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NORTH DORSET DISTRICT COUNCIL FULL COUNCIL

MINUTES OF MEETING HELD ON TUESDAY 21 FEBRUARY 2017

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

Apologies: Cllrs D Beer, C Dowden, M Gould and P Williams MBE

Also present:

Officers present (for all or part of the meeting):

Stuart Caundle (Assistant Chief Executive), Martin Hamilton (Strategic Director), Stephen Hill (Strategic Director), Matt Prosser (Chief Executive), Linda Quinton (Democratic Services Officer), Julie Strange (Head of Financial Services) and Jason Vaughan (Strategic Director)

41. Code of Conduct

There were no declarations of interest.

42. Minutes

The minutes of the meetings held on 21 October 2016 and 27 January 2017 were confirmed as a correct record and signed by the Chairman.

43. Chairman's Notices

The Chairman had no formal notices to announce but reminded members that a photograph of the full Council would take place following the close of the meeting.

44. Public Participation

Cllr G Weeks of Okeford Fitzpaine parish council asked a question, the text of which is set out at appendix 1 to these minutes. Cllr Roake responded and advised that a formal response from the Strategic Director would be sent to Cllr Weeks on behalf of the Council.

45. 2017/18 Budget Report

The Leader of Council presented and proposed the 2017/18 budget report to Council and the text of his budget speech is attached at appendix 2 to these minutes. Councillor P Batstone, as Portfolio Holder for Corporate Performance, seconded the proposal and her budget speech is attached at appendix 3 to these minutes.

The Leader of the Liberal Democratic fully supported the budget as proposed. As this would be his final full Council meeting, he paid tribute to the work of the staff at the Council, both past and present, for their commitment. The Independent Group spokesperson also supported the proposal adding that, as part of a larger partnership, the Council should in future be able to provide a better service to the council tax payers.

Following debate, the Strategic Director clarified that the figure in paragraph 28 of the covering report should read £345,000. The budget gap from the previous year of £1.378m had now reduced to £890,000 in the current year.

Upon putting the proposal to the vote, there voted in favour:

Councillors Batsone, Batty-Smith, Brown, Burch, Butler, Carr-Jones, Cattaway, Cooper, Croney, Fox, Francis, Handford, Jefferson, Jespersen, Kerby, Langham, Milsted, Parker, Potheary, Pritchard, Ridout, Roake, Skipwith, Somper, Mr Stayt, Mrs Stayt, Tanner, Walsh, and Westbrook.

There were no votes against the proposal

There were no abstentions.

DECISION

- i. That the funding for community-led housing developments is put into an earmarked reserve and that an action plan on its use is produced
- ii. That the proposals for balancing the 2017/18 revenue budget set out in Appendix 3 of the report are approved
- iii. That the 2017/18 Capital Programme in Appendix 5 of the report is approved
- iv. 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 and are as set out below
- v. 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 of the report, Column 2 (*the tax base for each parish or town council area*)

- vi That the Council Tax Requirement for the Council's own purposes for 2017/18 (excluding parish precepts) is **£3,160,000**
- vii 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 of the report)
(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 of the report, 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 it's council tax in those parts of it's 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 of the report, 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)

viii 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

- ix. 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 of the report, 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).
- x That the Council, in accordance with Sections 30 to 36 of the Act, hereby sets the aggregate amounts in Appendix 6ii of the report as the amounts of Council Tax for 2017/18 for each part of it's area and for each of the categories of dwellings.
- xi 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.

46. 2017/18 Treasury Management Strategy Statement and Annual Investment Strategy

The Portfolio Holder for Corporate Performance introduced the report on the Treasury Management Strategy Statement, the Annual Investment Strategy and the associated prudential indicators and proposed their approval, seconded by the Leader of Council.

DECISION

That Council agrees:

- (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.

47. Appointment of External Auditor

The Portfolio Holder for Corporate Performance introduced the report to agree the process of appointing external auditors following the closure of the Audit Commission and proposed the recommendation, seconded by Cllr A Cattaway.

DECISION

i. That North Dorset District Council opts into the appointing person arrangements made by Public Sector Audit Appointments (PSAA) for the appointment of external auditors.

ii. 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.

48. Cabinet report

Members received and noted the contents of the Cabinet report and updates from the individual Portfolio Holders.

The Deputy Leader and Planning Portfolio Holder highlighted the requirement to review Local Plans and associated documents every five years and the pressure on staff to undertake those reviews with no additional resources.

In response to a question, the Environment Portfolio Holder stressed that he could not predict how Section 106 funds would be allocated, following the Local Government Review and if two new unitary authorities were created.

In response to a question, the Portfolio Holder for Community and Regeneration undertook to provide Cllr Cooper with a full written response to the issue of amending the signage in the District's car parks and the requirements for disabled persons parking, as soon as the timetable was known.

Under the Community Safety and Health Portfolio, Cllr Milsted advised that the Community Safety and Protection Officer would be present at the Overview and Scrutiny Committee on 1 March to give a verbal update on his activities.

The Stour Valley and Poole Partnership was operating on a budget reduction of 20% whilst seeing an improvement in performance.

49. Shillingstone Neighbourhood Plan

The Deputy Leader and Planning Portfolio Holder introduced the report proposing to make the Shillingstone Neighbourhood Plan part of the development plan for use in planning decisions in the Shillingstone Neighbourhood Area and recommended its approval, seconded by Cllr Jespersen. In proposing the recommendation, Cllr Walsh paid tribute to the work of the Planning Policy Team. In seconding the recommendation Cllr Jespersen stressed that there had been a great deal of positive community activity and hard work in bringing the Plan to fruition. The officer resource had been greatly reduced and there were challenges on the staff to achieve these positive outcomes.

DECISION

- (a) That the District Council makes the Shillingstone Neighbourhood Plan 2016 to 2031 (as set out in Appendix A to the report) 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.

50. Pay Policy Statement

The Portfolio Holder for Corporate Performance introduced the report to approve the Pay Policy Statement for 2017/18 and proposed its approval seconded by Cllr D Walsh.

DECISION

That the Pay Policy Statement for 2017/18 be approved as set out in the appendix to the report.

51. Calendar of Meetings 2017/18

The Portfolio Holder for Community and Regeneration introduced the report setting out the Calendar of meetings for 2017 – 2018 and proposed its approval seconded by Cllr P Batstone. Members were reminded to check the venue for each meeting on their agenda sheets when Nordon closed at the end of March.

DECISION

- (a) That the calendar of meetings for the period May 2017 to May 2018 as set out at appendix 1 to the report 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.

52. Appointment to the Dorset Waste Partnership

DECISION

That Cllr P Batstone be appointed as the reserve member on the Dorset Waste Partnership

53. Urgent Business

There were no urgent items of business.

Appendices

Appendix 1 Cllr Weeks' question 21.2.17

Appendix 2 Leaders Budget speech 2017 NDDC

Appendix 3 Cllr Batstone's budget speech

Duration of meeting: 10.00 - 11.12 am

Chairman

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Good Morning

I am George Weeks - Chairman of Okeford Fitzpaine Parish Council

My question concerns the Council's refusal, as landowners, to agree to a small parcel of land at Mary Gardens Okeford Fitzpaine being designated as Local Green Space in the Okeford Fitzpaine Neighbourhood plan.

The site is used as an informal play area for children for the adjacent social housing and has been used in this way for many years.

The District Council has already had two previous planning applications for the site refused on the grounds of its amenity value to the village and ensuring compliance with the NDDC Local plan policies - so given that nothing has changed there appears little prospect of a further application succeeding.

In our view a change in the District council's economic circumstances does not constitute a sole reason to override two planning refusal decisions so it is hard to understand why council officers think that a further planning application could possibly be successful.

The Neighbourhood plan proposes 58 new homes in sustainable locations without the need for the development of this site.

Any income from commercialisation of this very small asset would not be material to the finances of District council and even less so in the context of the proposed unitary authority. Further it would be largely wiped out by the costs involved in an appeal that the Parish council would certainly make in the unlikely event of a successful application. Leaving aside the obvious conflict of interest arising from the District council approving development on its own asset that would need to be examined by the local government ombudsman when challenged by the residents of the village, a further legal cost..

The effect of this lack of cooperation from NDDC is to delay the progress of our plan, and in our view the District council expending further resource on yet another planning application and even employing planning consultants as has been indicated to me, is a gross unnecessary waste of your resource.

Overall this persistence with this action goes totally against the spirit of the Localism Act

My question is - has the Full Council approved this refusal, and how?, if so what are their reasons?

I have prepared a fuller briefing paper that I understand has been distributed to members of Council for information in advance of the meeting and happy to take any questions or observations that you may have

I am looking to you for swift solution

Thank you

The CIL/ S106 income to NDDC from the planned housing will certainly far exceed that from commercialising this site

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LEADER'S BUDGET SPEECH 2017/18

The world of local government and public service provision continues to change at speed. Today's budget provides the foundation to deliver our ambitions for North Dorset and continue to transform the way we operate.

Before looking ahead, it is useful to reflect on some of what we have achieved over the past year....

On Customer Focus

Our latest performance shows

96% of all of phone calls answered compared to 92% last year

100% of complaints were dealt with within target

And a new streamlined corporate complaints procedure has recently been introduced to make current performance sustainable.

Stour Valley & Poole Partnership (SVPP) – Both improved performance and delivery of financial savings of £89,000 in addition to the £116,000 achieved last year

Time taken to process new benefit claims reduced from 23.5 days to 20 days

Housing Benefit Change of circumstances reduced from 13.06 days to 8 days

On Land Charges

The average days to process Land Charge searches (working days) is 10 days compared to the target of 15

Payments to Businesses who trade with the council showed 649 out 651 invoices were paid within 30 days

Electronic payment to all suppliers will be achieved following the alignment of the finance systems across the partnership

Focusing on Development Management

The Development Services Improvement Plan is in place and has led to major service redesign. 100% of 'Major' planning applications were determined within 13 weeks or by the agreed extension of time so far this year.

The Latest quarter shows 84% of 'Minor' planning applications were determined within 8 weeks or agreed extension.

This is the best performance over the last 2 years.

On our Business & Commercial Activity

Our Investment income is the 4th highest performance across 132 Local Authorities

Historically the income from Treasury Management was £40k when interest rates were 0.5%. Our new strategy and approach means that despite rates halving to 0.25% for the 2017/18 our budgeted income will be £190k

If I refer to Property Management

We have adopted a more commercial approach to manage assets through bringing in a private sector partner. The PSP Limited Liability Partnership is now set up.

The Council Office site at Nordon has been actively marketed. It is intended that this will leave our desired legacy with quality housing of mixed tenure on the site. It will reduce on-going property costs and achieve a capital receipt for the Council.

Some detail on Partnership working..

Our cutting edge **Dorset Councils' Partnership** has helped management capacity, brought in extra skills and delivered financial savings.

By bringing the Parking service back in house and managing it across the partnership we will generate £21,000 for the coming year

In Finance, savings of £48,000 will be achieved as finance systems are aligned.

The work of the team has been nationally recognised and they are shortlisted for finance team of the year.....

The IT service was smoothly brought in house. This will deliver savings of £51,000 for 2017/18

Mentioning the Dorset Waste Partnership

The service across Dorset has been stabilised and the partnership will deliver savings of £60k for the coming year

The South West Audit Partnership (SWAP)

The leading edge audit partnership has also been shortlisted by CIPFA for the “innovation in audit award”

To the Future

I must mention Local Government Reform. I am so proud of this Council; our 100% support for reorganisation is a testament to the level of understanding and respect you all have for our residents.

But let's be clear. LGR is not a panacea for all of Dorset's budgetary problems, but it will make large savings.

However there is more to be gained than savings alone, it is that one-off opportunity to reshape the governance of Dorset Rural, for the benefit of everyone that drives us toward a simpler, more accountable, and cost effective, local authority.

But whether or not the Secretary of State is minded to approve our proposals for **Future Dorset** we will continue to deliver our agenda for change

Mr Chairman, in so proposing the budget as tabled, I would like to pay tribute to the finance team for their work preparing the budget—total professionals as always.

Throughout this organisation, staff are rising to the challenge, working in new ways and delivering quality services day after day.

In a break with tradition I am handing over to Cllr Batstone, as finance portfolio holder to second my proposal and give a detailed presentation on our budget.

Cllr P Batstone's speech.

I second The Leaders 's proposal for a Council Tax of £5 on a Band D property and linked recommendations.

The Leader has outlined the national picture and what this authority has achieved in recent years. My job is to remind you of the detail which brings us to this point, detail which most of you are already very familiar with, and which is well set out in the Budget Update report before you.

North Dorset District Council has been and remains one of the lowest Council Tax raising authorities in the country, in the lowest ten. However when local precepts are included the combined Council Tax for the District is close to the English average, and indeed the average for those local precepts in 2016/17 was the second highest in the country. That is at least in part due to the transferring of services to our parishes and towns under the Tough Choices programme.

Our misfortune, if that is the right word, is that the District was a low Council Taxing authority way back before capping and then, when that was introduced, we were locked into a low taxing regime. Negotiations with government, which Councillor Croney played a key part in, have enabled us to ask for £5 on a band D property, the charge for us over the year being £129.96. The 2017-18 budget assumes a 0.9% increase in the number of Band D equivalent properties to 25,910 across the District, and a collection rate over the year of 97.5%.

We are very clear that this is a balanced budget focussing on this year alone, to keep future options open for whatever local government structures are put in place thereafter. The Council has accepted the government's offer of a four year financial settlement. Sadly this was not an act of generosity on their part, rather more on the lines of "better the devil you know" on our part, with a further reduction in Revenue Support Grant for this coming year of £395,000, £183,00 reduction in 2018/19 and "you owe us" £54,000 in 2019/20.

Central government has made much of promising 100% retention of the Business Rate to compensate for the loss of RSG but colleagues must remember that this is a national promise - I liken it to spreading butter on a piece of toast with holes in it. North Dorset remains in the safety net in any case so for the foreseeable future there is nothing to be gained. There has been much in the press in the past week about the

national revaluation of business rates coming in this April which is causing deep grief to many businesses and certainly concern to those of us working to improve the viability of our local economy.

We are promised additional new responsibilities as part of the scheme - I am not sure if that is a promise or, more probably a threat.

Prior to preparing these comments I was re-reading the Financial Health Check prepared for us by the LGA and in particular was drawn to the comments about our rurality - we are apparently one of the two most rural Districts in the country. That benefits us by £170,000 of Rural Funding in the coming year, a loss of £57,000 in 2018/19 and in the following year we get £57,000 back again. The logic of this I do not understand. When you look around the district it would seem we have a goodly number of small businesses operating, but often based in people's homes, thus contributing very little to our business rate income. Our opportunities for growing our business rate base are not great for many years to come.

The New Homes Bonus offered some hope to North Dorset. However the national pot has been reduced by £241 million which is going to pay for Adult Social Care. This is being achieved by moving to five year payments for existing and future New Homes Bonus allocations in the year to come, and then to four year payments from 2018/19, with a national baseline of 0.4% for 2017/18 below which allocations will not be made.

The government has retained the option of adjusting the baseline in future years and is also considering withholding payments for homes built following an appeal. The net effect of all this for North Dorset, as you see in appendix 2 of the Budget Report is an increase in 2018/19 of almost £100,00 and a decrease of almost £200,000 the following year.

We have been allocated just short of £240,000 for Community-led Housing Developments which sounds quite exciting, and potentially creative, 50% having been received and put into an earmarked reserve whilst an action plan is produced whereon the remaining 50% will be released.

Touching on reserves, a Councillor in another place achieved considerable press coverage a couple of weeks ago by adding up all the local authority reserves across Dorset and demanding that they be spent forthwith to keep Council taxes down. He failed to appreciate the point that reserves are what they say they are - being held

against future need whilst providing a source of income.

We have a cautious approach to our reserves, the substantial part of which are earmarked against known risks or scheduled to be used in delivering identified savings. In 2016/17 we adopted a new strategy for investing those reserves, aiming to strike an appropriate balance between risk and return. In particular we are using sums available for longer-term investment to diversify into more secure and/ or higher yielding asset classes.

Returns have increased with an income budget of £200,000 being proposed.

We have a modest capital programme for the coming year, concerned with refurbishment of our carparks but also, most importantly continuing our investment in superfast broadband, although I do fear that the developments in technology will outpace the fiberoptic cable implementation programme. Also we need to consider robust investment opportunities to increase our asset base and thus our income, and must set up a safe but responsive mechanism for that to happen.

In summary, we are where we are. We have a balanced budget for the coming year. In the longer term we have in place the Stronger Together Transformation Programme to address the reduction in resources. This has already delivered significant savings and a further £418,000 can be built into 2017/18. Budget options before the Council today deliver £345,00 of savings and income in the coming year to achieve that balanced budget. I commend all the recommendations to you and second the Leader's proposal.

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