CAB, (Appendix 4).

Implications

Corporate Plan

- 12 Priorities covered by this report are: Empower Thriving & Inclusive Communities Build a Stronger Local Economy, Improve Quality of Life Develop Successful Partnerships

Financial

- 13 This report covers:
- The annual grant of £74,000 to North Dorset Citizens Advice Bureau
 - The community development budget of £122,000 for community planning partnerships and community resource workers

Equalities

- 14 Separate equalities impact assessments have been prepared for each of these budget options and will be further developed using relevant information received through the consultation process. A copy of each respective Equalities Impact Assessment is attached at Appendices 4 and 5 and include implications identified through the consultation.

Risk Management (including Health & Safety)

- 17 The budget options out for consultation present a potential reputational risk to council.

Human Resources

- 18 The options for community partnership have a staffing impact and discussions have been ongoing with Community Resource Workers about this. Formal consultation will take place with unions and staff in accordance with the DCP's usual procedures and legal requirements.

Consultation and Engagement

- 19 The following consultation and engagement has been undertaken to date:
- Meetings with community resource workers

- Portfolio Holder meeting with chairs of community planning partnerships.
- Meetings held with trustees, Chair and Manager of North Dorset CAB, one including the Chair of Dorchester and Sherborne CAB.

Appendices

Appendix 1: Headline results of consultation

Appendix 2: Summary of consultation results, options relating to NDDC Grant to North Dorset CAB

Appendix 3: Summary of consultation results, options relating to the Community Development Budget

Appendix 4: Options provided by North Dorset CAB

Background Papers

Cabinet Update Report on Budget, 19 September 2016

Consultation reports on Budget Options relating to North Dorset CAB and Community Development Budget

Footnote

Issues relating to financial, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

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Consultation Headlines

Numbers of people incomplete v complete

Total number of consultation responses: 568. Of these:

474 were received online

53 were paper copies with all pages intact.

41 returns from the CAB were incomplete with pages missing (This was because of the CAB's administrative error in photocopying surveys so two results reports have been prepared because 'like for like' analysis is not possible. These are differentiated as complete responses and incomplete responses.)

An additional 6 responses were received via letter or email.

92.8% of the response received were complete

Origin of response: Complete responses

89% North Dorset resident

4% representative of businesses/organisations/community groups

3% residents of other areas of Dorset.

1% visitors to Dorset

1% NDDC Councillor

2% unknown

Origin of response: incomplete responses

(88%) of respondents are residents of North Dorset

(12%) are residents of other areas of Dorset.

General Geographical responses: Complete responses

33% of respondents live or work in the Blandford area

26% in the Gillingham area

19% in the Shaftesbury area

17% in the Sturminster Newton area

5% in the Stalbridge area.

Geographical responses: Incomplete responses

57% Shaftesbury

43% Gillingham

Official responses

These were received from Blandford Forum Town Council, Bryanston Parish Council, Gillingham Town Council, Blackmore Vale Partnership and South Tarrant Valley Parish Council.

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Outcomes for Consultation on Options relating to Grant to North Dorset CAB

Results are reported as complete (consultation responses that were submitted in full) and incomplete (41 CAB returns that had missing pages due to a CAB photocopying error.)

- **Option A1 – cease payment of the £74,000 annual grant to the Citizens’ Advice Bureau from 1 April 2017, resulting in no district council funding.**

Respondents did not necessarily reply to each of the two questions about this option:

Option A1

Complete responses

519 responses were made in relation to the level of agreement or disagreement with option.

513 responses were made in relation to extent of affect to which this option might affect them.

84% (336 of 480 respondents)	Net public disagreement with this option
29% (150 of 513 respondents)	Said it would affect them a great deal
19% (95 of 513 respondents)	Said it would affect them to some extent

Option A1

CAB Incomplete responses

41 incomplete responses were made in relation to the level of agreement or disagreement with option.

39 incomplete responses were made in relation to extent of affect to which this option might affect them

100% (41 of 41 respondents)	Net public disagreement with this option
97% (38 of 39 respondents)	Said it would affect them a great deal
3% (1 of 39 respondents)	Said it would affect them to some extent

- **Option A2 - reduce the annual grant to the Citizens’ Advice Bureau by £39,000 to provide £35,000 funding from 1 April 2017 for the financial year 2017-18 only (and cease funding from 31 March 2018). This grant would cover work during any notice period if a decision to reduce and cease the grant is taken.**

Respondents did not necessarily reply to each of the two questions about this option:

Option A2

Complete responses

507 complete responses were made in relation to the level of agreement or disagreement with option.

490 complete responses were made in relation to extent of affect to which this option might affect them

65% (327 of 507 respondents)	Net public disagreement with this option
27% (133 of 490 respondents))	Said it would affect them a great deal
21% (104 of 490 respondents)	Said it would affect them to some extent

Option A2

CAB incomplete responses

39 incomplete responses were made in relation to the level of agreement or disagreement with option and in relation to extent of affect to which this option might affect them

100% (39 of 39 respondents)	Net public disagreement with this option
92% (36 of 39 respondents)	Said it would affect them a great deal
8% (3 of 39 respondents)	Said it would affect them to some extent

- **Option A3 – reduce the annual grant to the Citizen’s Advice Bureau by £59,000 to provide £15,000 funding from 1 April 2017 for the financial year 2017-18 only (and cease funding from 31 March 2018). This grant would cover any notice period if a decision to reduce and cease the grant is taken.**

Option A3

Complete responses

Respondents did not necessarily reply to each of the two questions about this option:

500 complete responses were made in relation to the level of agreement or disagreement with option.

484 complete responses were made in relation to extent of affect to which this option might affect them

85% (422 of 500 respondents)	Net public disagreement with this option
28% (137 of 484 respondents)	Said it would affect them a great deal
19% (93 of 484 respondents)	Said it would affect them to some extent

Option A3

CAB incomplete responses

48 incomplete responses were made in relation to the level of agreement or disagreement with the option and in relation to extent of affect to which this option might affect them

100% (41 of 48 respondents)	Net public disagreement with this option
85% (35 of 48 respondents)	Said it would affect them a great deal
7% (3 of 48 respondents)	Said it would affect them to some extent

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Outcomes for Consultation on Options relating to the Community Development Budget

Results are reported as complete (as in the case of consultation responses that were submitted in full) and of 41 CAB returns that had missing pages due to a CAB photocopying error.

- **Option B1 – cease the £122,000 district council funding for the Community Development Service from 1 April 2017, resulting in no district council funding**

Respondents did not necessarily reply to each of the two questions about this option:

480 complete responses were made in relation to the level of agreement or disagreement with option.

471 complete responses were made in relation to extent of affect to which this option might affect them.

Option B1

Complete responses

Option B1 responses	Complete
66% (316 of 480 respondents)	Net public disagreement with this option
21% (98 of 471 respondents)	Said it would affect them not very much
24% (114 of 471 respondents)	Said it would not affect them at all

Option B1

CAB Incomplete responses

8 incomplete responses were made in relation to the level of agreement or disagreement with option and in relation to extent of affect to which this option might affect them.

Incomplete responses from CAB – total of 8 responses	
25% (2 of 8 respondents)	Net public disagreement with this option
0% (0 of 8 respondents)	Said it would affect them not very much
13% (1 of 8 respondents)	Said it would not affect them at all

Please note that all percentages are rounded.

- **Option B2 – cease the £122,000 funding for the Community Development Service from 1 April 2017 resulting in no district council funding and to provide a time limited project completion fund of £10,000**

Respondents did not necessarily reply to each of the two questions about this option:

Option B2

Complete responses

461 complete responses were made in relation to the level of agreement or disagreement with option.

452 complete responses were made in relation to extent of affect to which this option might affect them.

62% (283 of 461 respondents)	Net public disagreement with this option
20% (89 of 452 respondents)	Said it would affect them not very much
22% (109 of 452 respondents)	Said it would affect them not at all

Option B2

CAB Incomplete responses

36 incomplete responses were made in relation to the level of agreement or disagreement with option and in relation to extent of affect to which this option might affect them.

62% (22 of 36 respondents)	Net public disagreement with this option
6% (2 of 36 respondents)	Said it would affect them not very much
11% (4 of 36 respondents)	Said it would not affect them at all

- ***Option B3 – remove £100,000 from the Community Development Service budget leaving a remaining budget of £22,000 for 2017-18, and provide a time limited project completion fund of £10,000.***

Respondents did not necessarily reply to each of the two questions about this option:

Option B3

Complete responses

462 complete responses were made in relation to the level of agreement or disagreement with option.

Please note that all percentages are rounded.

Appendix 4 (Appendix 3)

452 complete responses were made in relation to extent of affect to which this option might affect them.

30% (215 of 462 respondents)	Net public disagreement with this option
20% (89 of 452 respondents)	Said it would affect them not very much
21% (96 of 452 respondents)	Said it would not affect them at all

Option B3

CAB Incomplete responses

36 incomplete responses were made in relation to the level of agreement or disagreement with option.

8 incomplete responses were made in relation to extent of affect to which this option might affect them.

56% (22 of 8 respondents)	Net public disagreement with this option
0% (0 of 8 respondents)	Said it would affect them not very much
13% (1 of 8 respondents)	Said it would not affect them at all

Please note that all percentages are rounded.

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Citizens Advice North Dorset

North Dorset District Council Budget Consultation

Alternative Proposals

Context

The District Council launched a public consultation on the future funding of the Citizens Advice core grant on 3rd October 2016. The consultation, which will run for 8 weeks ending on November 28th, sets out three options for funding for the financial year 2017/18 onwards. The three options are for an initial cut of 53%, 80% or 100% and then no funding from the 2018/19 onwards.

The North Dorset Citizens Advice trustee board is clear if any of the three options are adopted it would make the organization unviable. The grant from the District Council represents 50% of the total income of Citizens Advice. It also represents nearly its entire core funding i.e. the funding that provides the core advice to the community.

North Dorset Citizens Advice has been involved in joint working with Dorchester, Sherborne Citizens Advice since October 2015. This partnership has led to significant improvements in service delivery, efficiencies which have been diverted to front line advice and the potential to be more sustainable in the long term. The two Trustee Boards had been planning on a formal merger with effect from April 2017. It is currently on hold pending the council's decision on their grant. Dorchester, Sherborne Citizens Advice stated at its Board meeting in October 2016 that it would not be able to proceed with a merger with North Dorset Citizens Advice as all three options in the public consultation would make a merged organisation unviable.

Positive Impact 2015/16*

North Dorset Citizens Advice continued to make a significant positive impact to the local community during the last financial year.

Citizens Advice achieved the following in 2015/16:

- We helped a total of **1,471 clients**
- We dealt with **4,133 issues**
- Our clients were assisted to achieve **£316,548 in financial gains**
- Our volunteers donated **19,448 hours** of their time
- If salaried, our volunteers would have cost **£311,674**
- Overall, our clients told us that they were **99%** satisfied with our service.
- Regularly delivered a service from **6 locations** in North Dorset

Joint Working

Joint working and potential merger has had a positive impact for the community in North Dorset as a result of improvements to North Dorset Citizens Advice:

1. An increase in volunteer numbers recruited and trained. A further 10 volunteer advisers and 5 volunteer receptionists recruited. This represents a 56% increase in the number of volunteers.
2. The number of clients assisted per quarter has dramatically increased as a result of expanded capacity.
3. Recruitment of specialists in debt and welfare benefits has widened capacity to deal with the more complex issues. Specifically to cope with the increased demand generated by welfare reform.
4. Efficiency saving over procurement, management and other “backroom” costs estimated at £9,500 per year if the organizations were to merge.

Overall Impact of Grant reduction

- Citizens Advice is already working at maximum capacity so any funding reduction will have an impact. Whilst we will attempt to make efficiencies, in the medium and long term this will mean cuts to paid staff hours and loss of volunteers.
- There has been no increase in grant in recent years which effectively represents a cut in the context of increasing fixed costs for premises and the limited increase in salaries required to retain staff.
- Any reduction in the capacity of Citizens Advice will result in demand falling back on the District Council. In particular in the areas of housing and welfare benefits.
- Citizens Advice has made strenuous efforts to diversify income streams but these alternative funding sources are often short term and project based e.g. Children’s Centre Project.
- Uncertainty over our core grant has a negative effect for other funding applications and the level of existing grant support from other organisations such as parish and town councils.
- Citizens Advice will be less able to cope with the anticipated increase in demand for service driven by substantial welfare reforms over the coming years. These include: the phasing in of Universal Credit; the replacement of Disability Living Allowance (DLA) by Personal Independence Payment and migration of existing DLA claimants. This increase in demand on service and may well fall back on NDDC if Citizens Advice lack capacity
- Reduction in grant will have an adverse affect on current outcomes and benefits for the local community (see below)
- Reduction in paid support for our volunteers will lead to additional stress on those volunteers. All our volunteers rely on paid staff to carry out their duties.

Proposals

Following a number of meetings with the Council during October 2016, in particular with Councillor Andrew Kerby, there was a developing understanding of the respective positions of the Council and Citizens Advice. On the part of the Trustee Board of Citizens Advice, there is an acknowledgement of the extremely difficult financial position that the Council is facing. As a result of discussions and in light of the shared aims in the meetings to both see a sustainable Citizens Advice and the merger materialize, the Dorchester, Sherborne CAB Board is looking for medium term commitment if the merger is to proceed. Citizens Advice is submitting alternative funding proposals as below:

	2017/18 Grant	2018/19 Grant	2019/20 Grant
Option 1	£62,832 (15% reduction)	£62,832	£62,832
Option 2	£48,698 (35% reduction)	£48,698	£48,698

As can be seen from the table our proposals have the reduction set in the first year and the grant then maintained after that point. This will allow for strategic planning for the organization and will act as a strong message to alternative funders in the sense that there is an ongoing commitment and vote of confidence in our work.

The impact on service levels shown in the tables below will be across the board and will affect both the general open door service as well as the more specialist elements of our delivery. It will also impact across the whole District rather than in one particular office, outreach or location. *The financial impact reduction is calculated using the figures for 2015/16 on page 1 of this document.

Both sets of Trustees have indicated that subject to further due diligence, these proposals would enable a potential merger of North Dorset and Dorchester, Sherborne CAB in 2017

Specific Impact of Proposals

Option 1: 15% cut in grant

	2017/18 Grant	2018/19 Grant	2019/20 Grant
Shortfall	£11,108 recurring.		
Financial Impact	Apply merger efficiency savings, reduce expenditure (and service) and use finite reserves.	Cumulative further reduction in expenditure (and service) and use finite reserves.	Cumulative further reduction in expenditure (and service) and use finite reserves.
Service Impact	5% reduction in service levels: <ul style="list-style-type: none"> Financial gains for local community to reduce by £15,827 per year. Reduction of 972 volunteer hours donated per year which equates to a loss of £15,584 in terms of the value of those volunteers. Reduced capacity to assist volunteers into paid work. 	10% reduction in service levels: <ul style="list-style-type: none"> Financial gains for local community to reduce by £31,655 per year. Reduction of 1,945 volunteer hours donated per year which equates to a loss of £31,168 in terms of the value of those volunteers. Reduced capacity to assist volunteers into paid work. 	10% reduction in service levels: <ul style="list-style-type: none"> Financial gains for local community to reduce by £31,655 per year. Reduction of 1,945 volunteer hours donated per year which equates to a loss of £31,168 in terms of the value of those volunteers. Reduced capacity to assist volunteers into paid work.
Total loss of financial impact	<u>£31,411</u>	<u>£62,823</u>	<u>£62,823</u>

Option 2: 35% cut in grant

	2017/18 Grant	2018/19 Grant	2019/20 Grant
Shortfall	£25,222 recurring		
Financial Impact	Apply merger efficiency savings, reduce expenditure (and service) and use finite reserves.	Cumulative further reduction in expenditure (and service) and use finite reserves.	Cumulative further reduction in expenditure (and service) and use finite reserves.
Service Impact	<p>20% reduction in service levels:</p> <ul style="list-style-type: none"> • Financial gains for local community to reduce by £63,310 per year. • Reduction of 3,890 volunteer hours donated per year which equates to a loss of £62,335 in terms of the value of those volunteers. • Reduced capacity to assist volunteers into paid work. 	<p>25% reduction in service levels:</p> <ul style="list-style-type: none"> • Financial gains for local community to reduce by £79,137 per year. • Reduction of 4,862 volunteer hours donated per year which equates to a loss of £77,919 in terms of the value of those volunteers. • Reduced capacity to assist volunteers into paid work. 	<p>30% reduction in service levels:</p> <ul style="list-style-type: none"> • Financial gains for local community to reduce by £94,964 per year. • Reduction of 5,834 volunteer hours donated per year which equates to a loss of £93,502 in terms of the value of those volunteers. • Reduced capacity to assist volunteers into paid work.
Total loss of financial impact	<u>£125,645</u>	<u>£157,056</u>	<u>£188,466</u>

Capital Programme 2016/17 - 2017/18

Scheme	Budget			Funded By		
	2016/17	2017/18	Total	Capital Receipts	General Reserves	Total Funding
	£	£	£	£	£	£
Leisure Centre Equipment	60,000	0	60,000	60,000		60,000
Car Park Refurbishment and replacement ticket machines	0	200,000	200,000	200,000		200,000
Superfast Broadband	259,000	101,000	360,000	360,000		360,000
DWP Vehicles Loan	583,000	0	583,000	583,000		583,000
Land at Shaftesbury*	10,000		10,000	10,000		10,000
	912,000	301,000	1,213,000	1,213,000	0	1,213,000

* Subject to approval in Business Review Report

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The Council is recommended to resolve as follows:

- 1 It be noted that the Council calculated the Council Tax Base 2017/18
 - a) for North Dorset District Council to be **25,910.1** and that this calculation was carried out in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 as amended, made under Section 33(5) of the Local Government Finance Act 1992 (referred to hereinafter as “the Act”).
 - b) for dwellings in those parts of its area to which one or more special items relates as set out in Appendix 6i, Column 2
(the tax base for each parish or town council area)

- 2 That the Council Tax Requirement for the Council’s own purposes for 2017/18 (excluding parish precepts) is **£3,160,000**

- 3 That the following amounts be calculated for the year 2017/18 in accordance with Sections 31 to 36 of the Act:
 - a) **£30,342,582** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act (as amended by the Localism Act 2011) taking into account all precepts issued to it by Parish and Town Councils.
(Gross expenditure including Parish Precept and contributions to reserves)

 - b) **£24,439,003** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act (as amended by the Localism Act 2011).
(Gross income including reserves and government grants to be used to meet gross expenditure)

 - c) **£5,903,579** being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its council tax requirement for the year.
(Gross expenditure less gross income)

 - d) **£227.85** being the amount at 3(c) all divided by the amount at 1(a) above, calculated by the Council, in accordance with Section 31B(1) of the Act (as amended by the Localism Act 2011), as the basic amount of its Council Tax for the year (including Parish and Town Precepts).
(Average Council Tax at Band D for the District including Parish and Town Precepts)

 - e) **£2,743,579.23** being the aggregate amount of all special items referred to in Section 34(1) of the Act (as per Appendix 6i, column 1)
(Parish and Town Precepts)

- f) **£121.96** being the aggregate amount at 3(d) above less the result given by dividing the amount at 3(e) above by the amount at 1(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.
(the District Council element of the tax for Band D Dwellings)
- g) the amounts shown at Appendix 6i, column 7, being, for each parish or town in the Council's area, the amount given by adding to the amount at 3(f) above, the result of dividing the special item at 3(e) by the amount at 1(b) above, in accordance with section 34(3) of the Act as the basic amount of its council tax in those parts of its area to which a special item relates;
(Combined Council Tax at Band D for the District and Parish)
- h) the amounts shown at Appendix 6i, columns 4 – 11, being for each parish or town in the Council's area, the amounts given by referring to 3(f) and 3(g) above the formula and categories set out in Section 36 of the Act
(Combined District and Town / Parish Council Taxes for each valuation band in each Town / Parish)
- 7 That it be noted for the year 2017/18 Dorset County Council, the Dorset Police Authority and the Dorset Fire Authority have stated the following amounts in precepts issued to the Council in accordance with Section 40 of the Act, for each of the categories of the dwelling shown below. For completeness the charges for North Dorset District Council are also shown.

Band	Dorset County Council £	Dorset Police Authority £	Dorset Fire Authority £	North Dorset DC £
A	884.58	129.72	47.06	81.31
B	1,032.01	151.34	54.90	94.86
C	1,179.44	172.96	62.75	108.41
D	1,326.87	194.58	70.59	121.96
E	1,621.73	237.82	86.28	149.06
F	1,916.59	281.06	101.96	176.16
G	2,211.45	324.30	117.65	203.27
H	2,653.74	389.16	141.18	243.92

The Dorset County Council precept now includes a precept specifically for Adult Social Care. This is split as follows:

Band	DCC - Adult Social Care £	Dorset County Council £	Total DCC Charge £
A	41.48	843.10	884.58
B	48.39	983.62	1,032.01
C	55.31	1,124.13	1,179.44
D	62.22	1,264.65	1,326.87
E	76.05	1,545.68	1,621.73
F	89.87	1,826.72	1,916.59
G	103.70	2,107.75	2,211.45
H	124.44	2,529.30	2,653.74

- 8 That it be noted for the year 2017/18 Parish and Town Councils have stated the amount of precept for Band D properties as set out in Appendix 6i, column 3, issued to the Council in accordance with Section 41 of the Act 1992 (as amended by the Charter Trustees Regulations 1996 and the Localism Act 2011).
- 9 That the Council, in accordance with Sections 30 to 36 of the Act, hereby sets the aggregate amounts in Appendix 6ii as the amounts of Council Tax for 2017/18 for each part of it's area and for each of the categories of dwellings.
- 10 The Council's basic amount of Council Tax for 2017/18 is not excessive in accordance with principles approved under Section 52ZB of the Act.

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Column	1	2	3	4	5	6	7	8	9	10	11
PARISH	PARISH PRECEPT £	TAX BASE £	PARISH CHARGE £	PARISH AND DISTRICT CHARGE							
				A £	B £	C £	D £	E £	F £	G £	H £
Anderson	1,452.00	47.2	30.76	101.82	118.78	135.75	152.72	186.66	220.59	254.54	305.44
Ashmore	1,925.00	109.0	17.66	93.08	108.60	124.11	139.62	170.64	201.67	232.70	279.24
Blandford Forum	703,891.00	3,420.7	205.77	218.49	254.90	291.32	327.73	400.56	473.38	546.22	655.46
Blandford St.Mary	19,620.00	477.8	41.06	108.68	126.80	144.91	163.02	199.24	235.47	271.70	326.04
Bourton	19,003.00	374.8	50.70	115.11	134.29	153.48	172.66	211.03	249.39	287.77	345.32
Bryanston	4,500.00	141.2	31.87	102.56	119.65	136.74	153.83	188.01	222.19	256.39	307.66
Buckhorn Weston	4,693.24	169.3	27.72	99.79	116.42	133.05	149.68	182.94	216.20	249.47	299.36
Cann	4,901.30	238.0	20.59	95.04	110.87	126.71	142.55	174.23	205.90	237.59	285.10
Charlton Marshall	30,000.00	478.3	62.72	123.12	143.64	164.16	184.68	225.72	266.76	307.80	369.36
Chettle	-	30.9	-	81.31	94.86	108.41	121.96	149.06	176.16	203.27	243.92
Child Okeford	19,000.00	516.2	36.81	105.85	123.49	141.13	158.77	194.05	229.33	264.62	317.54
Compton Abbas	3,000.00	106.0	28.30	100.18	116.87	133.57	150.26	183.65	217.04	250.44	300.52
Durweston	8,000.00	147.4	54.27	117.49	137.07	156.65	176.23	215.39	254.55	293.72	352.46
East Orchard	975.67	68.5	14.24	90.80	105.94	121.07	136.20	166.46	196.73	227.00	272.40
East Stour	11,347.88	239.3	47.42	112.92	131.74	150.56	169.38	207.02	244.66	282.30	338.76
Farnham	4,000.00	100.8	39.68	107.76	125.72	143.68	161.64	197.56	233.48	269.40	323.28
Fifehead Magdalen	1,300.00	56.3	23.09	96.70	112.82	128.93	145.05	177.28	209.51	241.75	290.10
Fifehead Neville	-	66.5	-	81.31	94.86	108.41	121.96	149.06	176.16	203.27	243.92
Fontmell Magna	7,000.00	330.2	21.20	95.44	111.35	127.25	143.16	174.97	206.78	238.60	286.32
Gillingham	764,594.13	4,094.6	186.73	205.80	240.09	274.39	308.69	377.29	445.88	514.49	617.38
Glanvilles Wootton	700.00	88.0	7.95	86.61	101.04	115.48	129.91	158.78	187.64	216.52	259.82
Hammoon	568.53	17.5	32.49	102.97	120.13	137.29	154.45	188.77	223.09	257.42	308.90
Hanford	-	18.8	-	81.31	94.86	108.41	121.96	149.06	176.16	203.27	243.92
Hazelbury Bryan	17,500.00	475.8	36.78	105.83	123.47	141.10	158.74	194.01	229.29	264.57	317.48
Hilton	5,406.40	228.0	23.71	97.12	113.30	129.49	145.67	178.04	210.41	242.79	291.34
Hinton St.Mary	1,600.00	108.2	14.79	91.17	106.36	121.56	136.75	167.14	197.52	227.92	273.50
Ibberton	550.00	52.0	10.58	88.36	103.09	117.81	132.54	161.99	191.44	220.90	265.08
Iwerne Courtney	6,070.06	182.0	33.35	103.54	120.80	138.05	155.31	189.82	224.33	258.85	310.62
Iwerne Minster	17,000.00	354.5	47.95	113.28	132.15	151.03	169.91	207.67	245.42	283.19	339.82
Iwerne Stepleton	496.94	14.9	33.35	103.54	120.80	138.05	155.31	189.82	224.33	258.85	310.62
Kington Magna	4,795.76	174.0	27.56	99.68	116.30	132.91	149.52	182.74	215.97	249.20	299.04
Langton Long	0.00	60.5	-	81.31	94.86	108.41	121.96	149.06	176.16	203.27	243.92
Lydlinch	7,000.00	187.4	37.35	106.21	123.91	141.61	159.31	194.71	230.11	265.52	318.62

Column	1	2	3	4	5	6	7	8	9	10	11
PARISH	PARISH PRECEPT £	TAX BASE £	PARISH CHARGE £	PARISH AND DISTRICT CHARGE							
				A £	B £	C £	D £	E £	F £	G £	H £
Manston	2,631.47	81.0	32.49	102.97	120.13	137.29	154.45	188.77	223.09	257.42	308.90
Mappowder	750.00	62.7	11.96	89.28	104.16	119.04	133.92	163.68	193.44	223.20	267.84
Margarets Marsh	368.90	25.9	14.24	90.80	105.94	121.07	136.20	166.46	196.73	227.00	272.40
Marnhull	31,545.00	891.1	35.40	104.91	122.39	139.88	157.36	192.33	227.29	262.27	314.72
Melbury Abbas	3,111.70	151.1	20.59	95.04	110.87	126.71	142.55	174.23	205.90	237.59	285.10
Milborne St.Andrew	9,771.00	416.4	23.47	96.96	113.11	129.27	145.43	177.75	210.06	242.39	290.86
Milton Abbas	10,695.00	265.8	40.24	108.14	126.16	144.18	162.20	198.24	234.28	270.34	324.40
Motcombe	23,000.00	582.1	39.51	107.65	125.59	143.53	161.47	197.35	233.23	269.12	322.94
Okeford Fitzpaine	22,730.00	386.9	58.75	120.48	140.55	160.63	180.71	220.87	261.02	301.19	361.42
Pimperne	15,183.00	452.2	33.58	103.70	120.98	138.26	155.54	190.10	224.66	259.24	311.08
Pulham	0.00	100.8	-	81.31	94.86	108.41	121.96	149.06	176.16	203.27	243.92
Shaftesbury	470,683.00	3,046.9	154.48	184.30	215.01	245.73	276.44	337.87	399.30	460.74	552.88
Shillingstone	24,030.00	443.0	54.24	117.47	137.05	156.62	176.20	215.35	254.51	293.67	352.40
Silton	2,600.00	59.9	43.41	110.25	128.62	147.00	165.37	202.12	238.86	275.62	330.74
Spetisbury	8,270.00	252.3	32.78	103.16	120.36	137.55	154.74	189.12	223.51	257.90	309.48
Stalbridge	106,500.00	969.2	109.88	154.56	180.32	206.08	231.84	283.36	334.88	386.40	463.68
Stoke Wake	0.00	24.4	-	81.31	94.86	108.41	121.96	149.06	176.16	203.27	243.92
Stour Provost	11,458.17	276.9	41.38	108.90	127.04	145.19	163.34	199.64	235.93	272.24	326.68
Stourpaine	17,150.00	236.9	72.39	129.57	151.16	172.76	194.35	237.54	280.72	323.92	388.70
Stourton Caundle	7,500.00	183.3	40.92	108.59	126.69	144.78	162.88	199.07	235.27	271.47	325.76
Sturminster Newton	229,674.00	1,536.8	149.45	180.94	211.10	241.25	271.41	331.72	392.03	452.35	542.82
Sutton Waldron	2,900.00	106.3	27.28	99.50	116.08	132.66	149.24	182.40	215.56	248.74	298.48
Tarrant Crawford	186.27	9.0	20.70	95.11	110.96	126.81	142.66	174.36	206.06	237.77	285.32
Tarrant Gunville	2,000.00	130.2	15.36	91.55	106.81	122.06	137.32	167.83	198.35	228.87	274.64
Tarrant Hinton	690.00	85.3	8.09	86.70	101.15	115.60	130.05	158.95	187.85	216.75	260.10
Tarrant Keyneston	2,932.64	141.7	20.70	95.11	110.96	126.81	142.66	174.36	206.06	237.77	285.32
Tarrant Launceston	1,608.59	120.1	13.39	90.24	105.27	120.31	135.35	165.43	195.50	225.59	270.70
Tarrant Monkton	5,187.41	387.3	13.39	90.24	105.27	120.31	135.35	165.43	195.50	225.59	270.70
Tarrant Rawston	343.56	16.6	20.70	95.11	110.96	126.81	142.66	174.36	206.06	237.77	285.32
Tarrant Rushton	937.54	45.3	20.70	95.11	110.96	126.81	142.66	174.36	206.06	237.77	285.32
Todber	4,425.63	63.3	69.92	127.92	149.24	170.56	191.88	234.52	277.16	319.80	383.76
Turnworth	-	22.5	-	81.31	94.86	108.41	121.96	149.06	176.16	203.27	243.92
West Orchard	481.43	33.8	14.24	90.80	105.94	121.07	136.20	166.46	196.73	227.00	272.40
West Stour	3,049.31	91.7	33.25	103.48	120.72	137.97	155.21	189.70	224.19	258.69	310.42

Column	1	2	3	4	5	6	7	8	9	10	11
PARISH	PARISH PRECEPT £	TAX BASE £	PARISH CHARGE £	PARISH AND DISTRICT CHARGE							
				A £	B £	C £	D £	E £	F £	G £	H £
Winterborne Clenston	-	19.0	-	81.31	94.86	108.41	121.96	149.06	176.16	203.27	243.92
Winterborne Houghton	3,925.40	93.7	41.89	109.24	127.44	145.65	163.85	200.26	236.67	273.09	327.70
Winterborne Kingston	22,249.00	265.7	83.74	137.14	159.99	182.85	205.70	251.41	297.12	342.84	411.40
Winterborne Stickland	9,391.30	240.8	39.00	107.31	125.19	143.08	160.96	196.73	232.49	268.27	321.92
Winterborne Whitechurch	12,000.00	286.4	41.90	109.24	127.45	145.65	163.86	200.27	236.68	273.10	327.72
Winterborne Zelston	2,729.00	88.8	30.73	101.80	118.76	135.73	152.69	186.62	220.55	254.49	305.38
Woolland	-	42.4	-	81.31	94.86	108.41	121.96	149.06	176.16	203.27	243.92
TOTAL	2,743,579.23	25,910.1	105.89								

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Total Charges for all Preceptors by Band

PARISH	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Anderson	1,163.18	1,357.03	1,550.90	1,744.76	2,132.49	2,520.20	2,907.94	3,489.52
Ashmore	1,154.44	1,346.85	1,539.26	1,731.66	2,116.47	2,501.28	2,886.10	3,463.32
Blandford Forum	1,279.85	1,493.15	1,706.47	1,919.77	2,346.39	2,772.99	3,199.62	3,839.54
Blandford St.Mary	1,170.04	1,365.05	1,560.06	1,755.06	2,145.07	2,535.08	2,925.10	3,510.12
Bourton	1,176.47	1,372.54	1,568.63	1,764.70	2,156.86	2,549.00	2,941.17	3,529.40
Bryanston	1,163.92	1,357.90	1,551.89	1,745.87	2,133.84	2,521.80	2,909.79	3,491.74
Buckhorn Weston	1,161.15	1,354.67	1,548.20	1,741.72	2,128.77	2,515.81	2,902.87	3,483.44
Cann	1,156.40	1,349.12	1,541.86	1,734.59	2,120.06	2,505.51	2,890.99	3,469.18
Charlton Marshall	1,184.48	1,381.89	1,579.31	1,776.72	2,171.55	2,566.37	2,961.20	3,553.44
Chettle	1,142.67	1,333.11	1,523.56	1,714.00	2,094.89	2,475.77	2,856.67	3,428.00
Child Okeford	1,167.21	1,361.74	1,556.28	1,750.81	2,139.88	2,528.94	2,918.02	3,501.62
Compton Abbas	1,161.54	1,355.12	1,548.72	1,742.30	2,129.48	2,516.65	2,903.84	3,484.60
Durweston	1,178.85	1,375.32	1,571.80	1,768.27	2,161.22	2,554.16	2,947.12	3,536.54
East Orchard	1,152.16	1,344.19	1,536.22	1,728.24	2,112.29	2,496.34	2,880.40	3,456.48
East Stour	1,174.28	1,369.99	1,565.71	1,761.42	2,152.85	2,544.27	2,935.70	3,522.84
Farnham	1,169.12	1,363.97	1,558.83	1,753.68	2,143.39	2,533.09	2,922.80	3,507.36
Fifehead Magdalen	1,158.06	1,351.07	1,544.08	1,737.09	2,123.11	2,509.12	2,895.15	3,474.18
Fifehead Neville	1,142.67	1,333.11	1,523.56	1,714.00	2,094.89	2,475.77	2,856.67	3,428.00
Fontmell Magna	1,156.80	1,349.60	1,542.40	1,735.20	2,120.80	2,506.39	2,892.00	3,470.40
Gillingham	1,267.16	1,478.34	1,689.54	1,900.73	2,323.12	2,745.49	3,167.89	3,801.46
Glanvilles Wootton	1,147.97	1,339.29	1,530.63	1,721.95	2,104.61	2,487.25	2,869.92	3,443.90
Hammoon	1,164.33	1,358.38	1,552.44	1,746.49	2,134.60	2,522.70	2,910.82	3,492.98
Hanford	1,142.67	1,333.11	1,523.56	1,714.00	2,094.89	2,475.77	2,856.67	3,428.00
Hazelbury Bryan	1,167.19	1,361.72	1,556.25	1,750.78	2,139.84	2,528.90	2,917.97	3,501.56
Hilton	1,158.48	1,351.55	1,544.64	1,737.71	2,123.87	2,510.02	2,896.19	3,475.42
Hinton St.Mary	1,152.53	1,344.61	1,536.71	1,728.79	2,112.97	2,497.13	2,881.32	3,457.58
Ibberton	1,149.72	1,341.34	1,532.96	1,724.58	2,107.82	2,491.05	2,874.30	3,449.16
Iwerne Courtney	1,164.90	1,359.05	1,553.20	1,747.35	2,135.65	2,523.94	2,912.25	3,494.70
Iwerne Minster	1,174.64	1,370.40	1,566.18	1,761.95	2,153.50	2,545.03	2,936.59	3,523.90
Iwerne Stepleton	1,164.90	1,359.05	1,553.20	1,747.35	2,135.65	2,523.94	2,912.25	3,494.70
Kington Magna	1,161.04	1,354.55	1,548.06	1,741.56	2,128.57	2,515.58	2,902.60	3,483.12
Langton Long	1,142.67	1,333.11	1,523.56	1,714.00	2,094.89	2,475.77	2,856.67	3,428.00
Lydlinch	1,167.57	1,362.16	1,556.76	1,751.35	2,140.54	2,529.72	2,918.92	3,502.70
Manston	1,164.33	1,358.38	1,552.44	1,746.49	2,134.60	2,522.70	2,910.82	3,492.98
Mappowder	1,150.64	1,342.41	1,534.19	1,725.96	2,109.51	2,493.05	2,876.60	3,451.92
Margarets Marsh	1,152.16	1,344.19	1,536.22	1,728.24	2,112.29	2,496.34	2,880.40	3,456.48
Marnhull	1,166.27	1,360.64	1,555.03	1,749.40	2,138.16	2,526.90	2,915.67	3,498.80
Melbury Abbas	1,156.40	1,349.12	1,541.86	1,734.59	2,120.06	2,505.51	2,890.99	3,469.18
Milborne St.Andrew	1,158.32	1,351.36	1,544.42	1,737.47	2,123.58	2,509.67	2,895.79	3,474.94
Milton Abbas	1,169.50	1,364.41	1,559.33	1,754.24	2,144.07	2,533.89	2,923.74	3,508.48
Motcombe	1,169.01	1,363.84	1,558.68	1,753.51	2,143.18	2,532.84	2,922.52	3,507.02
Okeford Fitzpaine	1,181.84	1,378.80	1,575.78	1,772.75	2,166.70	2,560.63	2,954.59	3,545.50
Pimperne	1,165.06	1,359.23	1,553.41	1,747.58	2,135.93	2,524.27	2,912.64	3,495.16
Pulham	1,142.67	1,333.11	1,523.56	1,714.00	2,094.89	2,475.77	2,856.67	3,428.00
Shaftesbury	1,245.66	1,453.26	1,660.88	1,868.48	2,283.70	2,698.91	3,114.14	3,736.96
Shillingstone	1,178.83	1,375.30	1,571.77	1,768.24	2,161.18	2,554.12	2,947.07	3,536.48
Silton	1,171.61	1,366.87	1,562.15	1,757.41	2,147.95	2,538.47	2,929.02	3,514.82
Spetisbury	1,164.52	1,358.61	1,552.70	1,746.78	2,134.95	2,523.12	2,911.30	3,493.56
Stalbridge	1,215.92	1,418.57	1,621.23	1,823.88	2,229.19	2,634.49	3,039.80	3,647.76
Stoke Wake	1,142.67	1,333.11	1,523.56	1,714.00	2,094.89	2,475.77	2,856.67	3,428.00
Stour Provost	1,170.26	1,365.29	1,560.34	1,755.38	2,145.47	2,535.54	2,925.64	3,510.76
Stourpaine	1,190.93	1,389.41	1,587.91	1,786.39	2,183.37	2,580.33	2,977.32	3,572.78
Stourton Caundle	1,169.95	1,364.94	1,559.93	1,754.92	2,144.90	2,534.88	2,924.87	3,509.84
Sturminster Newton	1,242.30	1,449.35	1,656.40	1,863.45	2,277.55	2,691.64	3,105.75	3,726.90
Sutton Waldron	1,160.86	1,354.33	1,547.81	1,741.28	2,128.23	2,515.17	2,902.14	3,482.56
Tarrant Crawford	1,156.47	1,349.21	1,541.96	1,734.70	2,120.19	2,505.67	2,891.17	3,469.40
Tarrant Gunville	1,152.91	1,345.06	1,537.21	1,729.36	2,113.66	2,497.96	2,882.27	3,458.72
Tarrant Hinton	1,148.06	1,339.40	1,530.75	1,722.09	2,104.78	2,487.46	2,870.15	3,444.18
Tarrant Keyneston	1,156.47	1,349.21	1,541.96	1,734.70	2,120.19	2,505.67	2,891.17	3,469.40
Tarrant Launceston	1,151.60	1,343.52	1,535.46	1,727.39	2,111.26	2,495.11	2,878.99	3,454.78
Tarrant Monkton	1,151.60	1,343.52	1,535.46	1,727.39	2,111.26	2,495.11	2,878.99	3,454.78
Tarrant Rawston	1,156.47	1,349.21	1,541.96	1,734.70	2,120.19	2,505.67	2,891.17	3,469.40

PARISH	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Tarrant Rushton	1,156.47	1,349.21	1,541.96	1,734.70	2,120.19	2,505.67	2,891.17	3,469.40
Todber	1,189.28	1,387.49	1,585.71	1,783.92	2,180.35	2,576.77	2,973.20	3,567.84
Turnworth	1,142.67	1,333.11	1,523.56	1,714.00	2,094.89	2,475.77	2,856.67	3,428.00
West Orchard	1,152.16	1,344.19	1,536.22	1,728.24	2,112.29	2,496.34	2,880.40	3,456.48
West Stour	1,164.84	1,358.97	1,553.12	1,747.25	2,135.53	2,523.80	2,912.09	3,494.50
Winterborne Clenston	1,142.67	1,333.11	1,523.56	1,714.00	2,094.89	2,475.77	2,856.67	3,428.00
Winterborne Houghton	1,170.60	1,365.69	1,560.80	1,755.89	2,146.09	2,536.28	2,926.49	3,511.78
Winterborne Kingston	1,198.50	1,398.24	1,598.00	1,797.74	2,197.24	2,596.73	2,996.24	3,595.48
Winterborne Stickland	1,168.67	1,363.44	1,558.23	1,753.00	2,142.56	2,532.10	2,921.67	3,506.00
Winterborne Whitechurch	1,170.60	1,365.70	1,560.80	1,755.90	2,146.10	2,536.29	2,926.50	3,511.80
Winterborne Zelston	1,163.16	1,357.01	1,550.88	1,744.73	2,132.45	2,520.16	2,907.89	3,489.46
Woolland	1,142.67	1,333.11	1,523.56	1,714.00	2,094.89	2,475.77	2,856.67	3,428.00

Full Council 21 February 2017 Treasury Management Strategy Statement and Investment Strategy 2017/2018

For Decision

Briefholder

Cllr P Batstone, Corporate Performance

Senior Leadership Team Contact:

J Vaughan, Strategic Director

Report Author:

J Symes, Financial Resources Manager

Statutory Authority

The Local Government Act 2003 requires the Council to prepare a Treasury Management Strategy Statement, an Annual Investment Strategy and set prudential indicators.

Purpose of Report

- 1 To consider the Treasury Management Strategy Statement (TMSS) and Annual Investment Strategy for the coming year. To set prudential indicators, and to review the policy on Minimum Revenue Provision.

Officer Recommendations

- 2 It is recommended that Council agree:
 - (i) Approval of the Treasury Management Strategy Statement and Investment Strategy 2017/2018
 - (ii) The Minimum Revenue Provision Policy set out in Appendix C of the Treasury Management Strategy Statement
 - (iii) The Prudential Indicators set out in Appendix C of the Treasury Management Strategy Statement
 - (iv) The 2017/2018 Authorised borrowing limit

Reason for Decision

- 3 In March 2015 the Authority adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2011 Edition (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. In addition, the Department for Communities and Local Government (CLG) issued revised Guidance on Local Authority Investments in March 2010 that requires the Authority to approve an investment strategy before the start of each financial year. This report therefore fulfils the Authority's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the CLG Guidance.

Report

- 4 The Treasury Management Strategy Statement and an Annual Investment Strategy is rather technical by necessity in order to comply with legislation, regulation and codes of practice. To ensure that this technical area is adequately scrutinised the Council has Treasury Management briefings that meet regularly throughout the year which reviews all treasury activity and is open to all Councillors to attend.
- 5 Given the increasing risk and falling returns from short-term unsecured bank investments, the Authority aims to further diversify into more secure and/or higher yielding asset classes during 2017/18. This is especially the case for sums that are available for longer-term investment. This diversification will represent a continuation of the new strategy adopted in 2016/17. As a result of the strategy previously adopted returns have increased with an income budget of £200,000 now being proposed.
- 6 The Treasury Management Strategy Statement details the Council's investment strategy, explains the institutions (counterparties) with whom the Council is permitted to invest and the limits related to the size of investments with institutions.
- 7 The Council uses external Treasury Management Advisors who provide expert advice on all treasury issues and their expertise has been used to develop the strategy for 2017/2018.
- 8 Both the CIPFA Code and the CLG Guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. This is undertaken by the Chief Financial Officer (CFO) under delegated powers and reports quarterly to Cabinet.
- 9 The Authority and its advisors, Arlingclose Ltd, regularly update our recommended Sovereign and Counterparty list after analysis and ongoing monitoring of a variety of indicators including credit ratings, share prices and corporate information. A list of approved investment counterparties and limits is included in the TMSS at Table 2.

- 10 Investment advice on duration will always reflect credit developments as well as credit outlook and may often be below the maximum limit within the TMSS.
- 11 Our treasury advisors gave a presentation on the latest treasury management developments and also introduced the changes made to the coming year's strategy statement. The draft strategy was considered by Members at the Treasury Management briefing on 30th January 2017.

Minimum Revenue Provision

- 12 Since 1st April 2008, the Council has had discretion to set a policy on the amounts set aside to repay debt. This is called the Minimum Revenue Provision. For 2017/2018 the proposed policy is outlined in Appendix C of the Treasury Management Strategy Statement 2017/2018.

Implications

Financial

These measures underpin the ability of the Council to achieve the investment income of £200,000 as set out in the 2017/18 revenue budget.

Risk Management

Only investing with Counterparties on the approved list seeks to limit the Council's exposure to investment risk. However, this risk cannot be eliminated.

Appendices

Appendix 1 – Treasury Management Strategy Statement and Annual Investment Strategy 2017/2018.

Background Papers

Draft Treasury Management templates supplied by Arlingclose Ltd, Treasury Management Advisors.

All member Treasury Management briefing meeting on 30th January 2017.

Footnote

Issues relating to financial, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

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North Dorset District Council
Treasury Management Strategy Statement
2017/2018

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1. Introduction
2. External Context
3. Local Context
4. Borrowing Strategy
5. Investment Strategy

Table 2: Approved Investment Counterparties and Limits

6. Treasury Management Indicators
7. Other Items

Appendices

- A. Arlingclose Economic & Interest Rate Forecast November 2016
- B. Existing Investment & Debt Portfolio Position
- C. Prudential Indicators and Minimum Revenue Provision Statement 2017/2018

Treasury Management Strategy Statement 2017/18

1. Introduction

In March 2015 the Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year.

In addition, the Department for Communities and Local Government (CLG) issued revised *Guidance on Local Authority Investments* in March 2010 that requires the Authority to approve an investment strategy before the start of each financial year.

This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to both the CIPFA Code and the CLG Guidance.

The Authority has invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Authority's treasury management strategy.

Revised strategy: In accordance with the CLG Guidance, the Authority will be asked to approve a revised Treasury Management Strategy Statement should the assumptions on which this report is based change significantly. Such circumstances would include, for example, a large unexpected change in interest rates, or in the Authority's capital programme or in the level of its investment balance.

2. External Context

Economic background: The major external influence on the Authority's treasury management strategy for 2017/18 will be the UK's progress in negotiating a smooth exit from the European Union. Financial markets, wrong-footed by the referendum outcome, have since been weighed down by uncertainty over whether leaving the Union also means leaving the single market. Negotiations are expected to start once the UK formally triggers exit in early 2017 and last for at least two years. Uncertainty over future economic prospects will therefore remain throughout 2017/18.

The fall and continuing weakness in sterling and the near doubling in the price of oil in 2016 have combined to drive inflation expectations higher. The Bank of England is forecasting that Consumer Price Inflation will breach its 2% target in 2017, the first time since late 2013, but the Bank is expected to look through inflation overshoots over the course of 2017 when setting interest rates so as to avoid derailing the economy.

Initial post-referendum economic data showed that the feared collapse in business and consumer confidence had not immediately led to lower GDP growth. However, the prospect of a leaving the single market has dented business confidence and resulted in a delay in new business investment and, unless counteracted by higher public spending or retail sales, will weaken economic growth in 2017/18.

Looking overseas, with the US economy and its labour market showing steady improvement, the market has priced in a high probability of the Federal Reserve increasing interest rates in December 2016. The

Eurozone meanwhile has continued to struggle with very low inflation and lack of momentum in growth, and the European Central Bank has left the door open for further quantitative easing.

The impact of political risk on financial markets remains significant over the next year. With challenges such as immigration, the rise of populist, anti-establishment parties and negative interest rates resulting in savers being paid nothing for their frugal efforts or even penalised for them, the outcomes of Italy's referendum on its constitution (December 2016), the French presidential and general elections (April - June 2017) and the German federal elections (August - October 2017) have the potential for upsets.

Credit outlook: Markets have expressed concern over the financial viability of a number of European banks recently. Sluggish economies and continuing fines for pre-crisis behaviour have weighed on bank profits, and any future slowdown will exacerbate concerns in this regard.

Bail-in legislation, which ensures that large investors including local authorities will rescue failing banks instead of taxpayers in the future, has now been fully implemented in the European Union, Switzerland and USA, while Australia and Canada are progressing with their own plans. The credit risk associated with making unsecured bank deposits has therefore increased relative to the risk of other investment options available to the Authority; returns from cash deposits however continue to fall.

Interest rate forecast: The Authority's treasury adviser Arlingclose's central case is for UK Bank Rate to remain at 0.25% during 2017/18. The Bank of England has, however, highlighted that excessive levels of inflation will not be tolerated for sustained periods. Given this view and the current inflation outlook, further falls in the Bank Rate look less likely. Negative Bank Rate is currently perceived by some policymakers to be counterproductive but, although a low probability, cannot be entirely ruled out in the medium term, particularly if the UK enters recession as a result of concerns over leaving the European Union.

Gilt yields have risen sharply, but remain at low levels. The Arlingclose central case is for yields to decline when the government triggers Article 50. Long-term economic fundamentals remain weak, and the quantitative easing (QE) stimulus provided by central banks globally has only delayed the fallout from the build-up of public and private sector debt. The Bank of England has defended QE as a monetary policy tool, and further QE in support of the UK economy in 2017/18 remains a possibility, to keep long-term interest rates low.

A detailed economic and interest rate forecast provided by Arlingclose is attached at *Appendix A*.

3. Local Context

On 31st December 2016, the Authority currently held £20.7m of investments. This is set out in further detail at *Appendix B*.

Table 1: General Fund Capital Finance Requirement

	31.3.16 Actual £m	31.3.17 Estimate £m	31.3.18 Forecast £m	31.3.19 Forecast £m	31.3.20 Forecast £m
General Fund CFR	0	0	0	0	0

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR).

It is anticipated that the Authority is debt free at the year end and its capital expenditure plans do not currently imply any need to borrow over the forecast period. Investments are forecast to fall in the short term as capital receipts are used to finance capital expenditure but will increase with any receipts from the sale of assets.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Authority expects to comply with this recommendation during 2017/18.

4. Borrowing Strategy

It is anticipated that the Authority will hold no external loans by the end of the year. The balance sheet forecast shows that the Authority does not expect to need to borrow in 2017/18. The Authority may however borrow to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £3.5 million.

Objectives: The Authority's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Authority's long-term plans change is a secondary objective.

Strategy: Given the significant cuts to public expenditure and in particular to local government funding, the Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Authority is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal / short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long-term fixed rates in 2017/18 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

Alternatively, the Authority may arrange forward starting loans during 2017/18, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the Authority may borrow short-term loans to cover unplanned cash flow shortages.

Sources: The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- UK public and private sector pension funds (except Dorset Pension Fund)
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues
- UK Local Authorities

In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- operating and finance leases
- hire purchase
- Private Finance Initiative
- sale and leaseback

5. Investment Strategy

The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Authority’s investment balance has ranged between £10.4 and £20.7 million, and similar levels are expected to be maintained in the forthcoming year.

Objectives: Both the CIPFA Code and the CLG Guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority’s objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Authority will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

Negative Interest Rates: If the UK enters into a recession in 2017/18, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

Strategy: Given the increasing risk and falling returns from short-term unsecured bank investments, the Authority aims to further diversify into more secure and/or higher yielding asset classes during 2017/18. This is especially the case for sums that are available for longer-term investment. The majority of the Authorities surplus cash is currently invested in short-term money market funds and unsecured bank deposits. This diversification will represent a continuation of the new strategy adopted in 2016/17.

Approved Counterparties: The Authority may invest its surplus funds with any of the counterparty types in table 2 below, subject to the cash limits (per counterparty) and the time limits shown.

Table 2: Approved Investment Counterparties and Limits

Credit Rating	Banks Unsecured	Banks Secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	£1m 5 years	£2m 20 years	£2m 50 years	£1m 20 years	£1m 20 years
AA+	£1m 5 years	£2m 10 years	£2m 25 years	£1m 10 years	£1m 10 years
AA	£1m	£2m	£2m	£1m	£1m

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	4 years	5 years	15 years	5 years	10 years
AA-	£1m 3 years	£2m 4 years	£2m 10 years	£1m 4 years	£1m 10 years
A+	£1m 2 years	£2m 3 years	£1m 5 years	£1m 3 years	£1m 5 years
A	£1m 13 months	£2m 2 years	£1m 5 years	£1m 2 years	£1m 5 years
A-	£1m 6 months	£2m 13 months	£1m 5 years	£1m 13 months	£1m 5 years
BBB+	£0.5m 100 days	£1m 6 months	£1m 2 years	£1m 6 months	£0.5m 2 years
None	£0.5m 6 months	n/a	£2m 25 years	£100,000 5 Years	£1m 5 Years
Pooled funds	£2m per fund (Property £4m)				

This table must be read in conjunction with the notes below

Credit Rating: Investment limits are set by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

Banks Unsecured: Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.

Banks Secured: Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

Government: Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made as part of a diversified pool in order to spread the risk widely.

Registered Providers: Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain the likelihood of receiving government support if needed.

Pooled Funds: Shares in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

Risk Assessment and Credit Ratings: Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other Information on the Security of Investments: The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with

the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

Specified Investments: The CLG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of “high credit quality”.

The Authority defines “high credit quality” organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds “high credit quality” is defined as those having a credit rating of A- or higher.

Non-specified Investments: Any investment not meeting the definition of a specified investment is classed as non-specified. The Authority does not intend to make any investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality. Limits on non-specified investments are shown in table 3 below.

Table 3: Non-Specified Investment Limits

	Cash limit
Total long-term investments	£14m
Total investments without credit ratings or rated below A-	£5m
Total investments (except pooled funds) with institutions domiciled in foreign countries rated below AA+	£3m

Investment Limits: In order that available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £2 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers’ nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Table 4: Investment Limits

	Cash limit
Any single organisation, except the UK Central Government	£2m each
UK Central Government	unlimited

Property Funds	£4m each
Any group of organisations under the same ownership	£2m per group
Any group of pooled funds under the same management	£5m per manager
Negotiable instruments held in a broker's nominee account	£10m per broker
Foreign countries	£4m per country
Registered Providers	£4m in total
Unsecured investments with Building Societies	£4m in total
Loans to unrated corporates	£2m in total
Money Market Funds	£8m in total

Liquidity Management: The Authority uses cash flow forecasting spreadsheets to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Authority being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Authority's medium term financial plan and cash flow forecast.

6. Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

Security: The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	Target
Portfolio average credit score	6.0

Liquidity: The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

	Target
Total cash available within 3 months	£2m

Interest Rate Exposures: This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the proportion of net principal borrowed will be:

	2017/18	2018/19	2019/20
Upper limit on fixed interest rate exposure	100%	100%	100%
Upper limit on variable interest rate exposure	100%	100%	100%

Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

Maturity Structure of Borrowing: This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

	Upper	Lower
Under 12 months	100%	0%
12 months and within 24 months	100%	0%
24 months and within 5 years	100%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	0%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment

Principal Sums Invested for Periods Longer than 364 days: The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

	2017/18	2018/19	2019/20
Limit on principal invested beyond year end	100%	100%	100%

7. Other Items

There are a number of additional items that the Authority is obliged by CIPFA or CLG to include in its Treasury Management Strategy.

Policy on Use of Financial Derivatives: Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded

derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

Investment Training: The needs of the Authority’s treasury management staff for training in investment management are assessed as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change.

Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA. The Treasury Management briefings include training sessions for Members.

Investment Advisers: The Authority has appointed Arlingclose Limited as treasury management advisers and receives specific advice on investment, debt and capital finance issues. The quality of this service is controlled by holding regular meetings and tendering periodically.

Investment of Money Borrowed in Advance of Need: The Authority may, from time to time, borrow in advance of need, where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Authority is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Authority’s overall management of its treasury risks.

The total amount borrowed will not exceed the authorised borrowing limit of £3.5 million. The maximum period between borrowing and expenditure is expected to be [two] years, although the Authority is not required to link particular loans with particular items of expenditure.

Financial Implications

The budget for investment income in 2017/18 is £200,000. If actual levels of investments and actual interest rates differ from those forecast, performance against budget will be correspondingly different.

Other Options Considered

The CLG Guidance and the CIPFA Code do not prescribe any particular treasury management strategy for local authorities to adopt. The Chief Financial Officer believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default;

		however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

Appendix A - Arlingclose Economic & Interest Rate Forecast November 2016

Underlying assumptions:

- The medium term outlook for the UK economy is dominated by the negotiations to leave the EU. The long-term position of the UK economy will be largely dependent on the agreements the government is able to secure with the EU and other countries.
- The global environment is also riddled with uncertainty, with repercussions for financial market volatility and long-term interest rates. Donald Trump's victory in the US general election and Brexit are symptomatic of the popular disaffection with globalisation trends. The potential rise in protectionism could dampen global growth prospects and therefore inflation. Financial market volatility will remain the norm for some time.
- However, following significant global fiscal and monetary stimulus, the short term outlook for the global economy is somewhat brighter than earlier in the year. US fiscal stimulus is also a possibility following Trump's victory.
- Recent data present a more positive picture for the post-Referendum UK economy than predicted due to continued strong household spending.
- Over the medium term, economic and political uncertainty will likely dampen investment intentions and tighten credit availability, prompting lower activity levels and potentially a rise in unemployment.
- The currency-led rise in CPI inflation (currently 1.0% year/year) will continue, breaching the target in 2017, which will act to slow real growth in household spending due to a sharp decline in real wage growth.
- The depreciation in sterling will, however, assist the economy to rebalance away from spending. The negative contribution from net trade to GDP growth is likely to diminish, largely due to weaker domestic demand. Export volumes will increase marginally.
- Given the pressure on household spending and business investment, the rise in inflation is highly unlikely to prompt monetary tightening by the Bank of England, with policymakers looking through import-led CPI spikes to the negative effects of Brexit on economic activity and, ultimately, inflation.
- Bank of England policymakers have, however, highlighted that excessive levels of inflation will not be tolerated for sustained periods. Given this view and the current inflation outlook, further monetary loosening looks less likely..

Forecast:

- Globally, the outlook is uncertain and risks remain weighted to the downside. The UK domestic outlook is uncertain, but likely to be weaker in the short term than previously expected.
- The likely path for Bank Rate is weighted to the downside. The Arlingclose central case is for Bank Rate to remain at 0.25%, but there is a 25% possibility of a drop to close to zero, with a very small chance of a reduction below zero.
- Gilt yields have risen sharply, but remain at low levels. The Arlingclose central case is for yields to decline when the government triggers Article 50.

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	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Average
Official Bank Rate														
Upside risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.12
Arlingclose Central Case	0.25													
Downside risk	0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.40
3-month LIBID rate														
Upside risk	0.05	0.05	0.10	0.10	0.10	0.15	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.18
Arlingclose Central Case	0.25	0.25	0.25	0.30	0.29									
Downside risk	0.20	0.25	0.25	0.25	0.30	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.34
1-yr LIBID rate														
Upside risk	0.10	0.10	0.15	0.15	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.23
Arlingclose Central Case	0.60	0.50	0.50	0.50	0.50	0.50	0.50	0.60	0.70	0.85	0.90	0.90	0.90	0.65
Downside risk	0.10	0.15	0.15	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.24
5-yr gilt yield														
Upside risk	0.25	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	0.50	0.40	0.35	0.35	0.35	0.40	0.40	0.40	0.45	0.50	0.55	0.60	0.65	0.45
Downside risk	0.30	0.45	0.45	0.45	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.47
10-yr gilt yield														
Upside risk	0.30	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	1.15	0.95	0.85	0.85	0.85	0.85	0.85	0.90	0.95	1.00	1.05	1.10	1.15	0.96
Downside risk	0.30	0.45	0.45	0.45	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.47
20-yr gilt yield														
Upside risk	0.25	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	1.70	1.50	1.40	1.40	1.40	1.40	1.40	1.45	1.50	1.55	1.60	1.65	1.70	1.75
Downside risk	0.40	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.57
50-yr gilt yield														
Upside risk	0.25	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	1.60	1.40	1.30	1.30	1.30	1.30	1.30	1.35	1.40	1.45	1.50	1.55	1.60	1.41
Downside risk	0.40	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.57

Appendix B - Existing Investment & Debt Portfolio Position

	31/12/2016 Actual Portfolio £m
Total External Debt	Nil
Investments:	
<i>Lloyds Bank deposit</i>	1.0
<i>Nationwide BS deposit</i>	1.0
<i>Standard Life MMF</i>	1.0
<i>Insight Investments MMF</i>	1.0
<i>Goldman Sachs MMF</i>	1.0
<i>Svenska Handelsbanken</i>	1.0
<i>HSBC call account</i>	0.2
<i>DMO</i>	8.5
Local Authorities Property Fund	3.0
Schroders Income Maximiser Fund	1.5
M&G Global Dividend Fund	1.5
Total Investments	20.7

Appendix C

North Dorset District Council

Prudential Indicators and MRP Statement 2017/2018

Prudential Indicators 2017/2018

The Local Government Act 2003 requires the Authority to have regard to the Chartered Institute of Public Finance and Accountancy's *Prudential Code for Capital Finance in Local Authorities* (the Prudential Code) when determining how much money it can afford to borrow. The 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 good professional practice. To demonstrate that the Authority has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

Estimates of Capital Expenditure: The Authority's planned capital expenditure and financing may be summarised as follows.

Capital Expenditure and Financing	2016/17 Revised £'000	2017/18 Estimate £'000	2018/19 Estimate £'000	2019/20 Estimate £'000
General Fund	482	521	325	0
Total Expenditure	482	521	325	0
Capital Receipts	(482)	(521)	(325)	0
Total Financing	(482)	(521)	(325)	0

Estimates of Capital Financing Requirement: The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for a capital purpose.

The CFR is forecast to remain at £0m over the next three years as there will be no capital expenditure financed by debt.

Gross Debt and the Capital Financing Requirement: In order to ensure that over the medium term debt will only be for a capital purpose, the Authority should ensure that debt 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. This is a key indicator of prudence.

Total debt is expected to remain at zero during the forecast period.

Operational Boundary for External Debt: The operational boundary is based on the Authority's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow

requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Authority's debt.

Operational Boundary	2016/17 Revised	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
	£m	£m	£m	£m
Borrowing	2	2	2	2

Authorised Limit for External Debt: The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Authority can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

Authorised Limit	2016/17 Revised	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
	£m	£m	£m	£m
Borrowing	3.5	3.5	3.5	3.5

Ratio of Financing Costs to Net Revenue Stream: This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

Ratio of Financing Costs to Net Revenue Stream	2016/17 Revised	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
	%	%	%	%
General Fund	-2.4	-3.8	-3.9	-3.9

The trend above reflects the anticipated investment income and is negative as the Council has no finance costs in respect of borrowing, finance leases or its minimum revenue provision.

Incremental Impact of Capital Investment Decisions: This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax levels. The capital programme has no incremental impact on Council Tax levels.

Adoption of the CIPFA Treasury Management Code: The Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* in March 2015.

Annual Minimum Revenue Provision Policy Statement 2017/2018

Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Authority to have regard to the Department for Communities and Local Government's *Guidance on Minimum Revenue Provision* (the CLG Guidance) most recently issued in 2012.

The broad aim of the CLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The CLG Guidance requires the Authority to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance.

The Authority expects that its General Fund Capital Financing Requirement will be nil/negative on 31st March 2017 and in line with the CLG Guidance it will therefore charge no MRP in 2017/2018.

Full Council 21 February 2017 External Auditor Appointment

For Decision

Portfolio Holder

Cllr P Batstone – Corporate Performance

Senior Leadership Team Contact:

J Vaughan, Strategic Director

Report Author:

J Vaughan, Strategic Director

Statutory Authority

Section 7 of the Local Audit and Accountability Act 2014 (the Act) requires a relevant authority to appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding year.

Purpose of Report

1. To agree the process for the appointment of external auditors following the closure of the Audit Commission and the end of the transitional arrangements at the conclusion of the 2017/18 audits.

Officer Recommendations

2. That North Dorset District Council opts into the appointing person arrangements made by Public Sector Audit Appointments (PSAA) for the appointment of external auditors.
3. That authority be delegated to the Strategic Director for Finance, responsibility to ensure that the District Council is active in supporting delivery of best value for money arrangements in light of LGR arrangements yet to be confirmed.

Reason for Decision

4. To appoint external auditors.

Background and Reason Decision Needed

5. Following the demise of the Audit Commission new arrangements were needed for the appointment of external auditors. The Local Audit and Accountability Act 2014 requires authorities to either opt in to the appointing person regime or to establish an auditor panel and conduct their own procurement exercise.

6. As part of closing the Audit Commission, the Government novated external audit contracts to Public Sector Audit Appointments (PSAA) on 1 April 2015. The audits were due to expire following conclusion of the audits of the 2016/17 accounts, but could be extended for a period of up to three years by PSAA, subject to approval from the Department for Communities and Local Government.
7. In October 2015 the Secretary of State confirmed that the transitional provisions would be amended to allow an extension of the contracts for a period of one year. This meant that for the audit of the 2018/19 accounts it would be necessary for authorities to either undertake their own procurements or to opt in to the appointed person regime.
8. There was a degree of uncertainty around the appointed person regime until July 2016 when PSAA were specified by the Secretary of State as an appointing person under regulation 3 of the Local Audit (Appointing Person) Regulations 2015. The appointing person is sometimes referred to as the sector led body and PSAA has wide support across most of local government. PSAA was originally established to operate the transitional arrangements following the closure of the Audit Commission and is a company owned by the Local Government Association's Improvement and Development Agency (IDeA).
9. The main advantages of using PSAA are set out in its prospectus and are copied below; these can also be viewed as the disadvantages if the Council was to decide to undertake its own procurement.
10. It is likely that a sector wide procurement conducted by PSAA will produce better outcomes for the Council than any procurement the Council undertakes with a limited number of partners. Use of the PSAA will also be less resource intensive than establishing an auditor panel and conducting our own procurement.
11. Regulation 19 of the Local Audit (Appointing Person) Regulations 2015 requires that a decision to opt in must be made by Full Council (authority meeting as a whole). To comply with this regulation the Cabinet is asked to make the recommendation outlined to Council.
12. The alternative is to establish an auditor panel and conduct the Council's own procurement. This is not recommended as it will be a far more resource intensive process and, without the bulk buying power of the sector led procurement, would be likely to result in a more costly service.

Timescale

13. A form of notice of acceptance must be sent by the Council before the deadline of 5pm on Thursday 9 March 2017.

Dorset Position

14. It is likely that the majority of Dorset Authorities will opt into the appointing person arrangements made by Public Sector Audit Appointments (PSAA) for the appointment of external auditors.

Implications

Corporate Plan

None directly from this report.

Financial

If the PSAA route is used there will be no financial implications. If the decision was to undertake our own procurement then there would be some resource implications.

Equalities

None directly from this report.

Environmental

None directly from this report.

Economic Development

None directly from this report.

Risk Management (including Health & Safety)

The option of appointing external auditors using the PSAA route presents little risk to the council.

Human Resources

None directly from this report.

Consultation and Engagement

None.

Appendices

None

Background Papers

None

Footnote

Issues relating to financial, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

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NORTH DORSET DISTRICT COUNCIL

COUNCIL MEETING

21 FEBRUARY 2017

CABINET REPORT FOR NOVEMBER AND DECEMBER 2016

Leader and Access and Affordable Housing – Councillor Graham Carr-Jones

PORTFOLIO HOLDER'S REPORT

Food and Safety

The North Dorset team are working with partnership colleagues to implement the new Tascomi Public Protection IT system replacing Civica. This provides the basis for unified service practice across the three authorities that will have many benefits including flexible use of resources and consistency. This system should also better support officers working in North Dorset as it will be a faster operating system and suit modern technology needed for field officers working from different locations following the closure of the main Nordon offices.

The food safety inspection targets for the current year are expected to be met target and at the moment there are no exceptional concerns concerning food, safety or infectious disease issues in the district. Good partnership working relationships are being developed that will be of assistance to all three councils to help with resilience for the inevitable occasions when intensive investigations are needed: this is one factor why the team can, and has been operating on a reduced level of resources.

Housing

Below is a breakdown of the Housing Register for the 5th February 2017:

Emergency – 2

Gold – 102

Silver – 278

Bronze – 372

Ineligible – 61 shared Ownership

Total – 815 **live** applications

The numbers on the register have more or less remained the same within the last quarter

Applications

Throughout the last 6 months of 2016 we have received on average 89 applications per month, total of 532 applications.

Throughout January the applications have increased to 121 of these 86 have been processed. The applications are being processed within the 20 days target – average of 6 days

Housed Applicants

Throughout January we have housed **12** households, which can be broken down into the following bed sizes:

The bed needs for applicants housed are as follows:-

1 beds = 3

2 beds = 6

3 beds = 2

4 beds = 1

In addition we have housed a further **3** households by direct let with the Registered Provider. This can be for a variety of reasons for instance:

- To help the RP with efficient management of their stock.
- To move applicants into Trailway Court which is an extra care property, the vacancies are not advertised through the Locata system.
- Single applicants being housed into supported accommodation which again is not advertised through the Locata system

Reception/Triage

We no longer receive help from Customer Services on reception which has a massive impact on the housing team. Below are some figures we have been collecting, from mid-April we will be collecting extra data and asking customers where they have travelled from:

From 1 Oct 2016 – 31 Dec 2016 196 people seen:

Housing register = 345 minutes or 7 hours 45 minutes

Housing register application = 380 minutes or 6 hour 20 minutes

Scanning = 775 or 12 hours 55 minutes

Homelessness = 180 minutes = 3hour

Trailways Enquiries = 25 minutes

Food Parcels = 100 minutes = 1hour 40 mins

Other = nil minutes

Housing Application on Line = 140 mins = 2 hours 20 minutes

Using the Local Housing Allowance Broad Rental Market Areas (BRMA) we have gathered information as to where are clients have travelled from

Mid and West Dorset **121**

Salisbury **34**

Yeovil **29**

Out of LHA area **12**

Homeless information

Approaches for advice and assistance

We had **57** approaches from households requiring housing advice during **January 2017**

Of which:

Appointment at Blandford – **21**

Drop in at Blandford - **9**

Gillingham Direct – **19**

Home visits – **1**

Telephone interview - **7**

Multi-Agency meeting – **0**

Of those that approached and were given advice **13** were considered to be non-priority needs ie were not owed a duty by the Council.

Homelessness applications

In **January** there were **10** homeless forms given and **6** decisions made, of which:

5 were accepted, **1** Not Homeless/advice given

There were **2** households in B&B at the end of **January 2017**.

CABINET DECISIONS WITHIN THIS PORTFOLIO

Cabinet on 7 November 2016 considered the following item within this portfolio:

No items for this meeting

Cabinet on 12 December 2016 considered the following items within this Portfolio.

No items for this meeting

PORTFOLIO HOLDER DECISIONS MADE WITHIN THIS PORTFOLIO

Deed to be signed by NDDC as Spectrum shareholder to enable Spectrum/Sovereign merger to be implemented.

To appoint the Housing Finance Institute (HFI) to undertake a housing business ready review for North Dorset DC. To agree £4,000 + VAT of funding for this work, to come from Housing budgets.

PORTFOLIO HOLDER'S REPORT

Parliamentary Briefing

It has been a very busy few months in Planning and on 26th October I was invited to speak at a Parliamentary Briefing with Sajid Javid, the Secretary of State for Communities and Local Government. It was a very useful session though every question I asked was met with the same answer: "That will be addressed in the upcoming White Paper". I therefore changed tack and because I was sat next to the Leader of Milton Keynes Council who were building out a development of 30,000 houses. I used that point with the Minister, to push that the "One Policy Fits All" theory was hugely flawed and a 30,000-house development in an Urban environment could not be treated the same as 1,800 houses in a rural one, for one, the urban area already has supporting infrastructure in place whereas in a rural area everything has to be provided from scratch. "Wait for the White Paper."

TCPA Annual Conference

I was invited to speak at the TCPA's (Town and Country Planning Association) Annual Conference on 24th November. I was asked to give my views on the White Paper and how it would affect North Dorset. The White Paper was due to be released the day before on the 23rd but when it was realised that this was not going to happen, I was asked to address the Conference on what I would like to see in the Paper.

"White Paper – what should it contain?"

We've heard a lot of interesting, thought provoking views today about the potential for a new planning system. We've heard that, for a number of reasons the English planning system is in crisis. One of the clearest and pressing symptoms of this is the housing crisis.

Communities Minister Sajid Javid highlighted in his speeches at the Conservative Party Conference, focussing on the UK's housing crisis, that the administration's track record on delivering housing was poor. A fact that will not be challenged by anyone here, today.

So what should his response be to the housing crisis in the White Paper? Well, the indications of his intent have been contradictory and we need clarity.

Firstly, He said:

"So, my message is very clear: it's time to get building. The big developers must release their stranglehold on supply. Time to stop sitting on land banks, delaying build-out: the homebuyers must come first.

"Almost 280,000 planning permissions were issued over the last twelve months. I want to see each and every one of those homes built as soon as possible."

Good stuff so far. He recognizes that the developers aren't developing. He recognizes that the public sector has performed well; very well in fact given the austerity measures each Council has faced and the impact that has had on their planning departments.

However, then Sajid Javid went on to say: "Local leaders must be prepared to make difficult calls, even if they're unpopular. And so, must MPs and councillors.

"Of course, there are valid reasons to oppose some planning applications. But all of us have a duty to think about the long-term consequences of every decision we make.

"As elected representatives, we are here to take the right decisions – not the easy ones. Ultimately, we have a responsibility to build more houses."

Confused? I am. So, then he blames local politicians for not approving planning applications, the implication being that this is the reason for non-delivery!?!

This dichotomy perfectly illustrates what the White Paper needs to address.

Now, I was very pleased to read in a recent CBI paper that:

"The "one size fits all" approach has passed its sell-by date.As the demographic landscape changes, we must have homes in the right places that fit the needs of people who live in them, creating vibrant and attractive communities. Equally, we must see different types of players in the market, like small housebuilders, more innovation and new partnerships between business to boost our supply base."

A recent LGA document reads:

"Every area is different and councils are continuing to lead the local effort. They are approving nine in 10 planning applications, providing homes that are needed and are affordable, and wanting to create environments where people are healthy and happy"

And

"Councils are well placed to bridge the gap between housing need and future building levels, and are providing local leadership and seeking new approaches to financing and supporting house building directly and in partnership with developers."

This seems to me what local authority leaders and I have been saying at all levels and nationally, so I would hope that the White Paper would respond to that.

At a recent Parliamentary briefing with Sajid Javid, it was said that in Planning, one policy definitely does not fit all. The national picture is too diverse and a 30,000 homes scheme in an environment such as Milton Keynes cannot be treated in the same way as a development of 1,800 houses in Rural Dorset, even though the latter would be delivering an expansion of 34% to a Rural Market Town, nor does it even fit locally, for in Dorset we have both Urban and Rural areas which have to be treated very differently.

Councils are best placed to deliver the right homes in the right places to fit the needs of those in their area. Every Local Authority has researched its own evidence base and we now need

some Autonomy; Autonomy to be able to actually deliver the homes in our areas that we KNOW we need.

Some whispers emerging from government are that LAs not delivering enough starter homes in their areas will be penalized this is regardless of whether those types of houses fit the needs of our new communities. In Dorset and other rural areas homes at 80% of their price are still the unaffordable affordable homes because in our areas the skills levels are low attracting low salaries in an area where house prices are high and the gap between the two is unbridgeable; and of course, developers will only build the houses they know they can sell.

Recent Ministerial articles talk of using the carrot and the stick approach with developers to get more delivery, not a moment too soon if it can be achieved because the only stick that I can see is being raised in the direction of Local Planning Authorities threatened with designation for not delivering enough housing even though the Planning Authority has given more than enough consents.

It is time for the government to use the carrot with Local Authorities and say “How can we help you?” Does the government realise that we actually want development and growth? We are not asking for less housing, but that we determine through our own evidence bases the make-up of that housing based upon actual assessed need.

To understand whether the measures in a Housing White Paper will be enough, we should be clear about the key causes and current conditions.

Essentially, the key causes include: lack of investment;

Lack of investment in the economy and skills;

Lack of investment into lending opportunities;
and

Lack of investment into the public sector to enable the professionals, such as planners, to deliver what their professional training prepares them to do.

The other key cause, which I've just been highlighting, is misdirected government intervention: Beating local authorities with the five-year housing land supply stick, despite all the evidence showing that planning permissions are at record levels;

Essentially, the lack of resources of the many –
the families even on moderate incomes accessing mortgages to pay hugely inflated prices even for the most modest of homes;

the communities and SME builders accessing finance to pay hugely inflated land prices to deliver homes on smaller plots,

This is Balanced against the might of the few -

including the major housebuilders and lenders who influence government policy, results in a continuing division of an unbalanced society and compounds the problems it faces.

So, **what should the White Paper do** to help deliver housing the country so desperately needs?

The only way to create sustainable housing delivery and a fair planning system is to tackle the root causes and to start to focus on some key actions:

1. **Introduce sanctionsto land promoters who land bank a significant proportion of their fixed asset in withholding land from the market.**

It is of course recognised that a certain level of land acquisition is needed to stabilise investment and create certainty for the business model. However, this should not be allowed to skew land prices to such an extent that it creates market failure.

2. **Remove sanctions from local planning authorities that do not correlate with the intended policy outcome.....**

The requirement of a five-year housing land supply should not be linked with delivery, which local planning authorities do not control. The current performance link to delivery simply transfers an enhanced and unbalanced level of control to land promoters and developers which then undermines sustainable site delivery and placemaking.

If the Government and the Housing and Communities Ministers are committed to tackling the housing crisis, these two measures should be absolutely fundamental in supporting a strategic housing plan that all government departments are signed up to delivering and is funded on accelerating housing development initiatives across the board.

In addition, **other measures that the Housing White Paper should propose** include:

A duty to collaborate between the public and the private sectors – one of the key factors which delays planning applications progressing through the planning system is lack of demonstrable commitment from applicants to deliver the objectives set out within the development plan. Placemaking and infrastructure delivery should be the foundations of housing delivery, and collaboration benchmarks would provide a clear framework by which planning application timelines can be realistically assessed. Garden City and Village principles are an exemplar, but there shouldn't be a two-tier system of land assembly correlating with quality.

Incentivise diversification and innovation within the housing market by **helping local authorities to take control over delivery by re-visiting regulations around CPO powers**. Birmingham City Council has shown its support for a new 'use it or lose it' policy which allows the Council to compulsorily purchase undeveloped land from developers, and empty homes. One of the difficulties with CPO is the extraordinarily long time frame of the process without any guarantee that it will succeed. The Housing White Paper should address any statutory and regulatory constraints which restrict the CPO powers being used by Local Authorities to take control over its housing delivery.

Basically, the White Paper should be about how Government is going to assist Local Planning Authorities to implement their Local Plans and deliver the types of homes that they know their communities need."

Sound Bites from the speech were being tweeted before I had finished. I was very well received.

TCPA New Communities Group

On the 8th December I met with Gavin Barwell the newly appointed Minister for Housing and Planning replacing Brandon Lewis.

Summary of the key issues

- 1. The NPPF 5-year land supply** is a blunt instrument and is causing perverse outcomes particularly where a local authority has committed to long term growth at scale. Members have been put under immense pressure from hostile applications, which demoralises communities and officers. 5-year land supply versus build rate is a big issue, since local authorities have few powers to ensure the private sector builds out at a reasonable rate. There should be planning freedoms for Garden Villages – large scale sites should be exempt, or it should be split between a large site and the rest of the authority area. NCG members welcome the suggestion of some form of certification for 5-year land supply and the prospect of clearly defined planning freedoms set out in the Housing White Paper.
- 2. Encourage developers to build out permissions.** NCG members are keen to explore measures which could penalise developers who have permissions, but are land banking and not building. There was recognition that the private sector need a pipeline of sites, but that this had become unbalanced. NCG members welcome the Minister's commitment to focus on infrastructure provision and to more transparent data from developers on build out rates. A firm commitment to introducing requirements for developers on completion rates would be a powerful piece of leverage for the NCG members.
- 3. Pooling of S.106 for infrastructure costs** associated with large-scale development. The NCG members welcome the Minister's commitment to allow pooling of S.106 funds and the increase in resources through the Housing Infrastructure Fund. Infrastructure provision and particularly the upfront delivery of social and transport infrastructure remains one of the key issues in delivering at scale and in securing public consent.
- 4. Resources for planning departments are a key factor in having enough capacity for growth.** Some members want locally determined fees on planning applications – so that they can spend more money on planning. Members welcome the prospect of greater freedom, but recognise that this would only go so far in building the capacity necessary to manage large scale growth.
- 5. Local development corporations** - will be a useful tool to have in reserve for local authorities to use if need be. NCG members support the updating of this approach in the Housing White Paper.
- 6. Treasury enforced spending and debt caps** – local authorities want to build good quality homes themselves (e.g. social housing for rent), to help alleviate homelessness and unaffordability but are unable to do so. NCG members are keen to bring in SME builders to speed up delivery. There is an issue of the building trade's assessment of housing demand – does not reflect true situation – there is more demand than they think.

Members of the NCG strongly welcome the Minister's positive approach to the role of local authorities directly delivering housing. While changes to Treasury rules on borrowing will be difficult, this level of local freedom could be transformative and the debate should not be lost.

7. **Confusion about devolution** and local authority reorganisation – members want stability and clarity. Members welcome the commitment that change would not be imposed.
8. **Land value capture** – members want a standardised approach - (East Hampshire DC can share their learning on this). There is also an issue of land value inflation.

Housing White Paper

The Housing White Paper was only released yesterday and so we are still closely analysing it. There are lots of new ideas and policies to help unlock sites and accelerate development and to give Local Authorities tools to ensure delivery actually happens after permissions have been granted. There is mentioned the possibility of changing the time for developers to commence development from 3 years to 2 years. I am wary of the new policy on "Housing Delivery Test" which have the potential to give LA's falling short of their housing numbers severe headaches but we will have to see how that pans out. One section that I was very relieved to see included was:

Step 1: Planning for the right homes in the right places

- Making sure every part of the country has an up-to-date, sufficiently ambitious plan so that local communities decide where development should go;
- Giving communities a stronger voice in the design of new housing to drive up the quality and character of new development, building on the success of neighbourhood planning;

Finally we do get some autonomy!

Follow this link for the White Paper

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/590463/Fixing_our_broken_housing_market_-_accessible_version.pdf

CABINET DECISIONS WITHIN THIS PORTFOLIO

Cabinet on November 2016 considered the following item within this portfolio:

No items for this meeting

Cabinet on December 2016 considered the following item within this portfolio:

Cabinet considered and adopted the Western Dorset Economic Growth Strategy which was looking at the principle growth areas of Gillingham, Blandford and Shaftesbury in the North and Weymouth and Dorchester in the West. An action plan showing more

detail would follow in the new year and a bid for growth deal funding had been submitted to the LEP and the outcome was awaited.

Cabinet considered a report on the Shillingstone Neighbourhood Plan, which was the first such Plan to go to a referendum in North Dorset. If the referendum was favourable, the Plan would cover the period 2016 – 2031.

PORTFOLIO HOLDER DECISIONS MADE WITHIN THIS PORTFOLIO

The designation of the whole of the parished area of Hazelbury Bryan as a neighbourhood area.

Kington Magna Conservation Area Appraisal and Colesbrook Conservation Area Appraisal agreement for public consultation

Environment – Councillor Michael Roake

PORTFOLIO HOLDER'S REPORT Joint Committee DWP 16th January 2017

Finance and Performance Report.

There is a predicted underspend of £1.28m which is slightly improved since the previous Joint Committee held in November meeting and represented 3.7% of the original budget against a revenue budget of £34.25m

The reasons for the underspend were primarily:
Household Recycling Centre contract, £302k
Recyclate price, £264k
Reduction in winter HRC opening hours, £158k.
Commercial Waste, £306k
Garden Waste, £157k-(1 in 5 use the garden waste service)

Key Performance indicators;
202,00 bins emptied every week
Annual cost per household £153
Recycling, reused, recycling or composted in North Dorset 61%
Landfill tax per tonne £84:40 per tonne
Current waste sent to landfill 21.5%

Joint Committee considered a report by the Treasurer to the Dorset Waste Partnership which contained revenue estimates for 2017-18 totalling a net cost of £33.1m was adopted.

Charging for "Recycle for Dorset" Containers –
The Joint Committee approved charging for:
New Development
Larger rubbish bins.
Additional refuse sacks
There would be no charge for lost or damaged containers other than communal bins
The net savings in a full year would £98.5k

The UK's recycling and composting levels appear to be falling however pleased to report Dorset has become the joint top county area for recycling.
In the top 3 councils that both collect and dispose of their waste.
In the top 15 overall, out of 350 local authorities.
A recent survey shows that the overall satisfaction rate for the Recycle for Dorset service is 94%.

CABINET DECISIONS WITHIN THIS PORTFOLIO

Cabinet on 7 November 2016 considered the following item within this portfolio:

No items for this meeting.

Cabinet on 12 December 2016 considered the following items within this portfolio:

Cabinet considered and approved in principle the draft revenue estimates for the Dorset Waste Partnership for 2017/18.

PORTFOLIO HOLDER DECISIONS MADE WITHIN THIS PORTFOLIO

To approve the increase in the price of swimming lessons as proposed by the council's operator of Blandford Leisure Centre, SLM Ltd, with affect from January 2017.

PORTFOLIO HOLDER'S REPORT

Community Development

In July 2016 Cabinet took the decision to recommend a reduction to the Community Services budget for 2017/18. This difficult decision was driven by the severe financial forecast. The proposal has been the subject of a full consultation with the public and stakeholders the outcome of which was considered by the Overview and Scrutiny Committee.

Taking account of the views expressed in the consultation, Cabinet have recommended a reduction of £100,000 to this budget, with a one off project completion fund of up to £10,000. This is reflected in the Budget Report to Council.

There will therefore be no NDDC funding for the Community Partnerships and the Community Resource Workers in the coming financial year. However, it is hoped that some or all of the Partnerships will continue, albeit in a different guise, using funds of their own or from other sources, and that some of the activity of the Community Resource Workers will be taken up by other bodies.

North Dorset Apprenticeship Grant Scheme.

The District Council has developed and launched a pilot Apprenticeship Grant Scheme to support businesses in establishing apprenticeships in the area. This initiative supports the Council's strategic priority of promoting small business and the local economy.

Grants, which are paid to the employing business rather than the apprentice, are for new or additional apprenticeship and both the business and the apprentice must be based in North Dorset. The maximum grant is £1,500 per apprenticeship.

Awards are considered against a set of criteria which are broadly in line with the Government's own apprenticeship scheme, and final decisions are reported to the Economy Board. Ward Councillors will be informed of awards to business in their Ward. This is a pilot scheme which will be subject to review after 6 months.

The new scheme is being widely promoted within the business community.

Dorset Enterprise Adviser Programme.

The Dorset Enterprise Advisor Scheme will improve links between schools, students and business by creating a network of volunteer Enterprise Advisors to offer first class career advice to young people. The scheme is funded by the LEP, DCC and our fellow Partnership Councils. We have agreed to contribute £5,000 for two years to support this project given that it will help to deliver against a key priority in the Skills Study Action Plan.

Economic Growth Fund.

A grant of £4,000 was made *to All in the Balance*, in Stalbridge, a start-up partnership specialising in the repair and maintenance of antique and vintage clocks and watches.

Car Parking

Twenty old pay and display machines in North Dorset car parks are to be replaced with up to date machines with credit card and coin payment facilities.

A review of signs and white lines in car parks is well underway in readiness for a programme of maintenance.

We are working with Blandford Town Team on a new refund scheme whereby certain retailers offer a refund on parking charges to shoppers who spend with them. Discussions are in hand with Morrison's regarding relocating some of the disabled and family friendly bays in the Marsh and Ham car park.

In Sturminster we are liaising with the Town Council over provision of more bicycle parking stands in Station Road and in Gillingham the long awaited work to create steps from the car park in Chantry Fields to Le Neuberg Way inches ever closer and is now in the relevant work programme.

The move in-house of cash collection and the maintenance of the pay and display machines is going well, with better service levels. Savings have been realised through the termination of the contracts with external providers.

Cabinet agreed to give the Head of Asset and Infrastructure delegated powers to make Traffic Regulation Orders and to cancelling Penalty Charge Notices in association with the Council's off-street parking. This brings the authority for managing and control of car parking for North Dorset in line with the Dorset Councils partners.

North Dorset Business Day, 17th November, the Exchange, Sturminster Newton.

The District Council, in partnership with the Dorset Growth Hub, Sturquest, Shaftesbury and District Task Force and the Exchange, held the second North Dorset Business Day on 17th November 2016, in the Exchange in Sturminster Newton. This half day business-to-business networking event was a considerable success with 43 businesses exhibiting and a further 150 business people attending. The event was opened by Simon Hoare MP.

The evaluation and the feedback at the post event review and was overwhelmingly positive, with helpful suggestions for improvement. The Council intends to hold a third event this year to build on this momentum.

Democratic and Electoral Services

The ModGov system has been working well since it went live on 3 October, and the Team has had good feedback from Members. A number of Members have already opted to go paperless ahead of the planned cut-off date for printing hard copy agendas, April 2017. A large number of members have downloaded the ModGov app on their tablets, to widespread enthusiasm. The app is very easy to use, allowing us to read, highlight and annotate reports on screen.

The Democratic Services Team are now working to allow officers to input their reports, in draft, directly to the system for circulation to relevant officers/councillors for comment.

There have been a number of drop-in sessions for Members to see a demonstration of the corporate laptops and tablets that are available for our use. Once the devices are issued full support will be available. If any member has not yet indicated their choice of device please do so as soon as possible. Printing is planned to cease on 1st April and any requests for printed papers after that date will have to be met by Democratic Services staff on the office printer, which will be costly and time consuming.

The introduction of ModGov has achieved huge efficiencies and, as a result, vacant posts within the Team have been released, making a saving of 2 FTEs – a great result.

Referendum and by elections

North Dorset held its first Neighborhood Planning Referendum on 9th February in Shillingstone. The outcome is unknown as I write this report. This village has been the

pioneer for Neighborhood Planning in the district and The Neighborhood Planning Group; Parish Council and citizens are to be congratulated on their sterling work. There are currently two town by-elections scheduled for 9th March, in Shaftesbury, to elect 3 new Town Councillors. The cost of town or parish by elections is born by the Town or Parish Council. Work is also underway across the Partnership for the DCC elections on 4th May.

Nordon closure

The last meeting at Nordon will be the “Farewell” Council meeting on 24th March. From 1st April, Full Council and Planning Committees, and, if appropriate, some Licensing Committees, will take place at Durweston Village Hall with all other Committees taking place at SWH. The microphone system in the Council Chamber will be moved to Durweston Village Hall. The April Planning Committee will be the first Durweston meeting.

CABINET DECISIONS WITHIN THIS PORTFOLIO

Cabinet on 7 November 2016 considered the following item within this portfolio:

Cabinet received and noted the report on Community Partnership activity during the period April to August 2016.

Cabinet on 12 December 2016 considered the following item within this portfolio:

Cabinet considered and adopted the Western Dorset Economic Growth Strategy which was looking at the principle growth areas of Gillingham, Blandford and Shaftesbury in the North and Weymouth and Dorchester in the West. An action plan showing more detail would follow in the new year and a bid for growth deal funding had been submitted to the LEP and the outcome was awaited.

Cabinet considered Car Park Operational Efficiency Measures which would give delegated powers to the Head of Assets and Infrastructure to make Traffic Regulation Orders (TROs) associated with the Council’s off street car parks, and the power to cancel Penalty Charge Notices (PCNs) associated with the Council’s off street car parks. Portfolio Holder approval would be sought prior to making a TRO.

PORTFOLIO HOLDER DECISIONS MADE WITHIN THIS PORTFOLIO

That a grant of £3,200 is awarded towards equipment costs for Sweet Pea Café, Sturminster Newton.

PORTFOLIO HOLDER'S REPORT

SVPP Budget to be set at Joint Committee on 6 February. Will show a budget for NDDC of £843,000 for 2017/18. This represents a reduction of £208,000 (20%) from the original budget entering the SVPP partnership of £1,051,000. The budget takes account of all pay changes and recent pension increases.

SVPP are on course to underspend for 2016/17 whilst seeing and improvement in Benefit Processing for the Council. The position for the year to December is an average processing time of 20 days for new claims and 8 days for changes. Last year at this time it was 25 days and 17 days respectively.

The CAT Team have been located successfully from NDDC to Northmead House since December and all costs of moving have been met within the 2016/17 SVPP Budget. Telephone call handling shows that the partnership took over 150,000 calls in the year to date with an average of 95% of all calls answered.

Staff from SDP / SVPP / Bmth are now working together to produce a Business Case for a Pan-Dorset shared Revenues and Benefits Partnership

CABINET DECISIONS WITHIN THIS PORTFOLIO

Cabinet on 7 November 2016 considered the following item within this portfolio:

Cabinet considered revised criteria for the determination of applications for discretionary rate relief which would ensure that each case was determined having regard to the merits of each case and the contribution they make towards the local community.

Cabinet considered the Interim Position Statement on Public & Stakeholder Consultation -Budget Savings Options on Grant to North Dorset CAB and Community Development Budget. (This was subsequently referred to the Overview and Scrutiny Committee for consideration).

Cabinet on December 2016 considered the following item within this portfolio

PORTFOLIO HOLDER DECISIONS MADE WITHIN THIS PORTFOLIO

None for this period

PORTFOLIO HOLDER'S REPORT

CABINET DECISIONS WITHIN THIS PORTFOLIO

Cabinet on 7 November 2016 considered the following item within this portfolio:

Cabinet considered and noted the latest position and the projected outturn for the year in respect of the 2016/17 revenue and capital budgets.

Cabinet considered the Quarter 2 Business Review and noted the latest position and the projected outturn for the year in respect of the 2016/17 revenue and capital budgets.

Cabinet on 12 December 2016 considered the following item within this portfolio:

Cabinet received and noted a verbal update on the budget position for 2107/18 which had not changed since the September position.

Cabinet approved the updated Joint Risk Management Strategy which would be operational across the Partnership.

PORTFOLIO HOLDER DECISIONS MADE WITHIN THIS PORTFOLIO

None for this period

Full Council

21 February 2017

Shillingstone Neighbourhood Plan 2016 to 2031

For Decision

Portfolio Holder

Councillor David Walsh

Senior Leadership Team Contact: S Hill, Strategic Director

Report Author: Ed Gerry, Planning Policy Team Leader

Statutory Authority

The Town and Country Planning Act 1990 (as amended)
Localism Act 2011

Purpose of Report

- 1 To make the Shillingstone Neighbourhood Plan 2016 to 2031 part of the development plan for use in planning decisions in the Shillingstone Neighbourhood Area.

Officer Recommendations

- 2 (a) That the District Council makes the Shillingstone Neighbourhood Plan 2016 to 2031 (as set out in Appendix A) part of the statutory development plan for the Shillingstone Neighbourhood Area.

(b) That the District Council offers its congratulations to Shillingstone Parish Council in producing its neighbourhood plan.

Reason for Decision

- 3 To make the Shillingstone Neighbourhood Plan 2016 to 2031 part of the statutory development plan for the Shillingstone Neighbourhood Area. In addition, to recognise the significant amount of work undertaken by the Parish Council in preparing the neighbourhood plan and to congratulate it on its success.

Background and Reason Decision Needed

- 4 Members will be aware that the neighbourhood plan area for Shillingstone was formally designated by this Council on the 16 September 2013. Following significant amounts of consultation and research Shillingstone Parish Council (the Qualifying Body) submitted the Shillingstone Neighbourhood Plan 2016 to 2031 to the District Council on the 8 April 2016.
- 5 The District Council subsequently made arrangements for an independent Examination of the plan as required by The Neighbourhood Planning (General) Regulations 2012 (as amended). The Examination was conducted by Mr Brian Dodd BA MPhil MRTPI and the District Council was sent a copy of the Examiner's report on the 4 October 2016.
- 6 The Examiner's report concluded that subject to a number of modifications the plan should proceed to referendum. Shillingstone Parish Council confirmed that it was happy to accept all of the recommendations put forward by the Examiner. Furthermore, it agreed to a further modification relating to Policy 13 (Whitepit Farm buildings (WPF-B)) in the plan.
- 7 Members of the District Council's Cabinet considered the Examiner's modifications on the 12 December of 2016 and decided that his modifications, along with the further modification relating to Policy 13 in the plan, should be incorporated within an amended version of the neighbourhood plan and that the amended plan should proceed to referendum. Furthermore, Members of Cabinet decided that a recommendation to 'make' the Shillingstone Neighbourhood Plan 2016 to 2031 be made to the next Full Council meeting (21 February 2017) after the referendum if the result of the referendum is in support of making the plan and there are no other issues identified that would go against such a decision.

Referendum

- 8 The District Council held a referendum on 9 February 2017 with the area covered by the referendum being the parish of Shillingstone. This is the same area to which the neighbourhood plan applies.
- 9 In the referendum, 263 people (88%) voted in favour of the plan with 36 people (12%) voting against. The turnout was 33%.
- 10 Where a referendum results in more than half those voting, voting in favour of the plan, the District Council must make the plan as soon as reasonably practical unless it considers that this would breach, or be incompatible with any EU obligation or any of the Convention Rights.
- 11 The Shillingstone Neighbourhood Plan 2016 to 2031, as proposed to be made, is attached as Appendix A. More than 50% of those voting in the referendum voted in favour of the plan. Officers are not aware of any issues that have come to light that would require the Council to come to an alternative view to that reached by the independent examiner in respect of the basic conditions requirements which apply to neighbourhood plans.

- 12 Once made the neighbourhood plan will form part of the development plan for the parish of Shillingstone alongside other plans including the North Dorset Local Plan Part 1. Planning applications, which will be considered by the District Council, will be made in accordance with the development plan unless material considerations indicate otherwise.

Implications

Financial

- 13 When the referendum date was set for the neighbourhood plan the District Council became eligible for a grant of £20,000. This grant is intended to cover the costs associated with the Council's input into the production of a neighbourhood plan including the costs associated with the Examination, referendum and the printing of the final plan.

Equalities

- 14 The Examiner considered whether the neighbourhood plan would breach, or otherwise be incompatible with any of the Convention rights within the meaning of the Human Rights Act 1998. He concluded that the neighbourhood plan would not breach or be incompatible with human rights requirements. There is no reason that the District Council should take a different view on this matter.

Environmental

- 15 The plan was subject to Strategic Environmental Assessment and Habitats Regulations Assessment screening as it was progressed. It was concluded that the neighbourhood plan is unlikely to have any significant effects upon the environment or any European site. There is no reason for the District Council to take a different view on this matter. Therefore, the plan complies with relevant legislation and policy including European legislation and the National Planning Policy Framework.

Risk Management (including Health and Safety)

- 16 A legal challenge could theoretically be made against the District Council's decision to make the plan. Such a challenge could be made on the basis that the neighbourhood plan, as modified, does not meet the basic conditions, is not compatible with the Convention rights or because it does not comply with the definition of a neighbourhood development plan. However, the independent Examiner has considered these matters in light of all of the objections that have been made to the plan. Given the evidence before them Officers consider that there is no basis for reaching a different view to the Examiner.

Consultation and Engagement

- 17 There has been a significant amount of consultation on the neighbourhood plan throughout its production. This is detailed in the Consultation Statement submitted with the draft version of the plan. In addition, the

District Council undertook a statutory six week consultation (20 May to 1 July 2016) prior to the plan being considered by the independent Examiner.

Appendices

- 18 Appendix A – Referendum version of the Shillingstone Neighbourhood Plan 2016 to 2031.

Background Papers

- 19 Documents relating to the referendum on the Shillingstone Neighbourhood Plan 2016 to 2031 can be accessed via the following link:
<https://www.dorsetforyou.gov.uk/article/423351/Shillingstone-Neighbourhood-Plan-Referendum>

Footnote

- 20 Issues relating to financial, environmental, and equalities implications have been considered and any information relevant to the decision is included within the report.

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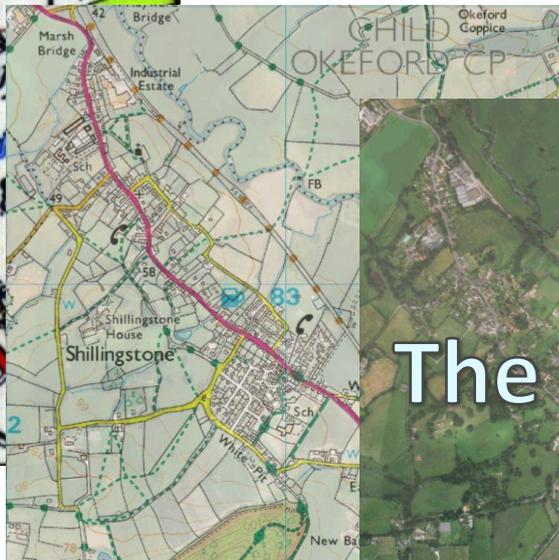
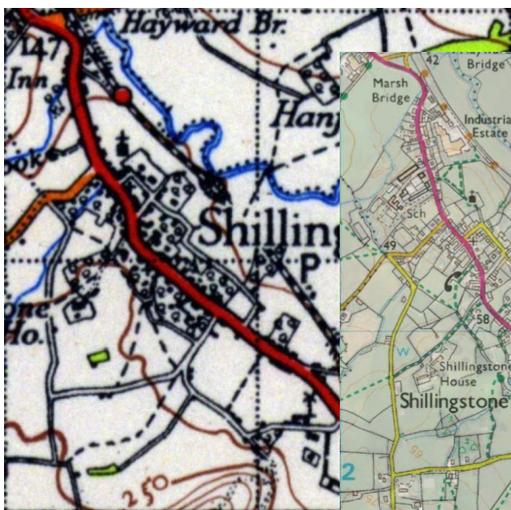
Shillingstone Neighbourhood Plan 2016 to 2031

This is the Shillingstone Neighbourhood Plan, produced by Shillingstone Parish Council with the help of local residents.

The plan will be used to guide future planning decisions for our area.

REFERENDUM VERSION
FEBRUARY 2017

<p>June 2015 First draft of the neighbourhood plan produced for consultation</p>
<p>August / September 2015 Revised draft plan produced for consultation</p>
<p>March 2016 The plan and supporting evidence base was sent to North Dorset District Council</p>
<p>June 2016 The District Council appointed an Independent Examiner to consider the plan and supporting evidence</p>
<p>October 2016 The Examiner recommended that, subject to some modifications, the plan could proceed to referendum</p>
<p>December 2016 The District Council agreed to progress the plan to referendum to be held in February.</p>
<p>February 2017 Referendum held, and subject to the majority of people who vote in the referendum, voting “yes”, the plan can be ‘made’ part of the development plan for the area.</p>



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A handy one page summary...

The main influence of neighbourhood plans are where they alter or add detail to the existing planning policies for the area. So this is where we really expect our neighbourhood plan to make a local difference...

GREEN SPACES

This plan identifies on a map the most important local green spaces around the village that should not be built upon. These effectively replace what were 'Important Open and Wooded Areas' defined in the North Dorset Local Plan.

for more information – see Policy 1

RURAL LANES AND TRACKS

One of the key characteristics of Shillingstone is the wonderful network of rural lanes and footpaths that provide an alternative to the main road for those wanting to get about on foot (and occasional cyclists and horse riders). This plan makes sure that the impact of any development on these routes is given proper consideration.

for more information – see Policy 2

BUILDING CHARACTER

Planning applications for new development are meant to consider how they fit in and help reinforce the distinctive identity of the area – so we have included a lot of information on local character and how this should be taken into account.

for more information – see Policy 3

COMMUNITY BUILDINGS AND SPACES

The North Dorset Local Plan already tries to protect community buildings and spaces – we have identified those places that we consider should fall under this protection.

for more information – see Policy 4

SITES WITH POTENTIAL FOR NEW DEVELOPMENT

We know that development needs to happen. The village has over time always had some housing growth and it is only right that this should continue, providing houses for local people. So the remainder of this plan focuses on where new homes could be located, based on the evidence we have collected on how many new homes might be needed over the next 15 years. This plan makes changes to the settlement boundary that was in the local plan. This settlement boundary defines the area where development can generally take place. We have also adjusted the boundary to take out some areas which are less suitable for development. Seven sites have been identified (in addition to those with planning consent) that, together, will more than meet the need for housing in our local area. Our plan provides clear guidance on how each of these sites should be developed, if they were to come forward. We have also suggested that some homes could be built as live-work units to provide some employment opportunities. Our plan also considers that the evidence of need for different house sizes may not reflect the wider needs across North Dorset, and that on balance it is more important that the house is designed to be right for the plot, rather than meet a specific target for large or small homes.

for more information – see Policies 5 - 13

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About Neighbourhood Planning

What this neighbourhood plan affects

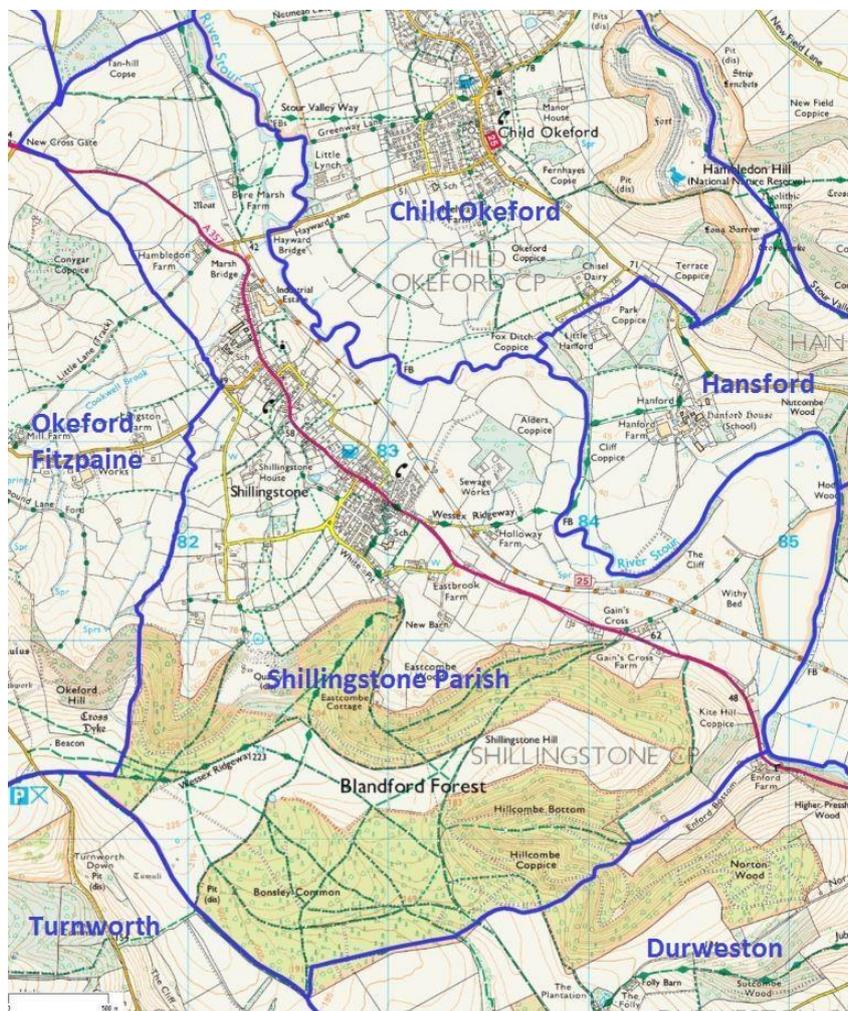
This neighbourhood plan doesn't change the need for new development to have planning permission. Any development that takes place will still go through the normal procedure of the developer putting in a planning application to North Dorset District Council, which local people and the Parish Council can comment on. But when the decision is taken, the decisions should follow the policies in this plan and the North Dorset Local Plan.

A neighbourhood plan is part of the development plan for the area, and sits alongside the local plan. Together they describe what types of building work or other development will generally be allowed and under what circumstances. They also say what uses or places should be protected, and why. The National Planning Policy Framework sets out over-arching requirements that both plans and development proposals need to follow.

Some changes are 'permitted development' if they are within certain limits (which vary depending on the type of change and the location). You can find out more about permitted development rights at <http://www.planningportal.gov.uk/permission/dynp>. Having a neighbourhood plan doesn't change the requirement to get Listed Building or other consents where these might apply.

What area the plan covers

This plan and its policies cover the parish of Shillingstone, as shown on the following map.



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Development is defined in the Town and Country Planning Act 1990 as “*the carrying out of building, engineering, mining or other operations in, on, over or under land, or the making of any material change in the use of any buildings or other land*”

Map 1: Shillingstone Neighbourhood Plan Area

The focus of this plan – what it aims to achieve

The main reason for preparing the plan was to **protect and enhance the character of Shillingstone**.

We know that changes will happen over the plan’s period, whether or not we have a neighbourhood plan. We want to make sure that the development that happens here is what our village needs, to stay a thriving rural community. Shillingstone isn’t a town, so people living here will still need to rely on Blandford for things like shopping and secondary schools. We don’t plan to grow from a village into a town.

In essence, we want our village to remain a community, where people live, work, take their children to school, go for walks in the countryside, and where there are events and places for people to meet and socialise. It is important to us that the place retains the character of a rural Dorset village, nestled in this beautiful river valley running between Shillingstone and Hambledon Hills and that development happens in the right places and is designed to fit in well with our area.

Because there is national policy and guidance, and a local plan for the area, this neighbourhood plan doesn’t need to cover those subject areas where it would have said the same thing these other documents say. So this is why the neighbourhood plan is much shorter, and focused on specific sites or issues for our area.

We have therefore focused on:

- Local character (specifically the importance of our local green spaces, our rural lanes and tracks, and the character and design of development)
- Important community facilities (such as the village hall, shop and pub)
- Locations for new development

How long the plan will last

This plan will last to the end of March 2031. However if necessary the Parish Council can review and update the plan earlier, following a same process of consultation, examination and referendum.

Who wrote the neighbourhood plan

This neighbourhood plan has been prepared by local people to guide future decisions on planning in our parish. This process was overseen by the Parish Council, and supported by North Dorset District Council.

So when it talks about ‘we’ or ‘our’ we mean the people of Shillingstone. This document reflects the consensus of local residents.



About our area

The following section describes the main findings from the research we undertook about the social, economic and environmental factors affecting our area.

Size and location

Shillingstone Parish is a rural parish which is 919 hectares (3½ square miles) in area. It lies in the Blackmore Vale area of North Dorset on the busy A357 Blandford Road, which broadly follows the valley of the River Stour. It is about mid-way between Sturminster Newton (4 miles away to the north-west) and Blandford Forum (5 miles away to the south-east).

Our community

The following data is based on the 2011 Census unless otherwise stated.

Population

There are 1,170 people living in the area, living in 479 households. There are more people in their 50s and 60s living here than average, and fewer people in their 20s and 30s.

The population is in generally good health, but slightly more people (22.9%) have difficulty with day-to-day activities compared to elsewhere in North Dorset.

Housing

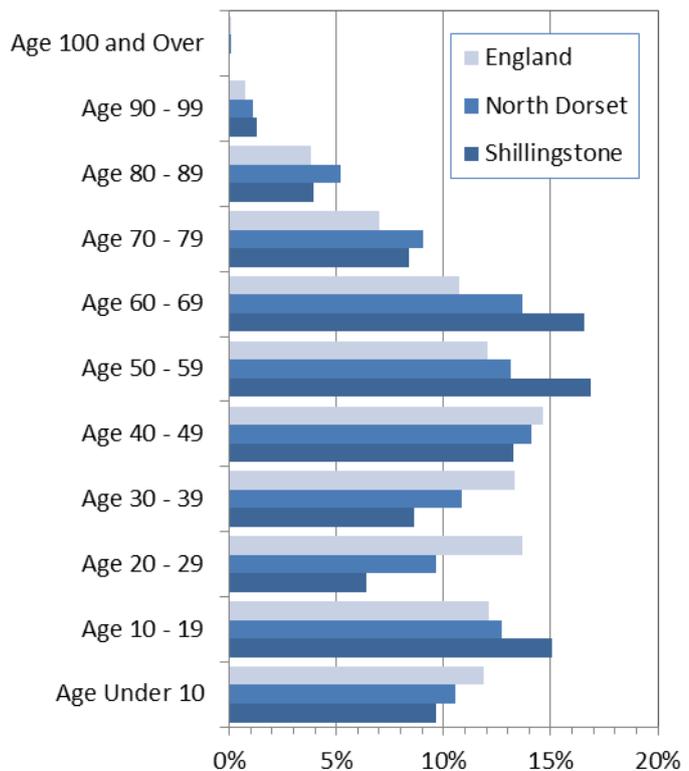
The average household size is 2.3 people (a fraction higher but not untypical of North Dorset). About one in every 18 homes is generally unoccupied (either vacant or a second home) – slightly lower than average for the area. There are significantly more large (4 bedroom or larger) homes in Shillingstone than typical across North Dorset (these make up 31.1% of all homes, instead of about 24.9%).

Data on completions provided by the County Council shows that, for much of the time over the past 20 years, the average number of homes built has been between 2 and 3 homes a year. There was a particular ‘spike’ in housing between 2005 and 2008 when the Augustan Avenue Estate / Hambledon View developments were built, providing nearly 60 homes in a very short time.

The average house price in Shillingstone averaged for the last 5 years was £275,000 (based on 60 recorded sales recorded by the Land Registry). This compares to average house prices in Dorset and (more locally) Dorchester of around £260,000. This is not significantly different, and the slightly higher prices may be because of the larger house sizes in general.

Employment

According to the 2011 Census, about 24% of workers are self-employed, and about 11% of workers work at or mainly from home. Unemployment was slightly higher than average for Dorset. About half of people work in education, wholesale and retail trade, motor vehicle repair, construction, manufacturing or human health and social work activities. This is fairly typical for North Dorset, although elsewhere there are higher numbers working in public administration and defence.



Our environment

Landscape

The landscape character of this area ranges from chalk valley and downland around Shillingstone Hill, descending to rolling vales and valley pasture. The southern part of the parish around Shillingstone Hill lies within the Dorset Area of Outstanding Natural Beauty, which also wraps around the north-eastern edge of the parish. This is a nationally protected landscape, and the AONB Management Plan usefully describes what makes the AONB significant. There is a duty placed on the planning authority to protect and enhance the special character of this area. This duty also extends to areas outside of the AONB but considered to form part of its setting.



Wildlife

Within the parish there is one nationally important Site of Special Scientific Interest (Shillingstone Quarry), designated for its geological interest. Just outside the parish to the north-east is the Hod and Hambledon Hill Site of Special Scientific Interest. This is lowland chalk grassland on the slopes of the ramparts of an ancient fort. There are also protected species and various sites of local nature conservation importance within the parish, including traditional orchards, areas of deciduous and ancient woodland, lowland chalk grassland, and lowland wet grassland (in the floodplain). The river corridors are home to a number of protected species.

Historic features

There are 22 Listed buildings or structures, all of which are Grade II with the exception of the Church Of The Holy Rood (which is Grade I). Most are buildings (houses or cottages), but the village cross and K6 telephone kiosk are also Listed. There are also four scheduled monuments:

- the medieval cross base 150m south of Holy Rood Church, within the village itself
- the moated site 130m west of Bere Marsh Farm about 400m north of the village
- two bowl barrows west of Bonsley Common on the very edge of the parish, and
- the cross dyke on Okeford Hill which falls partly in the next parish.

Just over 1km outside the neighbourhood plan area, Hambledon Hill is described as one of the best preserved and most notable Iron Age hill forts in Great Britain, and one of the best preserved Neolithic landscapes in Europe. Hod Hill, an adjoining hill fort, is similarly scheduled as an ancient monument, and continues the history of occupation up to the Roman Conquest.

There are a significant number of non-scheduled monuments in the parish. Most of them are associated with the medieval village structure, including allotments and orchards. Further out from the village there are various chalk pits and lime kilns recorded around Shillingstone Hill, and evidence in this area of a Romano-British settlement and historic and prehistoric field systems (the latter mainly in the adjoining parish around Turnworth Down).

Flooding and Sewage

The River Stour flows through the parish (marking the north-east border for much of its length) and there is flood plain to either side. This is kept within the area north of the railway with the exception of the area around Marsh Bridge, where it extends up the Cookwell Brook (a tributary of the Stour). In

addition there are areas subject to surface water flood risk, notably from off Shillingstone Hill and through the village (around Pepper Hill and across and along the main road and recreation ground). Surface water run-off from Okeford Hill tends to join with Cookwell Brook and Lawsbrook. The area round Hambledon Farm is also affected by surface water flooding.

There is a sewage treatment works to the north of the railway close to Holloway Farm.

Farmland

The farmland around Shillingstone is a mix of agricultural grades, including a significant area of Grade 2 (very good) category land, adjoining an area of poor quality (Grade 4) alongside the river. The remaining area is Grade 3 (moderate) quality.

Traffic

The 2006 Parish Plan described the village as “dominated by the main road, which tends to divide the village rather than link it”. This remains true today. The volume and speed of heavy traffic together with narrow pavements makes walking or cycling unattractive. There have been two fatal collisions along this stretch of road in the past 5 years (not in the village itself), and 7 less serious collisions recorded. The Parish Council will continue to liaise with Dorset County Council to consider potential traffic calming measures along the main road, as well as pedestrian crossing points.



For pedestrians, cyclists and horse rider we are lucky that there are alternative routes along quiet back lanes and well maintained footpaths around the village. We also have the North Dorset Trailway, which provides an attractive alternative route linking to the nearby towns of Blandford and to Sturminster Newton, and buses connecting to Blandford and Yeovil several times a day.



Local character

Shillingstone will change over the next 10 years, and we hope these changes will bring real benefits to our community. However, there are some places and spaces in the area that we all appreciate and would not want to see them lost or diminished because of new development.

Some places, such as local wildlife areas and historic buildings, are well protected through the Local Plan policies. But there are local green spaces and views that don't have a specific 'designation'. So this plan identifies these spaces for protection.

Similarly although much of the area is covered by Conservation Area designation, there has been no design policy or conservation area appraisal to guide development to enhance its character. Our Neighbourhood Plan fills this gap by providing guidance on what makes good design in our local context.

Local green spaces

Within the parish there are public and private green spaces that greatly contribute to the character of the village. We have decided to designate the most significant of these as "local green spaces". This is stronger protection than the Important Open and Wooded Area policy protection given in the 2003 Local Plan, which were reviewed as part of this plans' preparation. The protection provided by the local green space designation should last beyond the plan period. For this reason, we can only designate spaces where we feel confident that these won't unreasonably restrict possible future growth that may be required beyond the plan period.

Seven local green spaces have been identified as part of this plan's preparation, for the reasons listed below. Their extent is shown on Map 2. Once this neighbourhood plan is made, those areas within Shillingstone which are presently identified by the saved policies of the North Dorset Local Plan as Important Open and Wooded Areas but which are not included within the local green spaces will no longer be specially protected.

Ref	Description	Importance	Size
LGS-HRC	Land surrounding Holy Rood church	Setting of church and highpoint of village	4.3ha
LGS-CAN	Green space off Candy s Lane	Green link to countryside, part of rural character of Hine Town Lane	0.4ha
LGS-POR and LGS-MAN	Land adjoining Portman Hall; wooded area adjoining Manor House	Green gap along main road linking to countryside either side, part of local character	0.7ha
LGS-COB	Land west of The Cobbles	Important green link from main road to countryside, including attractive pond area, part of local character	1.5ha
LGS-REC	Shillingstone Recreation ground	Important recreation ground for community, in public ownership	3.3ha
LGS-LAW	Land adjoining Lawsbrook	Attractive parkland edge between the village and AONB	3.6ha

The link from the Old Ox to Hine Town Lane was also considered as important to the local character of the village. Development is considered appropriate on the site, provided it preserves a green corridor linking from the main road to Hine Town Lane, thereby providing both a visual green link and public footpath through the site. For this reason it has not been included as a Local Green Space, as the exact extent of the green corridor has yet to be defined.



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Map 2: Designated Local Green Spaces and Rural Lanes and Tracks

Policy 1. Local green spaces

Local green spaces, as listed on page 6 and shown on the Policies Map, will be protected from development except in very special circumstances.

We cannot designate large areas of countryside as local green spaces – this designation is only intended for local spaces that are reasonably close to the community they serve.

The rural nature of the village was a theme that came up in the parish plan and our consultations, as something we all appreciate and want to retain. Particularly notable is the rural character of the network of lanes and tracks that connect from the A357 around the village and out to the nearby villages of Child Okeford and Okeford Fitzpaine. Their extent is broadly indicated on Map 2.

The rural lanes do not have pavements, and it would be wrong to create urban pavements in these locations – so any vehicular traffic should be managed in a way that it can be shared with people walking or cycling, or if a separate walkway / cyclepath is to be provided this should be rural in character. The tracks should remain as tracks without the addition of any regular vehicular traffic or street lighting. The Dorset Rural Roads Protocol, produced by Dorset County Council and the AONB Partnership, provides some useful and appropriate guidance in this context,

Policy 2. Rural lanes and tracks

Development that would noticeably detract from the rural character of the lanes and tracks around the village and into the countryside will not be supported.

Local designs

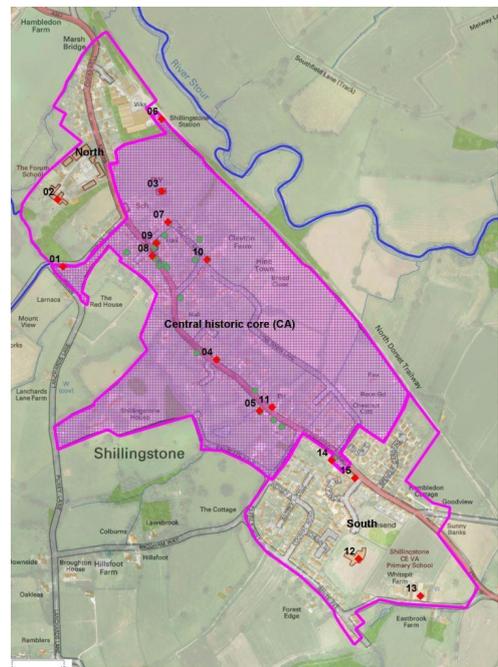
An assessment of the built form of different parts of the village has identified three different character zones in Shillingstone. These character zones represent areas that share similar characteristics. The three zones are as follows and are described in the sections below:

1. North Shillingstone (outside the conservation area)
2. Central historic core (the Conservation Area)
3. South Shillingstone (outside the conservation area)

North Shillingstone character zone

The approach to the village from the north is along the A357 bordered by attractive undulating farmland. The entrance to the village is at present somewhat unattractive. Derelict rough ground alongside the old brick railway bridge and embankment, and near the Cookwell Brook road bridge together with a motorway style crash barrier does not enhance the village. Part of this area is now a car park for the railway and it is hoped that the rest will be tidied, landscaped and planted.

This northern area was once a separate hamlet, Cookswell; the stone, brick and flint Victorian terrace on the north-west side of the road and backing on to the Cookwell Brook survives, together with a Victorian industrial building, previously a creamery. At the rear is a modern industrial estate which occupies what was the station yard. The brick and slate built railway station of 1863 has been restored and



Map 3: character zones



replicas of ancillary buildings such as the signal box, together with re-laid track are part of the ongoing station project. Most of the track bed is now a public railway linking both ends of the village and connecting to Blandford and Sturminster Newton. From here there are extensive views across the Stour valley, and the railway, landscape and heritage are an important tourism asset.



On the east side a small recent housing development is in traditional cottage style, partly thatched. D J's Motors has planning consent for its redevelopment. Continuing south on both sides of the road are mostly detached houses and bungalows from the 60's onwards. These are constructed of various materials and to differing designs, and are well set back from the road.



Towards the war memorial at the top of the hill on the west side is Forum School surrounded by its extensive grounds. From the roadside many mature trees hide the main house and later ancillary buildings. The main playing field is bounded by a stone retaining wall alongside the road, and mature trees on two other sides, with views through to open country on the other. The house, built in rendered brick with numerous timber sash and casement windows, is particularly important. Formerly the Grange, this, the largest house in the village, was built in Arts and Crafts style in 1904 by the renowned architect C E Ponting, most of his other work being ecclesiastical.



Most of the building in this northern zone has no unifying or distinctive character. Most buildings are 1 or 2 storeys in height, with a mix of building types, styles and forms. Materials include red brick and flint on vernacular buildings and non-distinctive brick and render under concrete pan tiles on 1960/70s dwellings. Windows are mainly wooden or PVC casement styles. Between the houses on both sides of the road are many views through to open countryside to the west and east.

Overview

Landmark buildings

Locally distinctive features

Negative features

North Shillingstone character zone

Shillingstone railway station (06)
The Grange (Forum School) (02)

Generally modest sized buildings both residential and other uses, with sufficient green spaces for mature trees and hedgerows, providing a semi-rural feel

Northern entrance to the village is unremarkable



Central historic core character zone

The central zone follows the boundary of the village conservation area. The main road coming from the north crests the hill at the stone built Church Centre on the east. This was the Victorian Village School, set in front of the Grade 1 Listed Church of the Holy Rood and its wooded churchyard. These significant buildings are set in extensive pastureland occupying the highest part of the village,



commanding extensive 270 degree distant views as far as Alfred's Tower and along the River Stour and across to Hambledon and Hod Hills.

Opposite the old school is the war memorial at the corner of Poplar Hill. From the top of this steep road there are distant views to the south west. Post war detached houses of various designs and materials, mostly bungalows, are set back from the road to Okeford Fitzpaine. At the bottom of the hill is an attractive terrace of early Victorian cottages of brick, stone and flint, close to the roadside.

The main road continues through the most historic part of the village, bordered by terraced cottages and detached houses close to the road edge. Built of stone, brick and render, mostly with casement windows with many thatched roofs, most of these buildings are Listed and date from the 17th century. The remnant of the village green with the medieval cross also borders the main road. The west side of the road has a small untidy commercial area with a filling station and convenience shop, car repair business and haulage yard at the rear with unattractive industrial buildings of steel, concrete block and asbestos roofs. Adjoining overgrown land has planning permission for 4 new houses.

From this point the buildings are mostly detached and well set apart with extensive green spaces and views between them, providing a far more open aspect. There are a number of older houses of brick and stone, some rendered and several with thatch. Many are Listed Grade 2. These are generally near the roadside while later houses and bungalows are often set back more than 50m creating a more spacious rural feel to this area. There are many large trees in gardens and adjoining land.

Further south where the road levels out, houses are closer to each other and to the road, sometimes separated from it by high brick walls. These confine the road resulting in a more enclosed compact character. The houses at this end of the zone are nearly all two storied and range from 17th century thatched with rendered walls and small casements to early 20th century brick with slate roofs and sash windows.

Although the A357 appears to dominate the village, there are important minor roads and tracks virtually parallel to the main road linked by an extensive network of footpaths which give a much more rural feel.

Church Road, which loops northwards from the village cross and back to the main road opposite the filling station probably defines what was the much larger original village green, surrounded by at least four thatched brick farmhouses. The green is now completely built over with a wide variety of detached houses, including thatch with stone or brick walls, post war brick houses, and recent brick and flint houses. The outside edge of the lane has a Victorian brick built terrace, three 18th century brick and thatch farmhouses, an extensive view over a field gate across Church Field and the river valley to Hambledon Hill, the former 18th century brick built rectory, and a substantial three storey late



19th century brick and tiled Arts and Craft style house with large latticed windows. Some houses are close to the road edge which, with high brick walls and hedges, gives the area an enclosed feeling.

From here the narrow and rural Hine Town Lane leads south to the lower end of the village. The first part has a cluster of houses, mainly brick, modern and old, on the west, some end on to the lane and all quite close to the edge. There is just one isolated post war house to the east. The lane then runs between traditional hedgerows with open views towards the village on one side and across farmland to the river valley on the other. The lane runs downhill between high hedges and narrow verges and at the bottom of the hill there are more open views to east and west. Around 300m away, parallel to the lane, between the village and river, runs the trailway along the old railway track bed, through a wooded area and then between fields and alongside the recreation ground. At its southern end the lane is bordered on the west by modern housing including 1970's brick bungalows, and 1950's rendered brick terraced and semi-detached houses forming an enclosed quadrangle, and then re-joins the main road.



On the other side of the main road more rural lanes and footpaths form an alternative route from the old village centre to the more modern southern village. In this area are houses in large gardens and small fields and paddocks with many mature trees, providing park-like aspects and tranquillity. On the other (west) side there are more extensive open spaces with stands of oaks and other trees, including the grounds of Shillingstone House (a large late Victorian house which can be glimpsed through the planting), and an arboretum all with the same parkland character. There are just a handful of houses in this area, all set in large grounds.

<i>Overview</i>	<i>Landmark buildings</i>	<i>Locally distinctive features</i>	<i>Negative features</i>
Central historic core character zone	Victorian terraced cottages at Lanchards (01)	Mixture of house styles and sizes.	The main road impacts on the many houses opening on to or close to it.
	Holy Rood Church and Church Centre (03)	Older houses of brick or stone with thatched roofs.	
	Stone built terrace of thatched cottages at The Cross (08)	Some houses bounded by high brick walls or hedges.	Old commercial buildings and untidy Antells' Yard. Signage at petrol station.
	Maypole Cottage, overlooking village cross and green (09)	Mature trees, green spaces.	
	Clayton Farm House (10)	Network of footpaths.	
	Church House in Church Road (07)	Views over countryside from within the village.	
	Greensleeves, Blandford Road (04)		
Cobbles, Blandford Road (05)			
Old Ox, Blandford Road (11)			

South Shillingstone character zone

Approaching the village from the high ground of Gains Cross to the south, the main road has extensive views across the lower part of the village. It then passes through farmland and between high hedges into this end of the village.

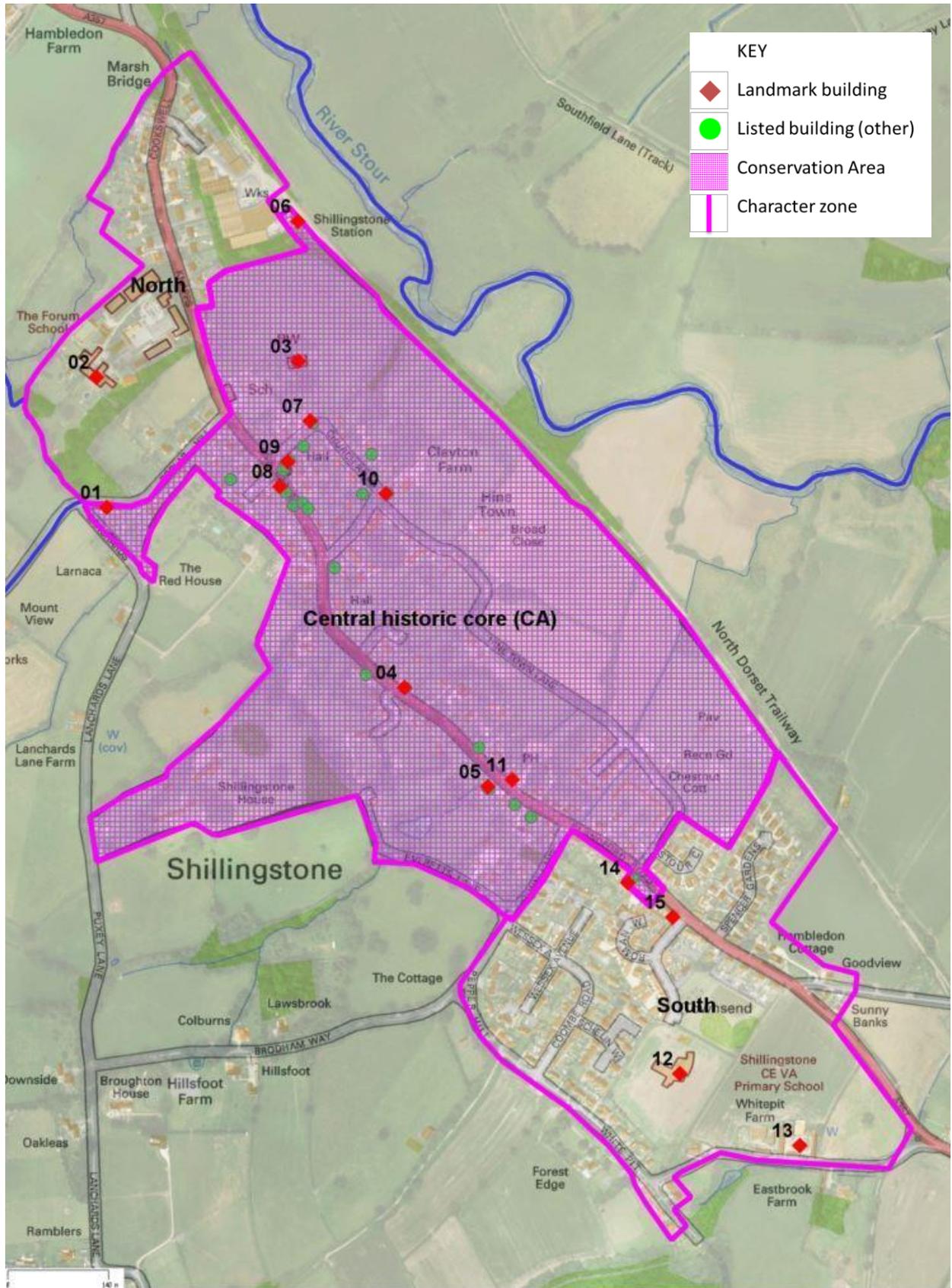
There are several older brick houses (some thatched and Listed) in this zone but the majority of development has taken place since 1950.

The new contemporary village school is on the southern edge of the village. Pebbledash and rendered brick typify the estate of 1950’s/ 1960’s semi-detached houses of Wessex Avenue and Coombe Road. The detached houses of 1980’s Spencer Gardens are of brick with concrete tiled roofs, the detached bungalows of Stour Close are rendered and with similar tiles. The Schelin Way development of the 1970/80’s is also brick and concrete tiles. The more recent development of Roman Way and Augustan Avenue are of various more striking designs and a whole range of materials including thatch, brick, render and timber. Houses are mostly detached with the many 3 storey houses combined with high density lending a rather vertical emphasis at variance to the surroundings and character of the area. The area currently lacks mature trees and open spaces which punctuate the older part of the village.

To the west, Whitepit separates the built environment from the AONB designated farmland with views across farmland to the forested slopes of Okeford and Shillingstone Hills. The east side of this lane is lined mostly with bungalows of various designs and materials dating from the 1960’s to the present day. It continues south past a small group of post war houses to Whitepit Farm Buildings. Although there are large modern farm buildings adjoining, this late Victorian farm yard is surrounded by attractive red brick, slate roofed ranges, (unfortunately recently damaged by fire) and in this narrow hedged lane creates an attractive rural aspect. Nearby is a pair of cottages of similar date and materials and an earlier farmhouse.



<i>Overview</i>	<i>Landmark buildings</i>	<i>Locally distinctive features</i>	<i>Negative features</i>
South Shillingstone character zone	Village school (12) Whitepit Farm Buildings (13) Long Thatch, Blandford Road (14) Corner House, Augustan Avenue (15)	Green spaces and community orchard around school. Whitepit area is more rural in nature, the old farm buildings forming an attractive group	Extensive post war housing with no local character, materials or design features, suburban in nature. Latest development is very high density with no consistency in styles and materials. Overwhelming 3 storey houses inappropriate for location. Few mature trees.



Map 4: Listed and Landmark buildings, Conservation Area and Character Zones
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This brief review highlights many of the features and buildings that make Shillingstone what it is today. In taking forward new development, we think it is important that new development respects what makes a place special, reinforcing those aspects that provide its local character, and where possible

removing or remedying features that detract from its character. This applies equally to the built form and the spaces and landscaping in between (including street furniture). Proposals for development should therefore justify how the design responds to the local context, and in particular how the design of proposals have sought to retain or enhance positive features of the area or address some of the negative features identified. Outside of the built-up area, the AONB Management Plan and landscape character assessments provide useful guidance on the characteristics of the wider countryside. The Dorset Rural Roads Protocol, produced by Dorset County Council and the AONB Partnership, provides some useful and appropriate guidance in relation to local roads.

We would encourage developers to engage with the local community before a scheme is fully designed, so that there is a realistic opportunity for comments to be taken on board in the final designs before a planning application is submitted. Understanding local perception of how the place looks and feels is incredibly important, and the descriptions above are a snap-shot in time and there may be other aspects that become more apparent over this plan's lifetime.

Policy 3. The character and design of new development

All development proposals should contribute positively to Shillingstone's local identity and distinctive character, or (if outside the settlement boundary) be appropriate to a more rural setting and in accordance with the AONB's Management Plan.

Development should relate positively to public routes and local green spaces.

The general design should be in harmony with adjoining buildings and the relevant character zone as a whole, and where appropriate and feasible, remedy any negative features. The scale, mass and positioning of any new buildings should reflect the purpose for which they are proposed, and not overwhelm noted landmark buildings nearby. Design cues should be taken from locally distinctive features noted in the character zone or historic core. Materials where practical should be sourced locally, and there should be sufficient richness of detail in their design and materials.

Developments will be expected to incorporate existing mature trees and hedgerows and other landscape and wildlife features into the layout, and provide landscaping and sufficient spacing, appropriate to the rural character of the area.

Important community facilities

There are many activities that take place in the village, using community places and buildings such as the recreation ground, pub and village hall. Without places where these activities can happen, people would have to go much further afield or go without. So this plan protects the community facilities and current venues so that our community can continue to enjoy them over the coming years.

Community facilities rely on generating sufficient income from local people to sustain them. For example, there used to be three public houses in the village, but today there is only one, which in recent years has not been open as much as in the past. With competing facilities in the nearby towns we need to make sure we all support the local facilities we want to retain.

Local residents have also indicated that they would support more facilities – particularly more shops and a post office. There was support for having a local doctor or dental surgery. Not many people felt that more community meeting places or sport facilities were needed.

Under the Community Right to Bid, the Parish Council can nominate community buildings and facilities that are important to local residents as an ‘asset of community value’. Once registered, their sale can be delayed to allow community groups to prepare a bid to buy and run them. The fact that a community asset is listed as an ‘asset of community value’ in itself can be a material planning consideration.

The list of community facilities in the box on the right include those that the Parish Council would be minded to nominate under the Community Right to Bid, if their continued use as a community facility were likely to come under threat. These are also protected under the following policy – which recognises that these facilities may need to adapt over time, to remain fit for purpose for future generations. Map 5 shows their general location. The list does not include services that do not require planning consent, such as the bus links to Blandford and Yeovil, or the network of recreational trails in the area, which are also much valued.

Most of these facilities are outside the settlement boundary (with the exception of the shop and petrol filling station and the Old Ox Inn) and as such have the added protection of being ‘countryside’ where development is more strictly controlled. However some degree of diversification, particularly of a nature directly related to the community use (for example on-site staff or visitor accommodation) may be acceptable where this will enable the community facility to be sustained in the long term. In such cases a planning obligation may need to be secured to ensure that the proposals when built are not severed from the facility to provide a one-off capital gain.

Where there is evidence of deliberate neglect or damage to a community facility that has impacted on its long-term viability, any viability appraisal should be based on evidence from the time such neglect or damage was evident.

Community Facilities

- Allotments
- Church
- Church Centre Hall and Post Office services
- Community orchard
- Play area at Whitepit
- Portman Hall
- Primary School and pre-school
- Public House (The Old Ox Inn)
- Recreation ground and pavilion
- Village shop and petrol filling station





Map 5: Community Facilities

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Policy 4. Important community facilities

Community facilities (as listed) are important to local residents and should be retained where possible. The loss or reduction of such facilities will only be supported if, after involving the local community in assessing potential solutions to retain the facility, it is clear that their retention would be unreasonable on the grounds of viability, or the change proposed has the community's backing. Proposals will be supported that allow such facilities to modernise and adapt for future needs, including diversification schemes linked to the long-term operation of that facility as a viable concern.

The provision of a new community facility to meet local needs, such as education, health services, cultural facilities, recreation and sport facilities, will be supported and should be well-located in relation to the main population that it is intended to serve.



Locations for new development

This neighbourhood plan is about allowing the right sort of development to take place. Our evidence suggests that about 40 new homes over the plan period would be a good amount of development for our area. This would provide a reasonable level of growth similar to that which has happened in the past, but not too much at any one time. This level of housing (about three new homes every year) should help deliver some affordable housing for local people (such as low cost housing for sale), and bring in new people to the village using the community facilities that we all want to keep.

It is difficult to work out how much demand there will be for new business premises. Certainly local residents would support the provision of more light industrial business premises in or near the village. However we cannot force anyone to locate here – and much of the demand for employment premises tends to be focused in the larger towns. So we are not proposing any specific new employment sites, but have highlighted opportunities for live-work or small-scale employment on the larger sites.

In terms of community facilities, although the local community would welcome a GP surgery located in the village, the Whitecliff Group Practice had no plans to set up such a facility at the time this neighbourhood plan was written, and it is unlikely that a new small independent partnership will be established. The modern primary school's current capacity is for 105 pupils, and although it has been around 10% below capacity around 2009-2013, last year (2014) it was nearing capacity with 101 pupils on the school roll. The Old Ox pub is looking to expand potentially by developing some holiday accommodation (such as Bed & Breakfast). The village shop is looking to extend (possibly along the southern boundary) so that it can stock a reasonable range of everyday products. The previous chapter deals with both the retention of existing facilities and how proposals for new facilities, or the expansion and possible diversification of existing facilities, will be considered.

Affordable housing for local people

When we talk about affordable homes, what we mean is housing for people with a local connection to the parish (or adjoining areas which look to Shillingstone for their day to day needs) who cannot afford open market housing. This includes low cost housing for sale (where the re-sale price is kept below market value in perpetuity through a legal agreement), and rented housing (where the rents are kept at least 20% below unrestricted market rents), shared equity properties (where people buy part and pay rent on part) or social rented housing managed by a housing association.



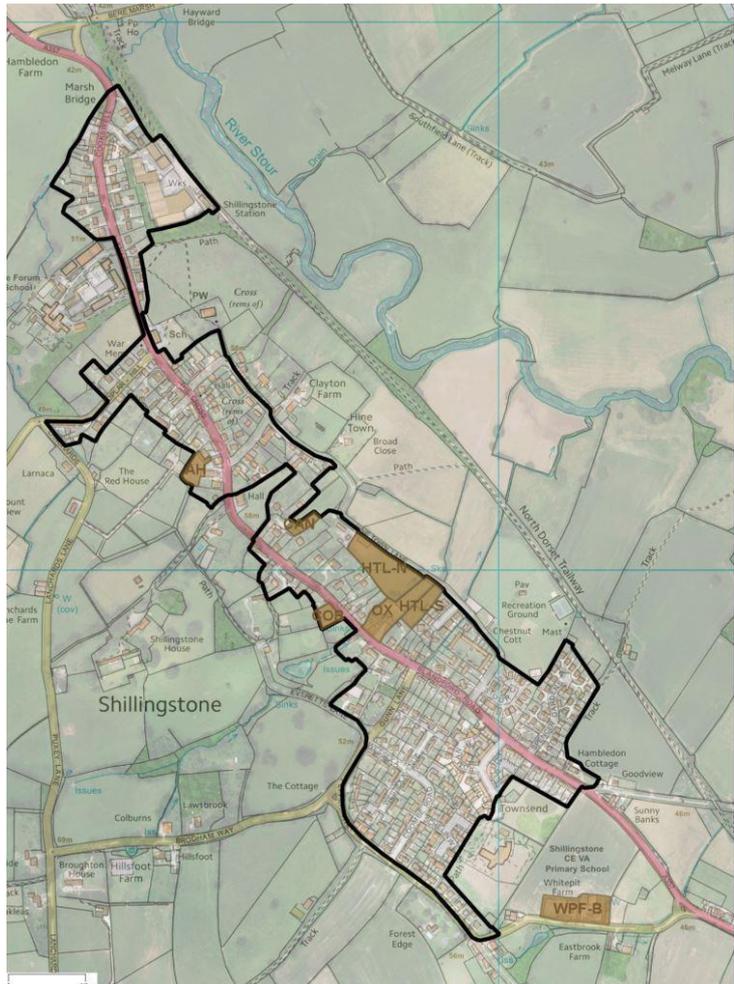
The settlement boundary

We have reviewed the settlement boundary around the village. It is intended to include the main built up area where infill development will be acceptable. We have tried to make sure that, where possible, it is drawn along clear edges (such as lanes and field boundaries) where the main body and built form of the settlement gives way to a more rural character.

Most of the built up area lies between the rural lanes running parallel to the main road (Hine Town Lane and Everetts Lane). The more scattered / loose knit development outside of these limits generally falls outside the boundary.

Inside this settlement boundary is where it makes sense to look for locations for new development, within what people perceive to be the main body of the village. However, just because a site is within this area, does not mean it will automatically be suitable for development. Factors such as flooding, access, overlooking, local character and other issues all play a part in deciding whether a site should be given planning consent.

Local green spaces are specifically protected from development and therefore have been excluded from the settlement boundary. Where community facilities in large grounds lie on the edge, these too are now outside of the settlement boundary, as they are protected under Policy 4 (which does allow development that would support their long-term retention). The Forum School is similarly excluded as, although this is not a local community facility, it is supported through the North Dorset Local Plan as a school catering for children and young adults with special needs.



Map 6: Settlement Boundary (the black line)

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Policy 5. Development within the settlement boundary

In addition to sites specifically identified for development, the area within the settlement boundary (as shown on the Policies Map), will be the main area of search for development to meet the need for new homes, businesses or community uses.

Any development will need to be in accordance with all other policies in this neighbourhood plan and relevant policies in the adopted local plan for North Dorset, in particular:

- the protection of important local green spaces, and the character of the rural lanes and tracks
- the protection of important wildlife habitats and corridors
- the protection of important sites or features of historic importance, including the surrounding land that forms part of their setting
- the avoidance of areas subject to flooding, or where development would increase flood risk to other properties

- checks for potential contamination and inclusion of any appropriate remediation.
- the provision of safe road and pedestrian access routes to the facilities in that settlement, and adequate off-road parking
- protection of the living conditions for people in neighbouring properties, such as adequate daylight, outlook, no undue noise or disturbance. This applies equally to the living conditions of the people occupying any new building
- the design of new development should be sympathetic in character to the local area, and maintain a healthy mix of uses for a thriving rural community. For housing development there are specific policies to ensure a mix of house types and sizes.

There are already some sites within the settlement boundary that have planning consent (as listed below) or are likely to come forward as ‘windfall’ development. These form part of the housing supply for our area. Those with consent at the time of writing this neighbourhood plan were:

- Westleigh Blandford Road: consent for 4 dwellings (ref 2/2013/1325/PLNG)
- Stour House Blandford Road: consent for additional flat (ref 2/2015/0393/FUL)

Townend Farm: consent for 2 dwellings (ref 2/2015/0905/FUL) Outside of the settlement boundary, consent has also been given for an agricultural worker's dwelling at Eastbrook Farm, White Pit (ref 2/2015/1000/FUL).

DJM Cookswell (D J Motors) has outline consent for up to 9 dwellings (ref 2/2013/1231/PLNG), but this scheme may not be implemented as a more recent application for change to retail with two flats above has been given consent (ref 2/2015/0905/FUL).

Housing types and sizes

The North Dorset Local Plan sets out the requirement for affordable homes as part of open market housing sites. It also suggests that there should be a mix of house sizes with both small (1 and 2 bedroom) and larger (3 or 4 bedroom) homes. The need for smaller homes are particular relevant to our area, as our evidence suggests that there is little need for 4 bedroom or larger houses.

In determining the mix of types and sizes, a key consideration will be the characteristics of the plot and surrounding area. In taking this into consideration developers should bear in mind that housing developments will be required to provide adequate space for parking (including cycle parking), storage for bins and recyclables, and space for sitting outside, and drying clothes.

There was community support for more individual ‘self build’ schemes and as such this type of development is specifically encouraged.

DJM Cookswell

Where there is existing planning consent, a neighbourhood plan cannot change this fact. However concerns were raised about development on this site in terms of localised flooding and also the impact of density, height and access arrangements, which would be considered prior to full consent being issued.

These issues remain valid and would need to be given careful consideration, as made clear under Policy 3 (the character and design of new development) and the flood avoidance policies in the local plan.

Policy 6. Housing types and sizes

The size of housing provided on sites should be guided by the characteristics of the plot and surrounding area, and the provision of sufficient storage, parking and outside amenity space. Larger homes (with the equivalent space for four or more bedrooms) are only likely to be accepted where the characteristics of the plot and surrounding area lend themselves to such larger dwellings.

Developers are encouraged to make provision for self build homes.

Development sites

Seven locations have been identified where new housing development, potentially including some self-build and live-work units, could take place.

Other infill sites may come forward within the settlement boundary under Policy 5.

Where the sites are large enough, they will also bring forward some affordable housing for local people in line with the policies in the adopted local plan (which at the time of writing this plan would require 40% of the homes to be affordable, if there is an identified need at that time). It is expected that the allocation of these homes will prioritise eligible people with a local connection, followed by those with a connection to adjoining parishes.

The sites are:

Site selection

Potential sites put forward by landowners (either contacting the Parish or District Council) were considered. All the brownfield and the potential greenfield sites that were well connected to the main body of the village were the subject to more vigorous assessment and consultation.

All sites in this plan have been checked in terms of their likely landscape impact (through consultation with the AONB team), their wildlife impact (as advised by qualified ecologists on the advice of Natural England) and heritage impact (as advised by qualified heritage expert in consultation with Historic England)

Ref	Description	Estimated potential	Size
AH	Antell's Haulage Yard	Site for housing or live-work units (estimated up to 6 dwellings in total)	0.2ha
CAN	Land off Candy's Lane	Site for 1 dwelling	0.1ha
COB	Land adjoining the Cobbles	Site for up to 3 dwellings	0.1ha
HTL-N	Hine Town Lane North of the Old Ox	Site for up to 12 new dwellings, including some affordable housing for local people	0.7ha
OX	Land at the Old Ox	Site for holiday accommodation (bed and breakfast units) plus up to 3 new dwellings	0.5ha
HTL-S	Hine Town Lane South of the Old Ox	Site for up to 3 new dwellings	0.2ha
WPF-B	Whitepit Farm buildings	Site for up to 16 - 19 new dwellings, including some affordable housing for local people	0.6ha

In order to provide a degree of certainty over the likely development issues that will need to be addressed through the planning application process, each site has its own policy, which should be read in combination with the generic policies in this neighbourhood plan and also the local plan.

Antell’s Haulage Yard (AH)

Site Description

A site within the settlement to the rear of the vehicle motor repair, garage and general stores, that is currently used primarily for haulage including an HGV repair and maintenance depot

The adjoining site (to the east side) has planning consent for 4 dwellings.

Site Photo/s



Map

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Possible Issues

Possible contamination from hydrocarbons associated with this use

Impact on motor repair / garage / shop viability – particularly access / parking / disturbance

Loss of employment provision (although the site is not a defined employment site or noted in the 2007 Employment Land Review carried out by North Dorset District Council). The site is not anticipated to be available in the short term (2/2015/1910/FUL proposes change of use of part of the site to a secure storage facility), but has longer term potential within the plan period.

The site is partially within the Conservation area. Possible archaeological interest (post-medieval orchard)

Policy 7. Antell’s Haulage Yard (AH)

Antell’s Haulage Yard (as shown on the Policies Map), is proposed for housing and the provision of live-work units would be supported in this location, in view of the previous employment use and juxtaposition with the motor repairs business, stores and petrol filling station.

The design and layout will need to be informed by and include any necessary mitigation in relation to contamination from its past uses. Archaeological investigation and recording will be required.

Development should ensure the future viability of the village general stores and petrol filling station and be compatible with the motor repair use that is to the rear of the general stores. In particular the design and configuration should ensure that there is sufficient customer parking and access to the stores and petrol filling station, including any deliveries, and take into account the likely noise and disturbance such ongoing activities will generate.

Land off Candy’s Lane (CAN)

Site Description

A level site off Candy’s Lane. The southernmost part of this field could be developed without detracting significantly from the rest of this green space linking through to Hine Town Lane.

Site Photo/s



Map

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CAN = site in centre of image



Possible Issues

The site is within the Conservation area and can be glimpsed from the public domain. Any design will need to respect the mass, scale and materials of neighbouring buildings.

Candy’s Lane relatively narrow and not suited to more traffic.

Possible archaeological interest (post-medieval orchard)

Policy 8. Land off Candy’s Lane (CAN)

Land off Candy’s Lane (as shown on the Policies Map), is proposed for housing for one new home. The design and layout will need to be sensitive to the character of the Conservation Area including the rural nature of Candy’s Lane and nearby buildings. Archaeological investigation and recording will be required.

Land adjoining the Cobbles (COB)

Site Description

A site on relatively flat ground within the curtilage of Cobbles, which currently forms part of a rural gap in the street scene. It includes some modest single storey outbuildings accessed by a new drive.

Site Photo/s



Map

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COB = site in centre of image



Possible Issues

The site is within the grounds of Cobbles, a Grade II Listed Building, and also within the Conservation area. It is on slightly higher ground than the Listed Building and therefore will need to be carefully designed to avoid causing harm to this heritage asset.

There is scope to accommodate a pair of cottages without likely significant harm, providing that the form of the new dwellings are limited in height to one and half storeys in this location, given the scale of existing outbuildings and the modest height of the late C17 host dwelling, maintaining a sense of subservience to the Cobbles. The use of brick, flint and thatch in the new construction are key to the integration of any development in the wider landscape setting. Any additional development would need to demonstrate that it could be accommodated without harm.

Possible archaeological interest (post-medieval orchard)

Policy 9. Land adjoining the Cobbles (COB)

Land adjoining the Cobbles (as shown on the Policies Map), is proposed for housing and should deliver 2 or possibly 3 new homes.

The design and layout will need to be sensitive to the character of the Conservation Area and setting of the Listed Building. Archaeological investigation and recording will be required. The design should consider the future of the current outbuildings as part of the scheme, potentially as garaging / ancillary storage.

Hine Town Lane North of the Old Ox (HTL-N)

Site Description

The site is a field off Hine Town Lane (which runs along its north-east side). It backs onto existing houses accessed off the main Blandford Road to the west and south.

The site slopes gently down to the south east, and is bounded by hedgerows with occasional mature trees.

Possible Issues

The site is in the Conservation Area. The rural character of Hine Town Lane is important and should not be upgraded or otherwise urbanised.

Site Photo/s



Map

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HTL-N = site in high centre of image



Consideration of the potential for this site along with the adjoining site to the south (Land at the Old Ox) may help bring forward the most appropriate scheme for both sites.

Possible archaeological interest (post-medieval orchard)

The site is adjacent to an Ordinary Watercourse and there is possible surface water run-off / flood risk

Given all the above issues, it is important that a comprehensive approach is taken to the development of this site, including the provision of an appropriate landscape scheme that will safeguard the rural character of views from Hine Town Lane.

Policy 10. Hine Town Lane North of the Old Ox (HTL-N)

Land off Hine Town Lane North of the Old Ox (as shown on the Policies Map), is proposed for housing and should deliver up to 12 new homes, including some affordable housing to meet local needs.

The scale, design and layout will need to be sensitive to the character of the Conservation Area including the rural nature of Hine Town Lane. The main focus of built development should be on the lower ground towards the southern end of the site. The hedgerow boundary along Hine Town Lane should not be reduced or breached and development should be set well back from this edge and secure its long-term maintenance. The provision of a landscape scheme for the whole site will be required, including proposals to strengthen the existing hedgerow and treed boundary to screen the development from the lane and wider countryside. An appropriate vehicular access would be from the main Blandford Road or through an adjoining plot.

A site specific flood risk assessment that considers the adjacent Ordinary Watercourse and potential flood risk will be required due to the indicative surface water mapping and the prevailing flood risk, and may influence the scale and layout of the scheme. Archaeological investigation and recording will also be required.

Land at the Old Ox (OX)

Site Description

The Old Ox Inn is the last remaining public house in the village and a valued community asset. It has extensive grounds to the rear extending up to Hine Town Lane, providing a green link visible from the main road to the wider countryside.

Site Photo/s



Map

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OX = site in centre between the two HTL sites



Possible Issues

To ensure the long term viability of the pub the owners suggest additional revenue is generated from holiday accommodation (part-funded through the provision of a small number of new homes).



Conservation area – design will need to be sensitive to the local character of this area and the transition between village and countryside.

Retention of a green link / vista from the main road to the open countryside through the site is desirable in this context. The rural character of Hine Town Lane is important and should not be upgraded or otherwise urbanised. There may be an opportunity to reinstate the hedgerow along this boundary. The existing access onto Blandford Road has the potential to serve this development, and could also potentially serve the adjoining sites if a comprehensive approach was taken.

Possible archaeological interest (post-medieval orchard). The site is subject to possible flood risk and a culverted Ordinary Watercourse runs across the site (with the associated riparian responsibilities).

Policy 11. Land at the Old Ox (OX)

Land to the rear of the Old Ox (as shown on the Policies Map), is proposed for holiday accommodation (such as bed and breakfast), to be tied to the pub to secure its long term viability. Up to 3 additional homes may be built as part of a comprehensive plan for the site.

The design and layout will need to be sensitive to the character of the Conservation Area including the preservation of a green corridor linking from the main road to Hine Town Lane, to provide both a visual link and public footpath through the site. The hedgerow and mature trees on the site boundaries with the countryside should be retained to soften the urbanising impact of development on this rural edge. The hedgerow boundary along Hine Town Lane should be reinstated. The provision of a landscape scheme for the whole site will be required.

An appropriate vehicular access would be from the main Blandford Road.

Archaeological investigation and recording will be required. A site specific flood risk assessment, that considers the culverted Ordinary Watercourse thought to run through the site and potential flood risk, will be required due to the prevailing flood risk and associated riparian responsibilities.

Hine Town Lane South of the Old Ox (HTL-S)

Site Description

The site is a small paddock between Honeysuckle Gardens and the rear access to the Old Ox public house. It is relatively level and well enclosed by hedgerows and trees.

Site Photo/s



Map

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HTL-S = site in centre-right side



Possible Issues

The garden depth of existing properties in Honeysuckle Gardens is just over 5m in places, and therefore buildings too close to this edge or too massive may appear overbearing and impact on the privacy of existing occupants.

The site is in the Conservation Area. The rural character of Hine Town Lane is important and should not be upgraded or otherwise urbanised. Consideration of the potential for this site along with the adjoining site to the north (Land at the Old Ox) may help bring forward the most appropriate scheme for both sites.

Possible archaeological interest (post-medieval orchard)

Possible surface water run-off / flood risk

Policy 12. Hine Town Lane South of the Old Ox (HTL-S)

Land off Hine Town Lane South of the Old Ox (as shown on the Policies Map), is proposed for housing and should deliver up to 3 new homes, with rear gardens backing onto the existing houses off Honeysuckle Gardens. The gardens should be of sufficient depth and the dwellings designed to ensure adequate privacy and avoid being overbearing to the adjoining properties in Honeysuckle Gardens.

The mature trees along the boundary with the rear access to the Old Ox should be retained if feasible, with the design provide a positive edge to the adjoining local green space. The hedgerow boundary along Hine Town Lane should be retained and strengthened. An appropriate vehicular access would be from the adjoining Old Ox site linking to the main Blandford Road. The mature trees along the boundary with the rear access to the Old Ox should be retained as far as practical.

A flood risk assessment will be required due to the possible risk of surface water flooding in the locality, and may influence the scale and layout of the scheme. Archaeological investigation and recording will also be required.

Whitepit Farm buildings (WPF-B)

Site Description

The site is part of Dorset County Farm’s estate, with many of the older buildings in a poor state of repair due to fire damage. However most of the older buildings are structurally sound and would lend themselves to conversion.

The more modern farm buildings are of no architectural merit.

Site Photo/s



Map

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Possible Issues

The site lies on the edge of the Dorset AONB and is slightly separate from the main built up areas of the village, with no easy pedestrian access.

The rural character of Whitepit Lane is important and should not be upgraded or otherwise urbanised.

Some of the buildings remain in agricultural use and are not redundant. However the repair and restoration of the older farm buildings is unlikely to be funded from potential rents.

The old farm buildings do provide suitable habitat for bats and there is an earlier record of Brown Long-eared Bats in this location. A bat survey would therefore be required before any work is carried out in the vicinity of the buildings.

Policy 13. Whitepit Farm buildings (WPF-B)

Land at Whitepit Farm buildings (as shown on the Policies Map), is proposed for housing and may include some small-scale employment or live-work units, to deliver up to 16 – 19 new homes within the curtilage of the existing buildings, including some affordable housing to meet local needs.

The development should primarily be through the sympathetic conversion and re-use of the older farm buildings, and the removal of the more utilitarian modern farm buildings. Additional new buildings may be incorporated provided this will benefit the site layout and mix of uses.

The design of any new buildings, extensions and alterations should be in keeping with the character of the older farm buildings, particularly in terms of scale, external openings, materials and detailing.

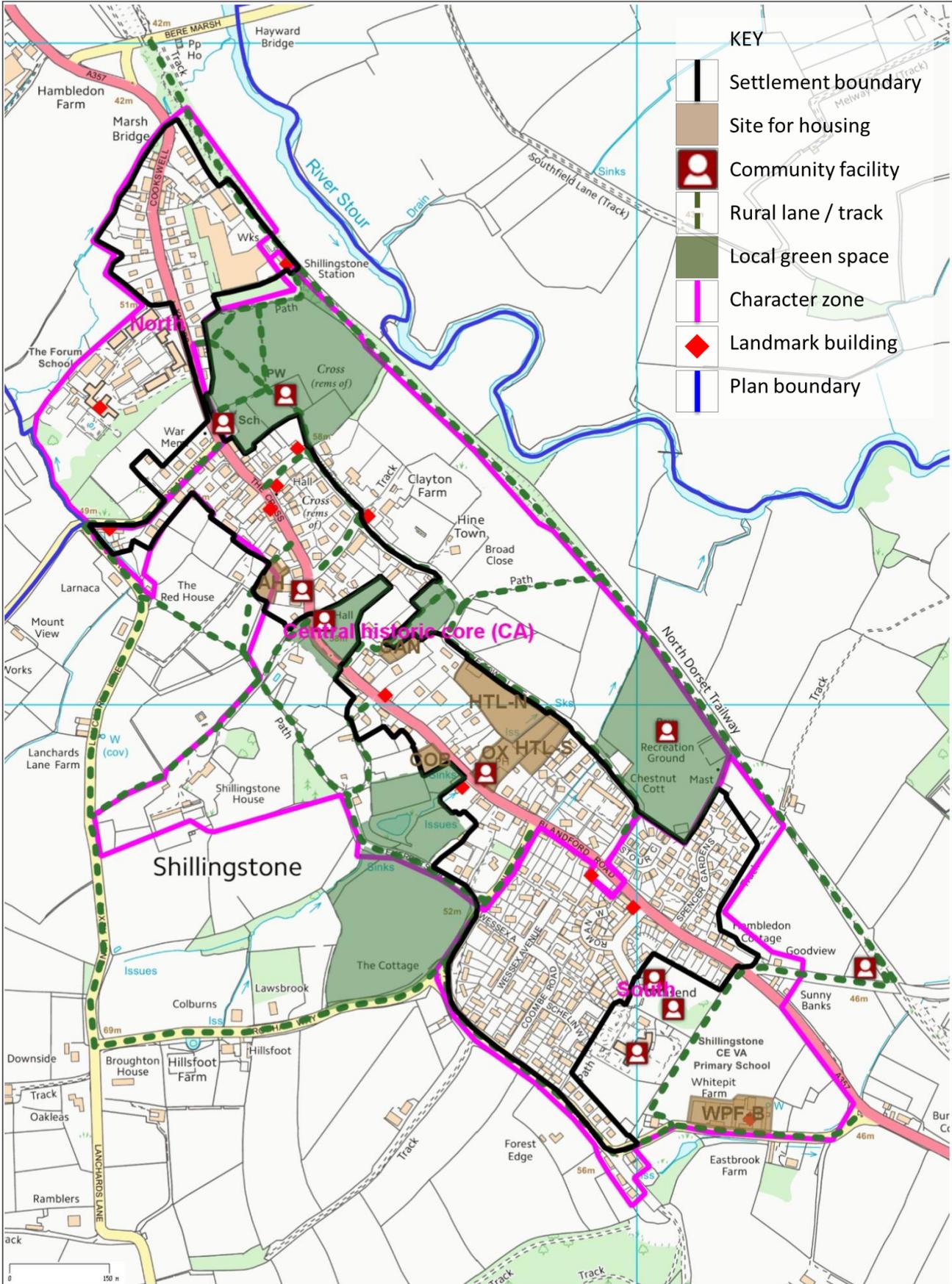
Sufficient parking provision (including visitor parking) should be provided on-site, and incorporate hard and soft landscaping to ensure it does not dominate the character of the internal courtyards.

The rural character of Whitepit Lane should be retained. The provision of improved pedestrian access to the school and the rest of the village will need to be secured.

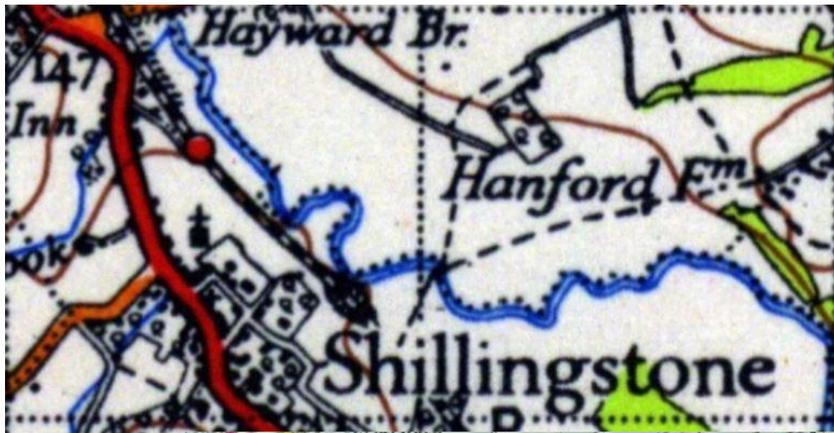
Policies Map



Shillingstone CP



Date Created: 15-12-2016 | Map Centre (Easting/Northing): 382761 / 111089 | Scale: 1:7500 | © Crown copyright and database right. All rights reserved (100050993) 2016 © Contains Ordnance Survey Data : Crown copyright and database right 2016



Full Council 21 February 2017 Pay Policy Statement 2017/18

For Decision

Portfolio Holder: Cllr P Batstone, Corporate Performance

Senior Leadership Team Contact: Stuart Caundle, Assistant Chief Executive

1. Purpose of Report

- 1.1 To present the Dorset Councils Partnership pay policy statement for 2017/18 for approval.

2. Officer Recommendations

- 2.1 That Council approves the pay policy statement for 2017/18 at appendix 1.

3. Reasons for Recommendation

- 3.1 All councils have a duty under the Localism Act to prepare and publish a pay statement bringing together existing arrangements and policies which together define its local approach to the pay and reward of its workforce.
- 3.2 The pay statement needs to be approved by elected members.

4. Background

- 4.1 The pay policy statement describes the pay policy arrangements within the workforce of the Dorset Councils Partnership and also the relationship between the partnership's senior staff and its lowest paid employees.
- 4.2 Weymouth and Portland Borough Council is the host employer for all partnership employees and the collaboration agreement provides for a cost sharing arrangement between each of the three member councils.

- 4.3 North Dorset District Council employees were TUPE transferred to WPBC in November 2015. Those employees have retained their former pay and grading arrangements. A new set of terms and conditions was implemented for partnership employees in 2016 through a collective agreement with the recognised trades unions.
- 4.4 The statement is intended to bring together sufficient information about the different elements of the local authority's pay policies to enable local taxpayers to reach an informed view about local decisions on all aspects of pay and reward for employees. It does not contain any new policies.
- 4.5 This pay statement is also being considered by Weymouth and Portland Borough Council on 23 February and West Dorset District Council on 28 February.

5. Financial Implications

- 5.1 There are no direct financial implications arising from adoption and publication of this pay statement.

6. Legal/Statutory Power

- 6.1 As set out in the Localism Act 2011, section 38 (1).

7. Human Resources (including Health & Safety)

- 7.1 Pay, pension and remuneration arrangements and policies relevant to the pay policy statement are developed and maintained by the HR & OD Service.

8. Risk Management

- 8.1 Consistent, equitable and transparent pay and reward policies minimise risks of legal challenge and promote public confidence in value for money.

9. Reputation, including Communications and Consultation

- 9.1 The pay statement has been shared with recognised trades unions and once adopted it will be published on the partnership councils' websites.

10. Equalities

- 10.1 The equality impact of the partnership's pay arrangements will be subject to future review to ensure that they do not have a disproportionate adverse effect on any particular groups.

11. Crime and Disorder

- 11.1 None

12. Environmental Considerations

- 12.1 None

13. Economic Impact Assessment

- 13.1 Pay and remuneration policies need to reflect the local labour market as well as being capable of attracting specialist staff from a wider national pool.

14. Corporate Plan (links to corporate aims & priorities)

- 14.1 Providing for a well-managed council

15. Appendix

- 15.1 Appendix 1 – Pay policy statement. (The pensions discretions policy statement referred to in the appendix is not attached as this was previously adopted and published by the Council).

16. Background Documents

- 16.1 None.

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PAY POLICY STATEMENT 2017/18

Dorset Councils Partnership

(West Dorset District Council, North Dorset District Council & Weymouth and Portland Borough Council)

1. Introduction

This pay statement describes the pay arrangements and policies that relate to the pay of the workforce which serves the Dorset Councils Partnership (the Partnership) between West Dorset District Council (WDDC), North Dorset District Council (NDDC) and Weymouth & Portland Borough Council (WPBC).

This statement describes in particular the arrangements for the Partnership's senior staff and its lowest paid employees.

2. Purpose of the statement

Section 38 of the Localism Act 2011 requires local authorities to prepare and publish a pay policy statement for each financial year.

The pay statement is intended to bring together sufficient information about the different elements of the local authority's pay policies to enable local taxpayers to reach an informed view about local decisions on all aspects of pay and reward for employees. It also provides the context for the more detailed financial information that is already published by local authorities under the Code of Recommended Practice for Local Authorities on Data Transparency and the by Accounts and Audit (England) Regulations 2011.

3. The Dorset Councils Partnership

In 2010, WDDC and WPBC entered into a partnership by which services were delivered by a single workforce across two local authority areas.

In 2015, NDDC joined the other two councils to create a tri-council partnership (known as the Dorset Councils Partnership).

WPBC is the host employer for all employees within the Partnership.

The workforce is led by a single Chief Executive. A new senior leadership team came into effect during 2015/16.

The 3 councils share the salary costs of senior employees set out in this statement.

Employees of NDDC were TUPE transferred to WPBC on 1 November 2015.

4. Policy statement

The Partnership is committed to ensuring transparent, fair and equitable pay and reward arrangements that provide value for money and enable the recruitment and retention of employees with the skills and motivation to deliver high quality services for the 3 councils and their communities. The policies that support these objectives are summarised in this document.

5. Scope

This pay statement represents the position on the pay structure and other elements of the remuneration package for employees as at 31 March 2017.

The pay statement describes the pay arrangements that apply to the Partnership's senior employees and the councils' lowest paid employees.

As at 31 December 2016, the Partnership employs 618 employees (534.4 full time equivalents (FTE) – **Figure as at 31 March 2017 to be added**).

For the purpose of this pay statement, senior employees are defined as those employees in the top three tiers of management; the Chief Executive, 3 Strategic Directors and the Assistant Chief Executive and 12 Heads of Service/Corporate Managers.

6. Pay and Grading Scheme

A new pay and grading scheme for the workforce of the previous partnership between WDDC and WPBC was implemented in 2014.

NDDC used a different pay and grading structure to determine the pay of its employees prior to the TUPE transfer. The pay arrangements for those employees are being incorporated into the Partnership's pay scheme as part of the convergence of all employees into partnership service structures.

7. Remuneration of senior employees

Senior employees do not receive overtime, standby or other premium payments for working in excess of a standard 37 hours or outside the normal working week. They are not entitled to receive compensation for travel between the main office locations of the 3 councils in Weymouth, Dorchester and Blandford. Salaries of senior employees are subject to increases that are agreed under national pay award settlements.

The remuneration of senior employees is determined by elected members through the partnership's Shared Services Joint Committee.

7.1 Chief Executive

The Chief Executive is the Head of Paid Service for the partnership councils, a role formerly carried out by three senior officers, one at each council.

As at 31 March 2017, the annual FTE salary for this post is £131,300. Because the post is shared, it represents a cost of £43,767 per annum to each of the three councils within the Partnership.

The Chief Executive's salary was set on the advice of the Local Government Association (LGA) and using benchmarking against appropriate regional comparators. There was a national cost of living pay increase of 1% in the salary of Chief Executives on 1 April 2016, which was the first such increase since 2009.

The employee is subject to conditions of service determined by the Joint Negotiating Committee for Chief Executives and South West Councils and local collective agreement.

The Chief Executive is the appointed Returning Officer for the three councils and receives a fee for County, District and Parish Council and for Parliamentary Election duties. The fee for undertaking this role varies from year to year and is not subject to this policy since fee levels are set regionally and nationally.

7.2 Senior Leadership Team

This is comprised of the Chief Executive, 3 Strategic Directors and an Assistant Chief Executive.

As at 31 March 2017, the annual FTE salary for each Strategic Director post is £92,920. The salary for the Assistant Chief Executive post is £85,850. These posts represent a cost of £121,537 per annum to each council.

The salary level for these posts was set on the advice of the LGA. Other conditions of service for these posts are determined by the Joint Negotiating Committee for Chief Officers of Local Authorities and local collective agreements.

Special responsibility payments are also made to two of the above posts as follows:

- £5,000 to one of the Strategic Director posts for undertaking the role of section 151 officer for the partnership councils
- £3,000 to the Assistant Chief Executive post for undertaking the role of Monitoring Officer for the partnership councils

7.3 Heads of Service (and Corporate Managers)

The 8 Heads of Service and 4 Corporate Managers are also subject to conditions of Service determined by the Joint Negotiating Committee for Chief Officers of Local Authorities and by local collective agreement. As at 31 March 2017, the annual FTE salary for the Head of Service posts is £69,185. The salaries for the Corporate Managers are £59,337 (3 posts) and £54,287 (1 post). The salaries were set on the advice of the LGA and on the basis of benchmarking against appropriate regional comparators.

8. Remuneration of other employees

The Partnership's pay structure for all other employees consists of grades and incremental points as set out in Appendix 1. This is based on the National Joint Council (NJC) pay spine and contains 14 grades, each of either four or five incremental points.

Posts are allocated to a pay band through a process of job evaluation which establishes the relative value of different jobs within the workforce. The scheme used by the Partnership is the Greater London Provincial Council Scheme. Salaries for all employees (including senior employees) are subject to increases agreed under national pay award settlements.

The Partnership's pay structure creates the basis of the relationship between the pay of all employees within the scope of the pay statement.

For the purpose of this statement, lowest paid employees for the Partnership are defined as those who receive a salary equivalent to Grade G1 on the Partnership's pay structure. As at 31 March 2017, the maximum FTE salary for an employee on grade G1 is £16,481 (£8.54 per hour).

8. National Living Wage

The minimum salary point on the current grade structure is £15,507 per annum (£8.04 per hour). This is above the national living wage rate of £7.20 introduced by the Government on 1 April 2016.

Future increases in the pay and grading structure will be determined through the national pay bargaining process.

As the National Living Wage is set externally, any commitment to matching this in future is subject to the national pay bargaining process. The Partnership will keep this position under review.

9. Pay relationships

The salary for the post of Chief Executive is approximately 8 times the maximum salary of the lowest paid employee. The salary of the Strategic Directors is 5.6 times the lowest paid employee. The salary of the Assistant Chief Executive is 5.2 times the lowest paid employee. Salaries of the Head of Service posts are 4.2 times the lowest paid employee. Salaries for the Corporate Managers are 3.6 times the lowest paid employee.

The recommendation in the Hutton Report into 'Fair Pay in the Public Sector', as recognised by the Government in the Code of Recommended Practice for Local Authorities on Data Transparency was that a pay ratio of the salary of the Chief Executive compared to the median average salary in the organisation should be published.

The ratio between the highest paid salary and median FTE salary, the 'pay multiple', is 1: 5.48 (1: 5.58 last year). The partnership does not have a policy on maintaining or reaching a specific 'pay multiple'.

The Hutton Review raised concerns about multiples in the order of 1:20 or higher between the lowest and highest paid employees in local authorities. The Partnership's current ratio is well below that level.

10. Gender Pay Data

The current relationship between the pay of male and female employees is as follows:

Average FTE salary for male employees – £29,650 (201 full time, 40 part time)
Average FTE salary for female employees – £24,660 (208 full time, 169 part time)
Average FTE salary for all employees – £26,610

The reporting and publication of gender pay data will become a statutory requirement for all councils from 2018. Future statements will comply with any reporting requirements set out in legislation.

11. General principles applying to the remuneration of employees including senior employees

On recruitment, individuals will be placed on the appropriate point within the grade for the post to which they have been appointed. Access to the Partnership's relocation scheme may be agreed in circumstances where new starters need to move to the area to take up employment.

Progression within each grade is normally through annual increments, subject to the grade maximum not being exceeded.

The Partnership does not apply performance related pay or bonuses.

12. Termination Payments

On ceasing to be employed by the Partnership, individuals will only receive compensation where this is justified e.g. redundancy and in accordance with our published Policy Statement on how we exercise the various employer discretions provided by the Local Government Pension Scheme (LGPS), and/or that complies with the specific term(s) of a settlement agreement.

Any decision to re-employ someone who was previously employed by the Partnership and, on ceasing to be employed, was in receipt of a severance or redundancy payment, will be made on merit and in accordance with the relevant regulations. The Partnership will not, however, normally engage such an individual under a contract for services.

13. Pensions

The Partnership's policy statement on how the various employer discretions provided by the LGPS are exercised is set out in Appendix 2. This also summarises how flexible retirement might be allowed. This is where an individual aged 55 or over who reduces their hours of work may receive all or part of their LGPS benefits immediately, despite remaining in the Partnership's employment. This will be allowed only in circumstances where it is demonstrated to be in the Partnership's interests.

14. Other Payments and Allowances

Any market supplement that is paid will be in accordance with our procedure for payment of market supplements.

Exceptionally it may be appropriate for an honorarium to be paid where an employee is carrying out extra duties or taking on temporary extra responsibilities. Such payments will only be made in accordance with our policies and procedures for the award of honoraria.

The Partnership pays a single corporate mileage allowance in accordance with its travel policies. This is currently linked to the HMRC rate.

The Partnership no longer operates a lease car scheme.

A new set of terms and conditions for the Partnership was introduced in 2016 through a collective agreement with recognised trades unions.

The standard working week for most employees is 37 hours worked from Monday to Friday. For some employees required to work outside the normal working week, a premium payment is made for overtime, unsocial hours and standby duties.

15. Review

The Localism Act requires councils to prepare and publish a pay policy statement for each financial year. The next statement is due for publication at the end of March 2018 and will reflect future changes arising within the Partnership.

16. Communication

The partnership councils will publish the pay policy statement on its website as required by the Localism Act.

The statement will be updated annually but may be amended during the year if the need arises.

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Full Council 21 February 2017 Calendar of Meetings 2017 - 2018

For Decision

Portfolio Holder(s)

Councillor P Batstone – Corporate

Senior Leadership Team Contact:

S Caundle, Assistant Chief Executive

Report Author:

K Critchel, Democratic Services Officer

Statutory Authority

Local Government Act 1972

Purpose of Report

- 1 To consider the calendar of meetings for 2017 – 2018 municipal year.

Officer Recommendations

- 2 (a) That the calendar of meetings for the period May 2017 to May 2018 as set out at appendix 1 be approved;

(b) That authority be delegated to the Corporate Services Manager – Democratic and Electoral Services to make any necessary changes, in consultation with the relevant chairmen and vice-chairmen, to ensure effective political management across the Dorset Councils Partnership.

Reason for Decision

- 3 To put into place appropriate arrangements for Full Council and committee meetings, to ensure effective political management.

Background and Reason Decision Needed

- 4 The draft calendar of meetings for 2017- 18 is presented to the Cabinet and Full council for formal adoption and is attached at appendix 1 to this report.

- 5 Due to the nature of its business, it is proposed that the Shared Services Committee meet on an Ad hoc basis. Similarly Accounts and Audit Committee will take place as and when required for sovereign based decision making, apart from in September 2017 when the committee needs to sign off the Council Accounts.

Appendices

- 6 Appendix 1 – Draft Calendar of Meetings 2017 – 2018.

Background Papers

- 7 There are no background papers.

Footnote

Issues relating to financial, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

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2017/18 North Dorset Calendar of Council and Committee Meetings

FULL COUNCIL – FRIDAY AT 10.00AM HELD AT DURWESTON VILLAGE HALL * DENOTES MEETING ON A DIFFERENT DAY

Annual Meeting 19 May 2017	28 July 2017	20 October 2017	26 January 2018	*20 February 2018 (Budget)	18 May 2017 (Annual Meeting)
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CABINET – MONDAY AT 2.00PM HELD AT SOUTH WALKS HOUSE, DORCHESTER

*30 May 2017 * 10.00am	3 July 2017	14 August 2017	18 September 2017	30 October 2017	11 December 2017	5 February 2018	12 March 2018	23 April 2018	4 June 2018
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OVERVIEW & SCRUTINY COMMITTEE – WEDNESDAY AT 2.00PM HELD AT SOUTH WALKS HOUSE, DORCHESTER

24 May 2017	19 July 2017	6 September 2017	18 October 2017	22 November 2017	7 February 2018 (reserve for budget)	28 February 2018	18 April 2018
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PLANNING COMMITTEE – TUESDAY AT 10.00AM HELD AT DURWESTON VILLAGE HALL

23 May 2017	20 June 2017	18 July 2017	15 August 2017	12 September 2017	10 October 2017	7 November 2017	5 December 2017	2 January 2018	30 January 2018	27 February 2018	27 March 2018	24 April 2018
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PLANNING SITE MEETING – TUESDAY AT 10.00AM

9 May 2017	6 June 2017	4 July 2017	1 August 2017	29 August 2017	26 September 2017	24 October 2017	21 November 2017	19 December 2017	16 January 2018	13 February 2018	13 March 2018	10 April 2018
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LICENSING COMMITTEE – TUESDAY AT 10.00AM HELD AT SOUTH WALKS HOUSE, DORCHESTER

11 July 2017	28 November 2017
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ACCOUNTS & AUDIT COMMITTEE

28 September 2017 at 10.00am

JOINT ADVISORY ACCOUNTS & AUDIT COMMITTEE – MONDAY AT TIME TBA, HELD AT SOUTH WALKS HOUSE, DORCHESTER

26 June 2017	2 October 2017	4 December 2017	26 March 2018
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JOINT ADVISORY OVERVIEW & SCRUTINY COMMITTEE – THURSDAY AT 2.15PM HELD AT SOUTH WALKS HOUSE, DORCHESTER

29 June 2017	*14 November 2017	1 February 2018	1 May 2018
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