Public Document Pack

Cabinet

Date: Tuesday, 11 November 2025
Time: 6.30 pm
Venue: Council Chamber, County Hall, Dorchester, DT1 1XJ

Membership: (Quorum 3)
Nick Ireland (Chair), Richard Biggs (Vice-Chair), Jon Andrews, Shane Bartlett, Simon Clifford, Ryan Hope, Steve Robinson, Clare Sutton, Gill Taylor and Ben Wilson

Chief Executive: Catherine Howe, County Hall, Dorchester, Dorset.

For more information about this agenda please contact Democratic Services
Meeting Contact 01305 252234 - kate.critchel@dorsetcouncil.gov.uk

Members of the public are welcome to attend this meeting, apart from any items listed in the exempt part of this agenda. If you would like to attend this meeting and have any specific requirements please contact the Democratic & Governance Services Officer named above.

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Agenda

Page No

1. APOLOGIES

To receive any apologies for absence.

2. MINUTES 5 - 26

To confirm the minutes of the meeting held on 9 October 2025.

3. DECLARATIONS OF INTEREST

To disclose any pecuniary, other registrable or non-registrable interest as set out in the adopted Code of Conduct. In making their disclosure councillors are asked to state the agenda item, the nature of the interest and any action they propose to take as part of their declaration.

If required, further advice should be sought from the Monitoring Officer in advance of the meeting.

4. PUBLIC PARTICIPATION

Representatives of town or parish councils and members of the public who live, work, or represent an organisation within the Dorset Council area are welcome to submit either 1 question or 1 statement for each meeting. You are welcome to attend the meeting in person or via MS Teams to read out your question and to receive the response. If you submit a statement for the committee this will be circulated to all members of the committee in advance of the meeting as a supplement to the agenda and appended to the minutes for the formal record but will not be read out at the meeting. The first 8 questions and the first 8 statements received from members of the public or organisations for each meeting will be accepted on a first come first served basis in accordance with the deadline set out below. Further information read Public Participation - Dorset Council

All submissions must be emailed in full to Kate.Critchel@dorsetcouncil.gov.uk by 8.30am on Thursday 6 November 2025.

When submitting your question or statement please note that:

- You can submit 1 question or 1 statement.
- a question may include a short pre-amble to set the context.
- It must be a single question and any sub-divided questions will not be permitted.
- Each question will consist of no more than 450 words, and you will be given up to 3 minutes to present your question.
- when submitting a question please indicate who the question is for (e.g., the name of the committee or Portfolio Holder)
- Include your name, address, and contact details. Only your name will be published but we may need your other details to contact you about your question or statement in advance of the meeting.
- questions and statements received in line with the council's rules for public participation will be published as a supplement to the agenda.
- all questions, statements and responses will be published in full within the minutes of the meeting.

5. QUESTIONS FROM COUNCILLORS

To receive questions submitted by councillors.

Councillors can submit up to two valid questions at each meeting and sub divided questions count towards this total. Questions and statements received will be published as a supplement to the agenda and all questions, statements and responses will be published in full within the minutes of the meeting.

The submissions must be emailed in full to kate.critchel@dorsetcouncil.gov.uk 8.30am on Thursday 6 November 2025.

Dorset Council Constitution – Procedure Rule 13

To consider a report of the Cabinet Member for Children's Services, Education and Skills and Cabinet Member for Finance & Capital Strategy.

The exempt Appendix A is set out at item 18 of the agenda pack.

15. URGENT ITEMS

To consider any items of business which the Chairman 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 recorded in the minutes.

16. EXEMPT BUSINESS

To consider passing the following recommendation:

Recommendation

That in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in the following item(s) because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph(s) 3 of Part 1 of schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

The public and the press will be asked to leave the meeting whilst the item of business is considered. (Any live streaming will end at this juncture).

Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

17. Asset Disposals and Transfers - Exempt Appendix 167 - 176
Para 3
Exempt appendix associated with item 13 above.

18. Children's Services Capital Programme - Exempt Appendix 177 - 182
Para 3
Exempt appendix associated with item 14 above.

19. Dorset Care Record 183 - 194
Para 3
To consider a report of the Cabinet Member for Adult Social Care.

CABINET

MINUTES OF MEETING HELD ON THURSDAY 9 OCTOBER 2025

Present: Cllrs Nick Ireland (Chair), Richard Biggs (Vice-Chair), Jon Andrews, Shane Bartlett, Simon Clifford, Ryan Hope, Steve Robinson, Clare Sutton, Gill Taylor and Ben Wilson

Apologies: None

Also present: Cllr Piers Brown, Cllr Simon Christopher, Cllr Peter Dickenson, Cllr Les Fry, Cllr Sherry Jespersen, Cllr Louie O'Leary, Cllr Andrew Parry and Cllr Jane Somper

Also present remotely: Cllr Belinda Bawden, Cllr Laura Beddow, Cllr Ray Bryan, Cllr Jon Orrell, Cllr Scott Florek, Cllr Barry Goringe, Cllr Jill Haynes, Cllr Sally Holland, Cllr Jack Jeanes, Cllr Paul Kimber, Cllr David Morgan, Cllr David Northam, Cllr Byron Quayle, Cllr Kate Wheller and Cllr Sarah Williams

Officers present (for all or part of the meeting):
Andrew Billany (Corporate Director for Housing), Jan Britton (Executive Director - Place), Nina Coakley (Head of Change), Lisa Cotton (Corporate Director for Customer and Cultural Services), Sean Cremer (Corporate Director for Finance and Commercial), Kate Critchel (Senior Democratic & Governance Services Officer), Sam Crowe (Director of Public Health), Paul Dempsey (Executive Director of People - Children), Steven Ford (Corporate Director for Strategy, Performance and Sustainability), Julia Ingram (Corporate Director for Adult Social Care Operations), Jane Maclennan, Sam Poole (Interim Corporate Director for Commissioning & Improvement), Rachel Partridge (Deputy Director of Public Health), Andrew Galpin (Infrastructure & Delivery Planning Manager), Jessica Maskrey (Head of Service – Assets & Property) and Steven March (Service Manager for Housing Standards)

Officers present remotely (for all or part of the meeting):
David Haynes (Senior Rural Estates Suveyor) and Jonathan Price (Executive Director of People - Adults and Housing)

49. Minutes

The minutes of the meeting held on 9 September 2025 were confirmed as a correct record and signed by the Chairman.

50. Declarations of Interest

There were no declarations of interest to report.

51. Public Participation

There were two questions and two statements received from the public. A copy of the full questions and the detailed responses are set out in Appendix 1 of these minutes.

52. **Questions from Councillors**

There were no questions from Councillors to be considered at this meeting.

53. **Forward Plan**

The draft Cabinet Forward Plan for November 2025 was received and noted.

54. **Dorset Council Transformation Investment Update: Our Future Council**

The Cabinet Member for Corporate Development and Transformation set out a comprehensive update on Dorset Council's transformation programme, Our Future Council (OFC).

The update included a funding request of £12.4 million to support planned technology developments, specifically relating to the customer hub automation and the Enterprise Resource Planning (ERP) programme. The report also reaffirmed the council's commitment to delivering a whole-council operating model, supported by phased investment, enabling technologies, and strengthened governance. Cabinet was asked to approve the next phase of investment to support delivery of modern, efficient, and sustainable services.

In response to questions, the Cabinet Member for Corporate Development and Transformation advised that the Member Steering Group played a key role in reviewing decisions emerging from the Design Authority, ensuring that member input into the customer aspect of the transformation programme were designed effectively for the organisation. The Corporate Director confirmed that the Design Authority was officer-led with broad representation across the organisation for service design, workforce planning and organisational development supporting a "one council approach". The Cabinet Member also confirmed that despite some changes in strategy the redundancy timetable remained on track.

Whilst external support was required initially, the aim was to reduce reliance on third parties over time by developing sustainable in-house expertise. In reinforcing the importance of this approach, the Chief Executive, highlighted that as a modern, technology-dependant organisation, Dorset Council must invest in growing its own skills and capacity, to ensure long term sustainability beyond the life of the programme**.**

In response to a question regarding the budget process, the Chief Executive confirmed that the budget process would be aligned with the investment plan, the OFC programme and the implementation of the ERP system, which was essential to achieving a clear financial line of sight. She also noted that the budget process should be used to uncover opportunities for transformation which might be delivered by OFC in the future.

It was proposed by Cllr B Wilson and seconded by Cllr S Clifford

Decision

(a) That the update for Our Future Council including commitment to the financial and strategic context for transformation following initial consultation, be noted.

(b) That the high-level delivery plan, enabling Dorset Council to continue delivering critical improvements, modernising services, and preparing the organisation for future challenges and opportunities, be noted.

(c) That the use of reserves to fund the investment of £12.4m in 2025/26, be approved:

- £7.93m in H2 2025/26 plus additional procurement costs which must be committed to up-front totalling £4.47m.
- Allocation of budget required as detailed in section 6 of the report to Cabinet 9 October 2025, released incrementally every 6 months. This includes investment required for internal and external capacity and skills, delivery of technology including Enterprise Resource Planning (ERP), contact centre, automation and AI and corporate bookings.

The incremental release required for October 2025 to March 2026 is:

- ERP: £1.65m plus commitment to 3 years procurement costs for SI and licensing of product to the value of £2.98m (out of a total of £14.23m over 3 years).
- Contact Centre: £1.55m plus commitment to software licencing to the value of £0.99m and contracting of product team to the value of £0.5m (out of a total of £5.64m over 3 years).
- Extension of existing automation technology, Ui path: £0.057m (out of a total of £0.25m over 3 years).
- Whole council booking solution: £0.075m (£0.385m over 3 years).
- Internal resource: £2.1m for Transformation Management Office.
- Redundancy costs: £2.5m for voluntary and compulsory redundancies

(d) That authority be delegated to the Chief Executive in consultation with the Cabinet Member for Transformation and Corporate Development and Section 151 Officer to procure and award contracts for the following (within the budget defined in paragraph 1.3 and section 6 of the Cabinet report to 9 October 2025):

- Strategic implementation partner for Enterprise Resource Planning (ERP) at a total contract value of £2.1m, licensing costs of the new product to a total value of £0.98m
- Digital product team for contact centre of £0.5m for H2 2025/26 and commitment up front to £0.99m in licensing costs over 3 years.

(e) That the strengthened governance and leadership arrangements, with regular engagement, leadership, and oversight provided by the Chief

Executive, Cabinet, and the wider Members Steering Group, supported by the Design Authority, be noted.

(f) That investment requests, be made to Cabinet every six months as needed and as set out at section 4.3 of the Cabinet report of 9 October 2025, be agreed, with monthly monitoring by the cross-party Members Transformation Steering Group including:

- Delivery progress
- Evidence of benefits realisation and substantiated savings
- An updated request for the next investment increment, aligned to programme milestones

Reason for the decision

To confirm Dorset Council's transformation strategy, reaffirming our commitment to delivering Our Future Council as a whole-council, cross-cutting programme. This approach reflects the revised financial and strategic context and builds on the significant progress made over the past year.

55. **Children's Services, Inspection of Local Authority Children's Services - Post Inspection Update**

The Cabinet Member for Children Services, Education and Skills reminded members that following Ofsted's ILACS inspection in March, Dorset's Children's Services were rated Outstanding overall with care leavers graded Good. Strong progress was being made with the Post Inspection Action Plan, especially enhancing support for care experienced young people and young parents.

The report also provided assurance that the Council would continue to learn, improve, and deliver for Dorset's children and families.

It was proposed by Cllr C Sutton and seconded by Cllr S Robinson

Decision

That the Post Inspection Action Plan be received and noted.

Reason for the decision

Dorset Council had a statutory duty to deliver effective safeguarding services and improve outcomes for children in care and care experienced young people. The impact of an effective Children's Services contributed to the 'communities for all' priority in the Council Plan.

The report provided assurance that Children's Services were continuing to learn from inspections and improve services to the communities of Dorset.

56. **Aspire Adoption Annual Report**

Cabinet received the annual report from Aspire Adoption, the Regional Adoption Agency for Dorset and BCP Councils. The report outlined key achievements including improved adoption timeliness, increased adoption orders and effective post-adoption support.

Cabinet members were asked to note the report as evidence of Aspire's continued high-standard delivery of statutory adoption services.

Noted

That the Aspire Adoption annual report 2024/25 be received and noted.

Reason for the note

Dorset Council had a duty under the Adoption and Children Act 2002 to establish and maintain an adoption service for its area. Dorset Council along with BCP Council discharges this duty through a delegation of functions to Aspire Adoption, a Regional Adoption Agency.

57. **Get Dorset and BCP Working Plan**

The Cabinet Member for Property & Assets and Economic Growth outlined the Council's role in leading the regional implementation of the national "Get Britain Working" initiative, which aimed to boost employment and reduce economic inactivity through a joint plan with BCP Council, the Department for Work and Pensions, and the Integrated Care Board.

In response to questions regarding funding, members were advised that the Council had received £125,000 from central government to pull together this work and a range of further works which would go on beyond the initial project. The Chamber of Commerce had also been commissioned to assist with delivering the project through the local skills and innovation partnership.

It was proposed by Cllr R Biggs and seconded by Cllr C Sutton

Decision

(a) That the draft 'Get Dorset and BCP Working Plan', be approved for publication.

(b) That authority be delegated to the Executive Director for Place, in consultation with the Cabinet Member for Property, Assets and Economic Growth and Cabinet Member for Children's Services, Education, and Skills, to undertake any minor changes to the Working Plan needed during its lifetime.

(c) That authority be delegated to the Executive Director for Place, in consultation with the Cabinet Member for Property, Assets and Economic Growth and Cabinet Member for Children's Services, Education, and Skills, to assign any remaining funding from the Government allocation to deliver outcomes identified in the Get Dorset and BCP Working Plan.

(d) That the Connect to Work Plan, be approved.

(e) That authority be delegated to the Executive Director for Place, in consultation with the Cabinet Member for Property, Assets and Economic Growth and Cabinet Member for Children's Services, Education, and Skills, to undertake any minor changes to the Connect to Work Plan needed during its lifetime.

Reason for the decision

The Get Dorset and BCP Working Plan**,** and supporting Connect to Work programme, would enable Dorset Council to help address challenges related to labour market participation and progression.

In addition to being a government requirement, development and implementation of the Plan would help realise key ambitions of the Council's Plan and supporting Economic Growth Strategy and Digital Infrastructure and Inclusion Strategy, particularly around productivity, investment and skills needed for both today's economy and the proposed future expansion of key sectors including clean energy.

58. **Dorset Council - Farms Estate Strategy**

Cabinet received a report proposing a new 10-year strategy for the management of Dorset Council's Farms Estate. The strategy set out a refreshed vision for the estate, building on the previous 2016–2021 plan and aligning with the Council's Strategic Asset Management Plan adopted in October 2024. The Farms Estate was recognised as an asset that contributed to Dorset's rural economy, environmental goals, and community wellbeing. The strategy aimed to ensure the estate was managed sustainably, supported new entrants into farming, and delivered long-term benefits for residents and the wider environment.

The Cabinet Member for Property & Assets and Economic Development thanked the members of the Farms Executive Advisory Panel for their involvement and support in producing the strategy.

The Leader of the Council advised that the Chairman of the Dorset Tenant Farmers Association had submitted a statement in respect of the item, and this had been published with the agenda papers.

Most members who addressed Cabinet supported the report and the strategy attached to it. However, concerns were expressed about the potential future disposal of any part of the farm estate and the need that important financial investment wouldn't be met. The Cabinet Member confirmed that capital receipts could not be ring-fenced, but a business case would be submitted for any identified investments needed within the farm estate. This would be considered alongside other competing priorities.

In response to questions about food security, the Cabinet Member advised that as part of the Council Plan, the Council had an aspiration that 70% of Council Farms would be managed using sustainable farming practices that balance food production and nature by 2030.

Decision

That the Farms Estate Strategy be adopted for a ten-year period, enabling the Council to deliver a structured, sustainable, and future-focused approach to the management of its agricultural holdings.

Reason for the decision

The previous strategy expired in 2021, and the need for a new framework had been crystallised by changes in national agricultural policy and the Council's adoption of the Strategic Asset Management Plan. The new strategy provided clarity of purpose, aligned with statutory obligations under the Agriculture Act 1970, and supported the Council's wider ambitions for economic growth, environmental stewardship, and community development.

59. **Developer contribution funding for community facilities at Mampitts Green, Shaftesbury**

The Cabinet Member for Planning and Emergency Planning outlined a progress report for the Mampitts Green community facilities project in Shaftesbury, for which s106 developer contribution funding had previously been conditionally awarded. Cabinet was asked to approve the extension of key milestones and the release of up to 10% of the total award to enable the Town Council to progress to the technical design stage.

In response to a question, the Cabinet Member for Planning and Emergency Planning confirmed that officers would continue to liaise with the Town Council and their project management representatives to address the requirement of the project.

It was proposed by Cllr S Bartlett and seconded by Cllr N Ireland.

Decision

Part 1 – That the previously set timescale milestone for the award of s106 funding to Shaftesbury Town Council, be extended as follows:

(a) That the timescale condition requiring the completion of all necessary information required by condition, extended to 9 June 2026.

(b) That the commencement of work on-site, extended to: 9 July 2026

That the appraisal of further information required by the conditions be agreed by the Head of Planning in consultation with the Cabinet Member for Planning and Emergency Planning, and any subsequent transfer of funds (and land) be made under the relevant officer delegation in accordance with the s106 protocol process. Failure to comply with either milestone extension would result in referral to Cabinet for further consideration.

Part 2 – That provision for up to 10% of the current total award value of £919,563 be available for early drawdown prior to the new milestone deadlines, to support the recovery of costs to-date and future expenditure relating to the refinement of the design.

Any further expenditure which required payment via the early draw down must be agreed in advance with Dorset Council. To ensure that the amount spent against the10% early drawdown was monitored and not exceeded.

Reason for the decision

To increase the level of flexibility in the award of s106 funding to Shaftesbury Town Council to support delivery of important community infrastructure at Mampitts Green, Shaftesbury.

60. **Empty Homes Strategy**

The Cabinet Member for Health and Housing set out the proposal to adopt Dorset Council's Empty Homes Strategy, which set out a formal approach to bringing long-term empty properties back into use. The strategy supported the Council's Housing Strategy and wider corporate objectives and included both advisory and enforcement tools.

In presenting the recommendations, the Cabinet Member advised that the People and Health Overview Committee's recommendation to maintain the strategy's budget and increase staffing capacity was noted and would be considered during the budget planning process.

In response to a question about turning empty business properties into homes, the Cabinet Member agreed to investigate this idea. In response to a further comment, the Executive Director for Place advised that officers collaborated to align work on policies and strategies, to ensure that economic and housing strategies are not produced in isolation of each other.

It was proposed by Cllr G Taylor and seconded by Cllr B Wilson

Decision

(a) That the Empty Homes Strategy be adopted.

(b) That the recommendation from People and Health Overview Committee of 15 September 2025, be noted and considered as part of the Council's planned work to prepare the budget for the coming financial year and ongoing capital programme.

Reason for the decision

To enable officers to work towards implementing the content of the Empty Homes Strategy, bringing long term empty homes back into beneficial use to meet the corporate aims of the Council and the aims of its Housing Strategy January 2024 to January 2029 - Dorset Council.

61. **Dorset Domestic Abuse Strategy 2025-2028**

The Cabinet Member for Health and Housing presented the revised Dorset Domestic Abuse Strategy 2025-2028 prepared in accordance with statutory duties under the Domestic Abuse Act 2021. The strategy outlined the Council's continued commitment to supporting victims and their families in safe accommodation, informed by updated needs assessments and a whole systems approach.

The People and Health Overview Committee at its meeting on 15 September, recommended the Domestic Abuse Strategy for approval.

It was proposed by Cllr G Taylor seconded by Cllr S Robinson

Decision

That the Domestic Abuse Strategy 2025-28 be approved.

Reason for the decision

To ensure the Council met its statutory duty under the Domestic Abuse Act 2021 relating to preparing and publishing a domestic abuse strategy.

62. **Age Friendly Communities**

The Cabinet Member for Adult Social Care set out the progress in developing Age Friendly Communities under the "Communities for All" priority of the Council Plan 2024-29. With 30% of residents aged 65 and over, Dorset faced significant demographic and financial pressures, particularly in adult social care. In presenting the report, the Cabinet Member shared a short information video.

Members were advised that the Council had registered its intent to become an Age Friendly County with the Centre for Aging Better, aligning with the World Health Organisation's eight domain framework.

In response to questions, the Cabinet Member confirmed that the work and paper was enabling, and the approach was evidence-led, community-driven, and designed to deliver long-term sustainability, inclusion, and cost avoidance across health and care systems.

Cabinet welcomed the report and the Age Friendly Communities programme.

It was proposed by Cllr S Robinson and seconded by Cllr C Sutton

Decision

(a) That Dorset's application for Age Friendly accreditation by the World Health Organisation (WHO), be endorsed.

(b) That the integration of Age-Friendly principles into whole council strategy and planning considerations including Adult Social Care locality practice, commissioning and strategic planning, be endorsed.

(c) That, through the Council's OFC programme (Commissioning & Procurement & Community Partnerships Programmes), age friendly principles, be integrated into design of infrastructure, transport, housing, and public spaces.

(d) That Dorset promotes Age Friendly Communities through local charities, businesses, faith groups, and local councils.

Reason for the decision

According to recent research, nearly one-third of Dorset's population is aged 65 or over, significantly higher than the national average of 19%, with a median age of 52 compared to 40.5 nationally. Dorset also had the highest proportion of residents aged 85+ in the UK, and an old age dependency ratio of 537 (vs. 297 nationally), meaning there were 537 people aged 65+ for every 1,000 working-age adults.

As a result, Dorset Council faced growing financial pressures, with adult social care accounting for £159.6 million, over 38% of the 2025/26 net budget. Rising demand, particularly for complex care, combined with limited national funding, highlights the urgent need for preventative approaches. Delivering community programmes, such as Age Friendly Communities offered a strategic solution to reduce future demand, delay formal care, and improve outcomes, whilst delivering long-term sustainability and value.

63. **Urgent items**

There were no urgent items considered at the meeting.

64. **Exempt Business**

It was proposed by Cllr S Bartlett and seconded by Cllr C Sutton

Decision

That the press and the public be excluded for the following item in view of the likely disclosure of exempt information within the meaning of paragraph 3 of schedule 12 A to the Local Government Act 1972 (as amended).

Reason for taking the item in private

Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

The live streaming was concluded at this juncture.

65. **Modification of Public Health Contracts over £500k: 0-19 Public Health Nursing and Sexual Health Services**

The Cabinet Member for Health and Housing presented the exempt report and proposed the recommendation. This was seconded by Cllr S Clifford.

Decision

That the recommendations set out in the exempt report be approved.

Reason for the decision

To allow a more managed approach to the phasing of capacity and necessary procurement activity.

Appendix - Public Q&A's and Statements

Duration of meeting: 6.30 - 8.43 pm

Chair

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Cabinet – 9 October 2025

Questions from the Public

1. Question from Mr Geoff Chopping

I am Geoffrey Chopping and although I am a Holt Parish Councillor, I am not asking this question on behalf of Holt Parish Council.

Following a Community Governance Review, all of the Furzehill Settlement and its surrounding area is now part of Holt Parish and therefore the Furzehill Settlement, with its defined settlement boundaries within the Green Belt, can neither be legally described as being part of the Wimborne Minster and Colehill Settlement, nor part of Wimborne Minster or Colehill Parishes.

In the current Dorset Council Local Plan Consultation, some settlements are listed for Tiers 1 and Tiers 2 within the text, whilst Tier 3 Settlements are listed in Figure 3.2. Furzehill is not included among those settlements.

Paragraph 3.2.8 states: *All other areas are either rural in character or comprise small villages/hamlets that do not have a sufficient services or facilities for everyday needs to be met locally. These areas are unlikely to be suitable for growth in line with National Policy.*

This is consistent with National Policy, as although Furzehill has a village store it is generally remote from existing infrastructure and facilities in Wimborne.

However, 4 sites (totalling over 500 homes) that appear in the subordinate Appendix A, touch or are very close to the Furzehill Settlement boundaries. The Strategic Housing Land Availability Assessment confirm the unsuitability of these 4 sites because of the remoteness and accessibility issues. All four also happen to be within the Green Belt, although that was only mentioned for one of the four.

CONCLUSION: The exclusion of the legally recognised separate Furzehill Settlement from Tiers 1, 2 and 3 as listed within the Dorset Council Local Plan Consultation 2025, automatically excludes the Furzehill Settlement from significant development other than that proposed in the 2014 Core Strategy document.

QUESTION: Will Dorset Council please confirm the above Conclusion or supply its legal reasoning for rejecting it?

Response from the Cabinet Member for Planning and Emergency Planning

Thank you for your question.

To date we have received over 5,000 submissions in response to the consultation and Cllr Chopping's concerns will be considered as part of the development of the local plan along with all the others and not singled out for response outside the formal consultation.

2. Question from Karen Tippins

It is now clear from this report that the Shaftesbury Town Council proposal has changed materially since the original approved in Oct 2024. The project costs has risen from £876k to approx. £1.44 million, an increase, as I stated back in July, of £500,000 and several key conditions set by Cabinet in Oct 2024 have only partially been met. The report in agenda 12 states now that the STC proposal is only 78% funded; this proves that the decision made in Oct 2024 by cabinet was based on a flawed s106 submission - that claimed 100% funding. The proposal now includes, as I stated in July, a requirement to resubmit a new planning application to Dorset Planning which complies with Building and H&S regulation and revised parking (due to residents complaints).

Importantly on 11th March 2025, Full Council, STC passed a resolution formally requesting that Dorset Council reconsider the basis of the STC proposal, and instead switch to the STC award to the tried and tested Stourpaine Hall tried and tested proposal lead by Barry Coupe. This concept has a 700 signed petition with parking arrangement already endorsed by local residents. This alternative scheme was fully costed and deliverable, no shortfall of funding and would fulfil the s106 purpose of providing a community facility located in the East of Shaftesbury.

To date there has been no evidence that Cabinet were consulted the 11th March 2025 STC resolution states…,'submit a request to Dorset Council to advise how they would consider adopting the Barry Coupe design for Mampitts Hall', as it was known and published by STC that the STC proposal was not Building Control and/or Health and Saftey compliant from the tender responses plus all tenders stated the s106 estimates submitted by STC were flawed and shortfalls of £500,000 quoted.

The Cabinet paper also introduces using the halls first floor for employment purposes; stating DC are to use this hall and s106 contributions for a Dorset Council Family Hub. No resident has asked for this and to be used for employment by DC is inconsistent with the developer contribution contractual terms.

In addition, the cabinet paper proposes early draw down of 10% of s106 funds before conditions of the award have been satisfied. This weaken the financial safeguards and exposes the Council to avoidable risks, particularly when the proposal already faces a funding deficient and untested delivery model. The cafe element also mirrors Newton Abbot Community Hub cafe which closed after only five years, demonstrating how fragile such operating assumptions can be.

My question is therefore as follows:-

Given that the STC proposal is now significantly over budget, under funded, and dependent on revised planning consent, including Dorset Council Family Hub tenancy inconsistent with community use requirements and ignores STC own resolution FC134 to ask Dorset Council to adopt the architect Barry Coupe design - modelled on the Stourpaine Community Hall - why is DC Cabinet not acting on the Shaftesbury Town Council resolution and formally re-evaluating the allocation rather than extending milestones and approving early drawdown for a project whose costs, scope and purpose have materially changed?

Response from the Cabinet Member for Planning and Emergency Planning

Thank you for your question.

Section 106 funding for the delivery of community facilities at Mampitts Green was conditionally awarded to Shaftesbury Town Council in October 2024. Agenda item 12 provides an update in respect of all funding conditions and is based on information provided by Shaftesbury Town Council. Section 4 of the report sub titled ‘Alternative options considered’ addresses the option of withdrawing the funding offer. The report states that [withdrawal] *would reset the process for applying for s106 causing significant delay to the delivery of development. Given the already prolonged history to this project, further substantial delay would have knock-on implications for build cost and other associated cost increases, adding further risks associated with delivery.*

The report demonstrates that progress made in lots of different areas, but several key conditions including those associated with budget and project delivery remain partially completed, therefore failing to meet in full the milestones that were set. The milestone extensions proposed in the report recommendation serve to provide further time to enable key stages in the project to be addressed, improving the likelihood of delivery.

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Statement from George Dunn, Tenant farmers Association

Please find below some thoughts that we believe the Cabinet should consider as it debates the new management strategy for the county farms estate.

Background

The agricultural units now owned and managed by Dorset County Council (referred to as County Council Smallholdings) have their origins in UK Government policy of the early 20th Century when there was a major concern about the decline in agricultural employment. This led onto a wish to provide farming opportunities for returning ex-servicemen from the two world wars.

The 1970 Agriculture Act embodied the further evolution of the holdings as units to provide a much wider franchise of individuals with opportunities to farm in their own right. In 1984, the House of Lords, in debating what would become the 1984 Agricultural Holdings Act, emphasised the role of these holdings acting as "starter units" which would encourage tenants to move onto larger holdings elsewhere in due course. As a consequence of this, the concept of succession was excluded for these types of holdings.

The question now is what role these farms play in the early part of the 21st Century. Today's challenges are very different to those of a century ago. Local authorities have many more competing demands on their scarce resources and society's link with farming and agriculture has become significantly weaker as we have developed into an ever more urban-centric country. However, food production is still important as is the management of our countryside and there are still many looking to get into farming but who lack the capital to purchase land or to take on larger tenancies offered in the private sector to make their first step.

The Challenge

The TFA is concerned that in recent times there has been an unhealthy focus, in some local authorities, on the capital value of their farm estates which leads to calls for them to be sold to find resources for other challenges being faced in local communities. The TFA believes that with a more strategic approach to their farm estates, local authorities could benefit significantly in financial terms, continue to provide opportunities for those who want to farm in their own right and be a major driver for rural and wider economic development in their localities.

Meeting the Statutory Objective

The rules for administration of statutory smallholdings are set out within Part III of the UK Agriculture Act 1970. Councils in their role as statutory smallholding authorities have a duty under legislation to make it their general aim to provide farms to those who wish to be farmers in their own right. This stems from Section 39 of the 1970 Act which reads:

"Having regard to the general interests of agriculture and of good estate management, [smallholding authorities] shall make it their general aim to provide opportunities for persons to be farmers on their own account by letting holdings to them".

1. In order to meet that objective, the TFA believes that Dorset and other local authorities with a smallholdings estate have both to offer opportunities to new entrants and to work to sustain existing tenants in their farming career into the long term be that on

the local authority estate or in the private sector. Research has shown that county farms are the principal route into farming for new entrants. However, it is not sufficient to merely oversee a conveyor belt approach where new entrants come on at one end and fall off at the other if they cannot make the transition to the private sector. Either smallholdings authorities need to put resources into ensuring that their tenants can make the transition to the private sector or, if this is not possible, to look at extending existing tenancies and providing longer term tenancies for the security of and investment of those granted initial opportunities. In this respect, the TFA is concerned that there is too much of a focus on new entrants and not enough on progression within the draft management strategy. The vision should be to create a stable, long-term framework for the profitable management of County Council farms to ensure that County Council farms provide their principle function of providing opportunities for individuals to be farmers in their own account.

To assist with progression, the TFA believes that there would be merit in investigating the potential for greater networking and collaboration in the management of County Council Smallholding Estates in other parts of England and Wales.

Development Opportunities

The TFA recognises that the council can realise significant sums through the sale of individual farms or pieces of land with development potential. The TFA does not oppose such sales as it recognises the benefit of the capital receipts to the County Council whilst maintaining (and possibly enhancing) the bulk of the agricultural estate.

However, once farms are sold, they are gone forever. It would be inappropriate to treat capital as revenue to fund frontline services on an ongoing basis. Value from the local authority estate needs to be harvested rather than mined in accordance with a strategic plan. The TFA would advocate that Dorset looks to take a longer term, strategic and patient approach to disposals which will enable maximum benefit with minimum disruption. Importantly, at least some of the receipts from such disposal should be earmarked for investing in new or existing smallholdings within the local authority. This is something which the TFA believes should be coordinated and encouraged at an all-Wales level by reference to a previously agreed good practice guide endorsed by farming and professional bodies which can be accessed by clicking here[1].

Wider Benefits

Ownership of County farms also assists the council directly in meeting wider objectives in relation to countryside and environmental issues, access to the countryside, learning outside the classroom, planning policies, greenbelt management and assisting in the management of flood risk. Without the retention of the land bank, these benefits will be lost.

Management

It is essential to have consistent, enthusiastic proactive staff who are able to engage both with the tenants on the estate and with potential new entrants. The estate management team should also be proactive in reaching out to private estates as possible routes to progression for tenants on the council estate. The estate management team must not be passive or just reactive, they very much need to set the agenda.

Rental income

The TFA notes that the council has benchmarked its rental income per acre with other local authorities. We do not consider that this is a valid comparison given the extent to which rent varies for many reasons including the level of fixed equipment, repairing obligations, quality of the land, enterprise choice and many others. Rental incomes must be set on a case-by-case basis taking into consideration all relevant factors on the subject holding.

Code of Good Practice and Commissioner of the Tenant Farming Sector

The county council will be aware of the recently agreed code of Good Practice for Agricultural Landlords and Tenants and the appointment of the Commissioner for the Tenant Farming Sector. The TFA will encourage the county council to include the code of practice within its tenancy agreements (existing tenancy agreements can incorporate code of practice by memorandum) and to include provisions which allow alleged breaches of the code of practice to be put to the Commissioner.

Principal Conclusions

1. Dorset should review its County Council smallholding estate as an important, strategic, asset that should be retained.

2. More effort should be made to support existing and future tenants to sustain their businesses either within the council or, in the future, in the private sector.

3. There should be greater collaboration with other County farm estates.

4. The council should seek to manage disposals of land from its smallholding estate within the context of a properly thought through asset management plan in order to maximise revenue from development sales whilst not undermining the principal objectives of the estate. Some of this development profit should be used to re-invest in the smallholdings estate.

5. The council should pay greater attention to the wider benefits derived from owning and managing its smallholdings estate.

6. The county farms estate needs a vibrant management team.

7. The agricultural landlord and tenant code of practice should be incorporated into all the council's farm tenancy agreements either when newly let all by memorandum allow all alleged breaches of the code to be referred to the Commissioner.

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Statement from Greg Williams, deputy Mayor and Chair of the Mampitts Advisory Committee on behalf of Shaftesbury Town Council.

Thank you for taking the time at cabinet to consider the next stage of the Mampitts project. The residents in the east of Shaftesbury have been promised this community hub for nearly a decade, and we are now at a point where it is closer to reality than ever before. It might not initially seem like that given the change to the condition timelines being recommended by officers, but this new timeline has had the benefit of professional project manager and architectural input in a way the initial application lacked.
To mature the project and develop this more pragmatic plan, Shaftesbury Town Council (STC) has invested nearly £30,000 in this project to date, at risk. This sum excludes the costs of STC personnel time. We have reached the budgetary position where we need early draw down of S106 funds to progress further.

The draw down will enable us to reach RIBA Stage 4 and launch the construction invitation to tender. On receipt of these tenders, we will have much greater certainty of the outturn costs - something I know we are all keen to ascertain considering the increases in the project to date, which we acknowledge.

We make no apology for our ambition for the project to include a first floor, which has driven the cost increase, and from which we can provide space for sorely needed family hub and healthcare services. The eastern ward of Shaftesbury, which I represent along with three other councillors who lead on this project, has its social challenges. These challenges are only going to be compounded by the implementation of the bus gate, further isolating the development from the rest of town.

We must show that STC and DC, working together, can deliver for the whole of Shaftesbury. This project does that. I am also particularly enthused by how we have now forged a closer partnership with DC officers in order to improve delivery certainty.

We recognise the need for stakeholder contributions and grants to close the £0.5m gap between the S106 allocation and the projected outturn. In addition to potential contributions from DC's family hub programme, we have appointed a grants specialist who has experience of the National Lottery Communities Fund in particular. It is in reflecting on their advice that we have not rushed into making the grant application before having evidence of DC's commitment to the project, via this early draw down request in front of you today. Alternative funding sources are also available, as discussed with
officers, but in line with the original condition of the S106 award to pursue grant funding, this is what we are prioritising.

Community engagement with the project remains high, and impatient. We have expanded our Mampitts Advisory Committee to members of the public, and together we are looking to move the car park to a safer location behind the hall that also preserves more of the village green space. I could summarise the wider community sentiment in five words – 'just get on with it.' Shaftesbury Town Council asks for the cabinet's consent to do just that.

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The Cabinet Forward Plan - December 2025 to March 2026
(Publication date – 11 NOVEMBER 2025)

Explanatory Note:
This Forward Plan contains future items to be considered by the Cabinet and Council. It is published 28 days before the next meeting of the Committee. The plan includes items for the meeting including key decisions. Each item shows if it is 'open' to the public or to be considered in a private part of the meeting.

Definition of Key Decisions
Key decisions are defined in Dorset Council's Constitution as decisions of the Cabinet which are likely to -

(a) to result in the relevant local authority incurring expenditure which is, or the making of savings which are, significant having regard to the relevant local authority's budget for the service or function to which the decision relates (***Thresholds - £500k***); or
(b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority."

In determining the meaning of *"significant"* for these purposes the Council will have regard to any guidance issued by the Secretary of State in accordance with section 9Q of the Local Government Act 2000 Act. Officers will consult with lead members to determine significance and sensitivity.

Cabinet Members and Portfolios 2024/25

Nick Ireland	Leader and Cabinet Member for Climate, Performance and Safeguarding
Richard Biggs	Deputy Leader and Cabinet Member for Property & Assets and Economic Growth
Jon Andrews	Place Services
Shane Bartlett	Planning and Emergency Planning
Simon Clifford	Finance & Capital Strategy
Ryan Hope	Customer, Culture and Community Engagement
Steve Robinson	Adult Social Care
Clare Sutton	Children's Services, Education & Skills
Gill Taylor	Health and Housing.
Ben Wilson	Corporate Development and Transformation

Subject / Decision	Decision Maker	Date the Decision is Due	Other Committee(s) consulted and Date of meeting(s)	Portfolio Holder	Officer Contact
December					
Council Plan Progress Report **Key Decision** - Yes **Public Access - Open** A bi-annual report to Cabinet on Council Plan delivery.	**Decision Maker Cabinet**	**Decision Date 9 Dec 2025**		Leader and Cabinet Member for Climate, Performance and Safeguarding	*Liz Crocker, Head of Strategy liz.crocker@dorsetcouncil.gov.uk Chief Executive*
Towards a new model of day opportunities **Key Decision** - Yes **Public Access - Open** To consider the results of the consultation on the future of day services in Dorset and use this information to shape a way forward for these services. The consultation was launched on a set of proposals across Dorset arising from Cabinet's agreement in principle to the new model for these services at its meeting on 10 September 2024.	**Decision Maker Cabinet**	**Decision Date 9 Dec 2025**	Health and Wellbeing Board 19 Nov 2025	Cabinet Member for Adult Social Care	*Sarah Perrett, Commissioning Manager - Micro Provider & Voluntary Sector Development sarah.perrett@dorsetcouncil.gov.uk, Karen Stephens, Interim Head of Service - Market Relationships, Major Contracts, and Over 65's karen.stephens@dorsetcouncil.gov.uk Executive Director, People - Adults (Jonathan Price)*

Subject / Decision	Decision Maker	Date the Decision is Due	Other Committee(s) consulted and Date of meeting(s)	Portfolio Holder	Officer Contact
Partnership Principles and Statement of Reasonable Expectations **Key Decision** - Yes **Public Access - Open** To approve a set of Partnership Principles with Community Partners and To approve a Statement of Reasonable Expectations with Town Councils	**Decision Maker Cabinet**	**Decision Date 9 Dec 2025**	Place and Resources Overview Committee 24 Nov 2025	Leader and Cabinet Member for Climate, Performance and Safeguarding	*Steven Ford, Corporate Director for Strategy, Performance and Sustainability steven.ford@dorsetcouncil.gov.uk, Jennifer Lowis, Head of Strategic Communications and Engagement jennifer.lowis@dorsetcouncil.gov.uk* *Chief Executive*
Dorset Local Nature Recovery Strategy **Key Decision** - Yes **Public Access - Open** To seek Cabinet's approval for the final Dorset Local Nature Recovery Strategy, prepared in accordance with the Environment Act 2021 and associated regulations. The strategy sets out a spatial framework and priorities for nature recovery across Dorset, developed through extensive stakeholder engagement and evidence gathering. Approval will enable formal publication and implementation, supporting biodiversity enhancement, climate resilience and alignment with national and local environmental objectives	**Decision Maker Cabinet**	**Decision Date 9 Dec 2025**	Place and Resources Overview Committee 24 Nov 2025	Leader and Cabinet Member for Climate, Performance and Safeguarding	*Bridget Betts, Environmental Advice Manager bridget.betts@dorsetcouncil.gov.uk* *Executive Director, Place (Jan Britton)*

Subject / Decision	Decision Maker	Date the Decision is Due	Other Committee(s) consulted and Date of meeting(s)	Portfolio Holder	Officer Contact
Dorset National Landscape Management **Key Decision** - Yes **Public Access - Open** To adopt the Management Plan 2025-30, which sets out a strategic framework for conserving and enhancing the natural beauty, biodiversity, and culture heritage of the Dorset national Landscape, in alignment with national guidance and local priorities	**Decision Maker Cabinet**	**Decision Date 9 Dec 2025**		Leader and Cabinet Member for Climate, Performance and Safeguarding	*Bridget Betts, Environmental Advice Manager bridget.betts@dorsetcouncil.gov.uk Executive Director, Place (Jan Britton)*
Dorset Local Enterprise Partnership Closure **Key Decision** - Yes **Public Access - Open** To gain Cabinet approval for the final closure arrangements of the Dorset Local Enterprise Partnership (DLEP) including the receiving of legacy funds held by DLEP and the resignation of Cabinet Members from DLEP directorships.	**Decision Maker Cabinet**	**Decision Date 9 Dec 2025**		Cabinet Member for Finance & Capital Strategy	*Nick Webster, Head of Growth and Regeneration nicholas.webster@dorsetcouncil.gov.uk Executive Director, Place (Jan Britton)*

Subject / Decision	Decision Maker	Date the Decision is Due	Other Committee(s) consulted and Date of meeting(s)	Portfolio Holder	Officer Contact
Average Speed Cameras - A30 Sherborne dial Carriageway **Key Decision** - Yes **Public Access - Open** The introduction of new average speed cameras on the A30 Sherborne dual carriageway is aimed at improving road safety. Due to the significant overall cost, this initiative constitutes a key decision.	**Decision Maker Cabinet**	**Decision Date 9 Dec 2025**		Cabinet Member for Place Services	*Tony Burden, Road Safety Manager tony.burden@dorsetcouncil.gov.uk Executive Director, Place (Jan Britton)*
2026					
January					
Quarter 3 financial management report **Key Decision** - No **Public Access - Open** Quarter 3 financial management report.	**Decision Maker Cabinet**	**Decision Date 27 Jan 2026**		Cabinet Member for Finance & Capital Strategy	*Sean Cremer, Corporate Director for Finance and Commercial sean.cremer@dorsetcouncil.gov.uk, Heather Lappin, Head of Strategic Finance heather.lappin@dorsetcouncil.gov.uk*

Subject / Decision	Decision Maker	Date the Decision is Due	Other Committee(s) consulted and Date of meeting(s)	Portfolio Holder	Officer Contact
Medium Term Financial Plan and Budget Strategy report **Key Decision** - No **Public Access** - Open	**Decision Maker Dorset Council**	**Decision Date 10 Feb 2026**	Cabinet 27 Jan 2026 Place and Resources Scrutiny Committee 19 Jan 2026 People and Health Scrutiny Committee 21 Jan 2026	Cabinet Member for Finance & Capital Strategy	*Sean Cremer, Corporate Director for Finance and Commercial sean.cremer@dorsetcouncil.gov.uk, Heather Lappin, Head of Strategic Finance heather.lappin@dorsetcouncil.gov.uk*
March					
Dorset Council Housing Allocation Policy **Key Decision** - Yes **Public Access - Open** Proposed revisions to the councils Housing Allocations Policy, which governs how social housing is allocated to applicants on the housing register. The revised policy update aims to ensure fairness, transparency and compliance with legal requirements while addressing local housing need. Key changes may include amendments to priority criteria, eligibility requirements, changes to relevant legislation and operational procedures.	**Decision Maker Dorset Council**	**Decision Date 16 Apr 2026**	People and Health Overview Committee 2 Feb 2026 Cabinet 3 Mar 2026	Cabinet Member for Health and Housing	*Sarah How, Service Manager for Housing Solutions sarah.how@dorsetcouncil.gov.uk* *Executive Director, People - Adults (Jonathan Price)*

Subject / Decision	Decision Maker	Date the Decision is Due	Other Committee(s) consulted and Date of meeting(s)	Portfolio Holder	Officer Contact
Dorset Tenancy Strategy **Key Decision** - Yes **Public Access - Open** A tenancy strategy to set out the kinds and circumstances for different types of tenancies that should be provided to social rented housing tenants, including arrangements for fixed term tenancies, for registered providers which hold stock in the Dorset local authority area, to pay attention to when formulating their tenancy policies.	**Decision Maker Cabinet**	**Decision Date 3 Mar 2026**	People and Health Overview Committee 3 Nov 2025	Cabinet Member for Health and Housing	*Sharon Attwater, Service Manager for Housing Strategy and Performance sharon.attwater@dorsetcouncil.gov.uk, Andrew Billany, Corporate Director for Housing andrew.billany@dorsetcouncil.gov.uk Executive Director, People - Adults (Jonathan Price)*
Housing Standards Enforcement Policy & Statement of Principles for Determining Financial Penalties **Key Decision** - Yes **Public Access - Open** To agree the adoption of a new Housing Standards Enforcement Policy & Statement of Principles for Determining Financial Penalties to account for legislative changes being enacted under the Renters Rights Act 2025.	**Decision Maker Cabinet**	**Decision Date 3 Mar 2026**	People and Health Overview Committee 2 Feb 2026	Cabinet Member for Health and Housing	*Steven March, Service Manager for Housing Standards steven.march@dorsetcouncil.gov.uk, Andrew Billany, Corporate Director for Housing andrew.billany@dorsetcouncil.gov.uk Executive Director, People - Adults (Jonathan Price)*

Subject / Decision	Decision Maker	Date the Decision is Due	Other Committee(s) consulted and Date of meeting(s)	Portfolio Holder	Officer Contact
May					
Financial Provision for the Voluntary Community Sector **Key Decision** - Yes **Public Access - Open** The current 5-year financial agreement for the VCS will be coming to an end in October 2026. This paper will propose the new support for them.	**Decision Maker Cabinet**	**Decision Date**	People and Health Overview Committee 15 Sep 2025	Cabinet Member for Customer, Culture and Community Engagement	*Laura Cornette, Business Partner - Communities and Partnerships Laura.cornette@dorsetcouncil.gov.uk, Jennifer Lowis, Head of Strategic Communications and Engagement jennifer.lowis@dorsetcouncil.gov.uk Executive Director, Corporate Development - Section 151 Officer*

Private/Exempt Items for Decision
Each item in the plan above marked as 'private' will refer to one of the following paragraphs.

1. Information relating to any individual.
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals that the shadow council proposes:-
   (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
   (b) to make an order or direction under any enactment.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

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Cabinet

11 November 2025

September 2025 (Period 6) financial management report 2025/26

For Decision

Cabinet Member:
Cllr S Clifford, Finance & Capital Strategy

Local Councillor(s): All

Senior Leadership Team:
S Cremer, Corporate Director, Section 151 Officer

Report Author and job title: Sean Cremer, Corporate Director, S151 Officer
Email: sean.cremer@dorsetcouncil.gov.uk

Statutory Authority: Section 151 of the Local Government Act 1972

Report Status: Public

1. Executive Summary:

1.1 This Period 6 (P6) financial management report provides a comprehensive overview of Dorset Council's financial position as of 30 September 2025, highlighting key challenges, risks, and actions for the 2025/26 fiscal year.

Financial Position and Key Pressures

1.2 Forecast Outturn: The Council is projecting a £5.3 million overspend (1.3% of the £417.2 million budget), mainly due to rising costs in adults' and children's social care (£7.8m) and delayed savings from the Our Future Council (OFC) transformation programme (£3.3m). These pressures are partially offset by £3.5m in contingency releases.

1.3 National Context: The Council operates in a challenging environment of rising demand, inflation, and systemic underfunding. The Dedicated Schools Grant (DSG) deficit is forecast to reach £148 million, posing significant cashflow risks despite a statutory override extension to March 2028. The Safety Valve agreement with the Department for Education is under review, with contributions withheld pending a revised agreement.

Directorate Performance

1.4 Children’s Services: Facing a £4.9m overspend, primarily from external placements and increasing complexity of care needs.

1.5 Birth to Settled Adulthood (B2SA): Reporting a £1.679m overspend due to increased demand and costs.

1.6 Adults & Housing: Forecasting a £1.063m overspend, mainly from increased demand in adult care packages.

1.7 Public Health & Prevention: £0.452m overspend, with several savings at risk due to staffing and income shortfalls.

1.8 Place Directorate: Projecting a £1.671m underspend, mainly through vacancy management, though risks remain due to market volatility and other external factors.

1.9 Corporate Development and Legal & Democratic Services: Minor variances, with ICT costs and restructuring delays contributing to pressures.

Transformation and Savings

1.10 The OFC programme is forecast to deliver £6.7m of its £10m savings target, with the remainder phased into future years. Governance measures are being strengthened to accelerate delivery and align service-level savings with corporate objectives.

Capital Programme and Debt

1.11 The capital programme totals £142.9m for 2025/26, with 31% committed by September. Slippage and re-profiling are being actively managed. Outstanding sundry debt stands at £39.6m, of which £26.5m is deemed currently collectable.

Risks and Outlook

1.12 The Council’s financial risk is assessed as high, reflecting both local and national pressures. The budget gap for 2026/27 is expected to widen, requiring a reprioritisation of service delivery to ensure ongoing financial sustainability.

1.13 The Council’s reserves are forecast to reduce from £114m to £82m by year-end, with the general fund balance remaining above the minimum operating level.

1.14 The growing DSG deficit remains a significant risk to financial viability.

Conclusion

1.15 Dorset Council faces significant financial pressures requiring decisive action. Strengthened controls and reprofiled transformation efforts are being implemented to mitigate risks and inform the 2026/27 budget strategy, ensuring the Council remains on a path toward financial sustainability

2. 2. Recommendation(s):

Cabinet is asked to:

2.1 Note SLT's forecast of the full year's outturn for the Council, made at the end of September 2025 including progress of the transformational and efficiency savings incorporated into the budget;

2.2 Note the capital programme for 2025/26;

2.3 Note the number and extent of contract exemptions.

2.4 Delegate approval to the Executive Director for Childrens Services in consultation with the Cabinet Member for Childrens to award phase 2 of the valuing care programme with IMPOWER which increases total spend to £0.94m. (Appendix D)

3. 3. Reason for Recommendation(s):

3.1 The Council is legally required to set a balanced budget every year and so must deliver services within the resources made available through the revenue and capital budgets for 2025/26. This report summarises the Council's forecast financial performance for the year at the end of September 2025.

3.2 The operating environment for Local Authorities across the UK remains challenging with increasing numbers of Local Authorities issuing Section 114 notices and exceptional financial support (EFS) in recent years. External factors are bringing pressure to bear through increased demand, rising costs and complexity, in addition to reducing funding. These factors, together with the findings of the SWAP investigation and review of contract procedures and the officer scheme of delegation, mean that effective management and monitoring of activities and budgets has never been more important.

3.3 It is therefore essential to understand the developing financial performance and projected position this year. This ensures that resources are deployed to deliver the Council's services in line with the Council Plan priorities, and so that the organisation remains in good financial health and that service delivery remains sustainable. The Council makes a significant contribution in supporting employment, training and economic prosperity, as well as being a provider and commissioner of critical public services. Balancing all of these strategic, and often, competing priorities is a responsibility is taken extremely seriously.

4. The report

4.1 Overall projection

4.1.1 At the end of September, the Council is forecasting an overspend of £5.3m, which represents 1.3% of the Council's budget requirement (£417.2m).

4.1.2 Whilst there is an improving forecast of £2.4m, this forecast remains of concern as it identifies unbudgeted service pressures of £7.8m, and a forecast shortfall in Our Future Council of £3.3m. These are partially mitigated by release of contingency funding of £3.5m.

4.1.3 Without mitigation the current forecast will require use of reserves. SLT have therefore implemented additional budget control measures in order to ensure that discretionary spend is more closely managed collectively in addition to the current budget control measures managed within directorate budgets.

4.1.4 Later this report also outlines a number of forecast uses of reserves. In the event that the £5.280m forecast improves, there remains an underlying reliance on reserves during 2025/26, which will need to be replenished during the life of the current MTFP.

4.1.5 The directorate variances are summarised in the table below.

Directorate	Net Budget £'000	Forecast Outturn £'000	Forecast (Overspend)/ Underspend £'000		Movement from July (P4) £'000
People - Children's	83,290	88,195	(4,905)	(5.9%)	(889)
Birth 2 Settled Adulthood	9,046	10,725	(1,679)	(18.6%)	(311)
People - Adults & Housing	166,960	168,022	(1,063)	(0.6%)	(210)
Public Health & Prevention	4,478	4,931	(452)	(10.1%)	(8)
Place	110,419	108,749	1,671	1.5%	1,236
Corporate Development	41,649	40,949	699	1.7%	878
Legal & Democratic Services	8,640	8,588	52	0.6%	17
Total Service Budgets	**424,482**	**430,158**	**(5,677)**	**(1.3%)**	**715**
General Funding - including Our Future Council	(41,225)	(38,294)	(2,931)	(7.1%)	1,710
Capital Financing	22,658	22,658	0	0.0%	0
Contingency	1,425	(2,075)	3,500	245.6%	0
Precepts/Levy	21,560	21,591	(31)	(0.1%)	(0)
Central Finance	(438,671)	(438,529)	(142)	(0.0%)	(0)
Retirement costs	1,702	1,702	0	0.0%	0
Whole Authority	**(8,069)**	**(2,789)**	**(5,280)**	**(65.4%)**	**2,425**
Dedicated Schools Grant budgets	8,069	62,348	(54,279)		(1,745)

4.1.6 More detail on the specific directorates is set out in the following paragraphs.

4.2 Children's Services

The Children's Services forecast is £88.195m compared with a net budget of £83.290m an overspend of £4.905m (5.9%).

People Services - Children's	Net Budget £'000	Forecast Outturn £'000	Forecast (Overspend)/ Underspend £'000		Movement from July (P4) £'000
Quality Assurance	4,091	4,091	0	0.0%	0
Care & Protection	58,997	64,102	(5,105)	(8.7%)	(935)
Commissioning and Partnerships	6,536	6,536	0	0.0%	0
Director's Services	(1,385)	(1,585)	200	14.4%	100
Education and Learning	15,254	15,254	(0)	(0.0%)	(53)
DSG Recharges	(204)	(204)	0	0.0%	0
Total Directorate Budget	**83,290**	**88,195**	**(4,905)**	**(5.9%)**	**(889)**
Dedicated Schools Grant budgets	8,069	62,348	(54,279)		(1,745)

Care & Protection

4.2.1 The overspend sits within Care and Protection, the social services side of the directorate. Children in Care continues to be the significant pressure within the Service.

4.2.2 Other areas, including Special Guardianship Orders, The Harbour Services and use of psychologists are forecast to underspend.

Children in care

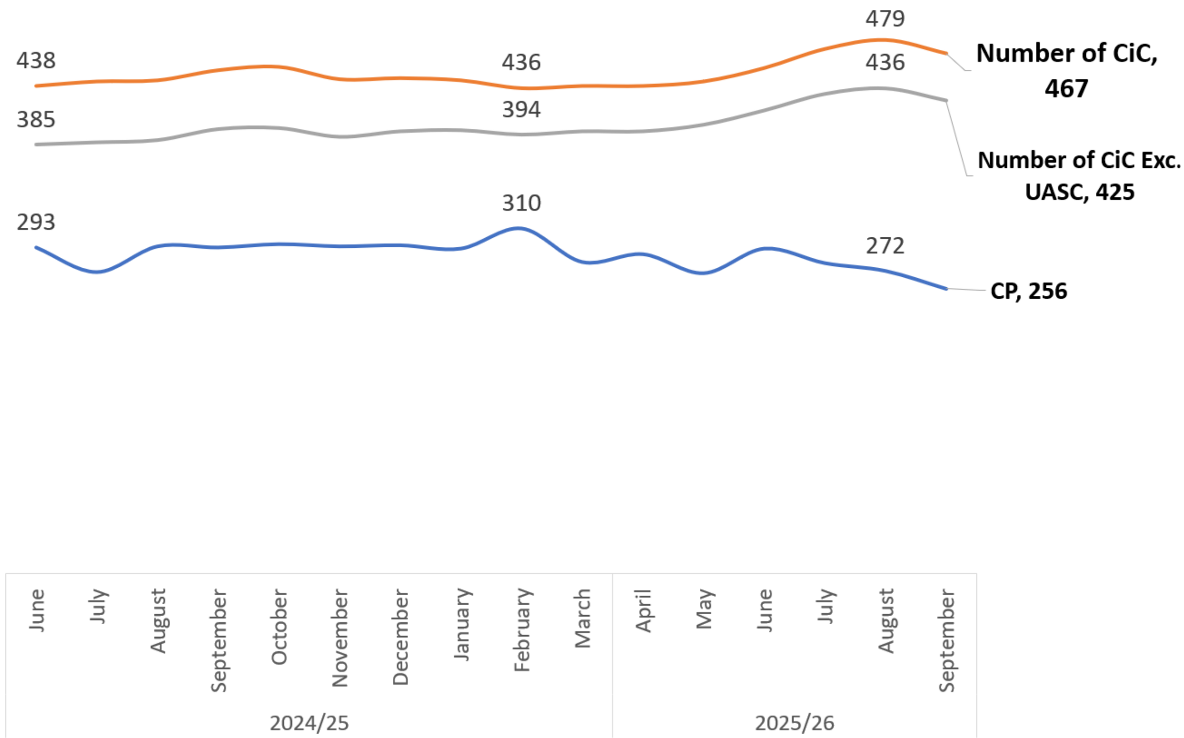
4.2.3 As mirrored nationally, pressure on external placements for our children in care population continues. Increasing numbers of Children in Care not only impact placement budgets, but non-placement budgets are also affected including assessment costs, legal, interpreter fees and travel costs.

4.2.4 The Children in Care placements budget is currently forecast to overspend by £5.712m, this includes fostering and Dorset Council residential provision.

4.2.5 An overspend is reported for supporting our children in care, and this is mainly driven by three factors: our children's needs increasing in complexity, inflation and an external residential placement market that isn't functioning effectively.

4.2.6 Dorset's Children in Care has reduced compared to September 2020 (486), despite monthly increases for most of 2025, peaking at 479 in August. Positively, the number of Children in Care reduced in September to 473. This includes our unaccompanied asylum-seeking children.

4.2.7 The reduction in our number of children in care (CiC) mirrors the reduction of child protection (CP) plans:

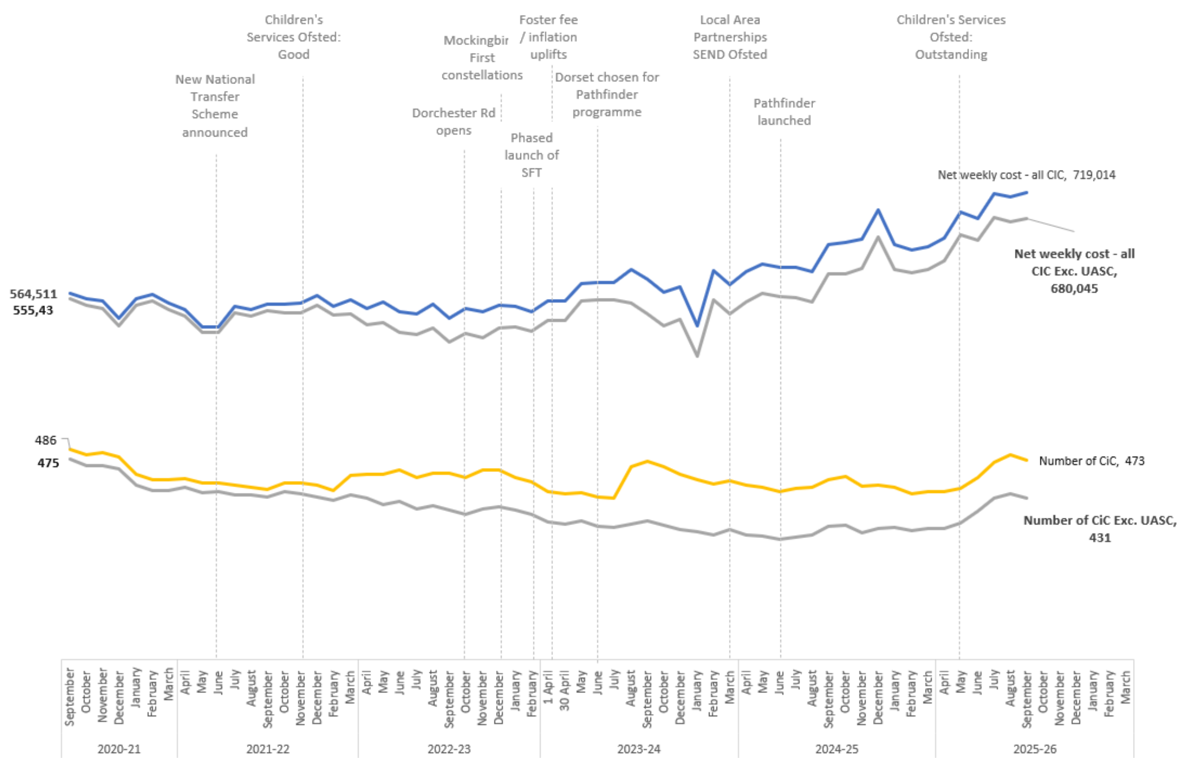


4.2.8 Generally, most children who enter care have been those with a Child Protection plan (CP on the graph above). If this number reduces, therefore the future number of children in care should also reduce.

4.2.9 Dorset Council fostering placements have increased to the 2020 levels (212) although there has been an increase of 9 external residential placements since June 2024, taking this cohort to 52.

4.2.10 Weekly average costs for external residential placements have risen from an average of £5.3k in June 2024 to the current average of £6.6k, an increase of 22%. This is an extra £63k per annum per placement

Dorset Council: Children in Care - net weekly cost and number of children



4.2.11 If the number of children in care (exc. our unaccompanied children) had remained at 475, at September 2025 averages, it is estimated an additional £3.6m of annual cost would be incurred.

4.2.12 Dorset Council are seeking to return the Children in Care trajectory downwards and influence the placement mix of the cohort, through:

i. Through our work in the Families First For Children Pathfinder, we are continuing to rebalance the system. Strong partnership work (including education) in communities, our conversation-based Family Support and Advice Line, integrated ‘Thrive’ locality model, and expanded innovative edge of care Harbour offer, is delivering the right services and support to families and their children, and at an earlier and therefore lower level of intervention.

ii. Participating in the Southwest regional pilot trialing a regional fostering recruitment and retention hub

iii. Year five of the transformation programme, for example Mockingbird for foster carer placement stability.

iv. Starting to implement Vcare as a tool and way of working

v. Our own in-house provision. Two children’s homes have recently been inspected with Good and Outstanding outcomes, delivering better value for money and experiences for children. Further capital investment in this area continues.

vi. The number of permanent social workers in our workforce has remained steady, with consistently manageable caseloads allowing our workers to build strong relationships with the families they serve. High case loads can lead to placement instability.

vii. Exceptions to higher caseloads have been rare and typically due to specific reasons. Our recruitment efforts, 'grow our own' initiatives, and retention plans are yielding positive results. As of March 2025, each Child Protection social worker supports an average 14 children, Family Help teams 15 children and Permanence teams 12 children, enabling them to foster meaningful relationships with the children under their care.

viii. Maintaining constructive conversations with providers to understand their cost base and reasons for price uplifts before any agreements are finalised.

Savings

4.2.13 Children’s Services are currently forecast to achieve the full value of budgeted savings, £7.182m (excluding B2SA).

Families First for Children Pathfinder

4.2.14 Dorset Council are a Pathfinder authority for Families First for Children reforms. Pathfinder finished in March 2025 and Dorset are supporting the nation rollout of the reforms.

4.2.15 There are three grants to support Families First for Children reforms: A Pathfinder Grant, the Prevention Grant and Families and Children’s Grant. All are currently forecast to be spent.

Risks and mitigations

4.2.16 This is the forecast outturn position at the end of September. The main risks for Children’s Services that may further impact the outturn position are: inflation (including cost of living upon the children and families we support as this may increase demand), delivering capital projects on time and on budget (there are revenue implications for late projects), new placements and placement changes, delivery of transformation savings, and new government policy that may not be funded.

4.2.17 Children’s Services will continually review grants and other funding sources, plus regularly review the vacancies to help reduce the overspend.

4.3 Birth to Settled Adulthood

4.3.1 The Birth to Settled Adulthood forecast is £10.725m compared with a net budget of £9.046m an overspend of £1.679m (18.56%).

4.3.2 The Birth to Settled Adulthood service is now a separate area containing budgets from Adults and Children's Services. The table below reflects this change.

People Services - Birth to Settled Adulthood	Net Budget £'000	Forecast Outturn £'000	Forecast (Overspend)/ Underspend £'000		Movement from July (P4) £'000
Team	2,766	2,667	99	3.6%	99
Children's	4,272	4,932	(660)	(15.4%)	709
Adults	2,636	3,126	(489)	(18.6%)	(489)
B2SA Transformation	(629)	0	(629)	(100.0%)	(629)
Total Directorate Budget	**9,046**	**10,725**	**(1,679)**	**(18.6%)**	**(311)**

4.3.3 B2SA aims to improve support for children and young people with complex needs or disabilities as they transition into adulthood. By integrating multiple internal and external services into a single, coordinated team, the programme seeks to enable smoother—and potentially more cost-effective—transitions to independence. There are further phases with this programme.

4.3.4 The Birth to Settled Adulthood (B2SA) service has a savings target of £1 million. To date £0.371m has achieved, leaving a remaining gap of £0.629m. A recovery plan has been developed to address this; however, rising demand and increased market costs since the target was set in 2022 present significant risks to its delivery.

4.3.5 There are 409 children who are receiving (or have received) one or more services during 2025/26.

4.3.6 The Adult's element of this service supports young adults (18-25) transitioning into independent living arrangements and long-term care solutions. The service is currently funding 52 individuals an increase of 14 since Q1, with supported living representing the most significant area of expenditure. At this stage, there is a forecast overspend of £0.489m reflecting increased demand within this age cohort.

4.3.7 Demand for the services is predominantly for externally commissioned support packages, direct payments and short breaks. The cause is a mixture of inflation, increased complexity and the difficulty finding providers through the direct payment mechanism.

4.3.8 This is an evolving area and will change and practices, processes and budgets continue to match to meet the B2SA requirements.

4.4 Adults Services & Housing

4.4.1 The Adults Services & Housing Directorate is currently forecasting a net expenditure of £168.022m against a budget of £166.960m, resulting in a projected overspend of £1.063m (0.64%). The position has worsened by £0.210m since P4.

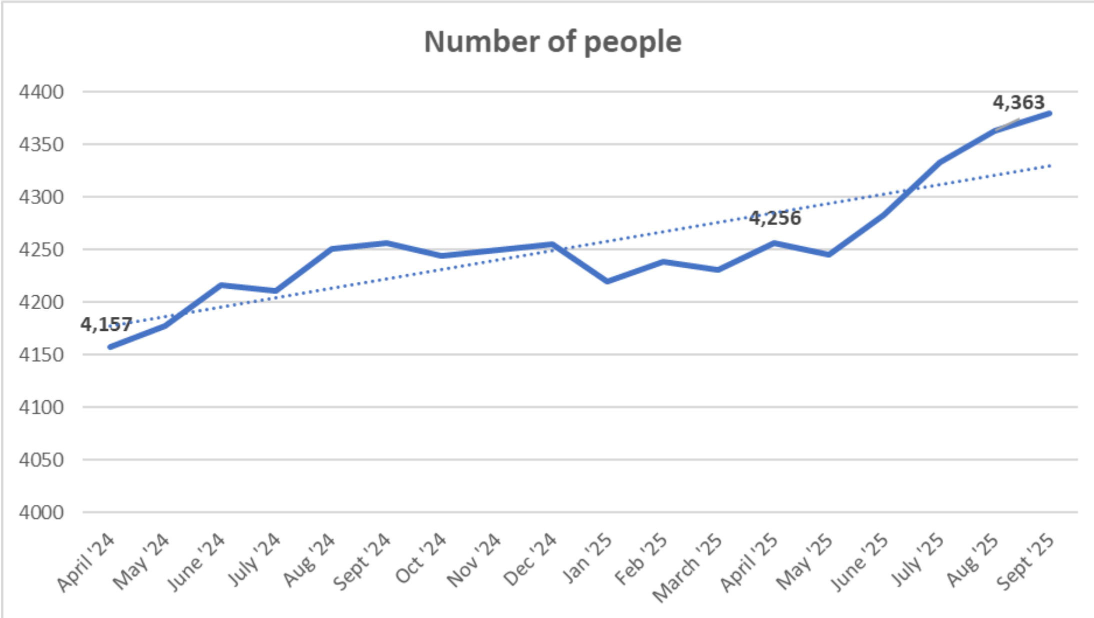
4.4.2 The movement of £0.210m since P4 is predominantly due to £0.300m of savings targets that have now been identified as unachievable within the current financial year. The team is actively working through potential mitigations to offset this pressure.

People Services - Adults	Net Budget £'000	Forecast Outturn £'000	Forecast (Overspend)/ Underspend £'000		Movement from July (P4) £'000
Adult Care Packages	128,245	129,156	(911)	(0.7%)	(272)
Adult Care	20,724	20,737	(13)	(0.1%)	(13)
Commissioning & Improvements	7,672	7,870	(198)	(2.6%)	22
Directorate Wide	2,237	2,237	0	0.0%	(7)
Housing & Community Safety	8,082	8,022	59	0.7%	59
Total Directorate Budget	**166,960**	**168,022**	**(1,063)**	**(0.6%)**	**(210)**

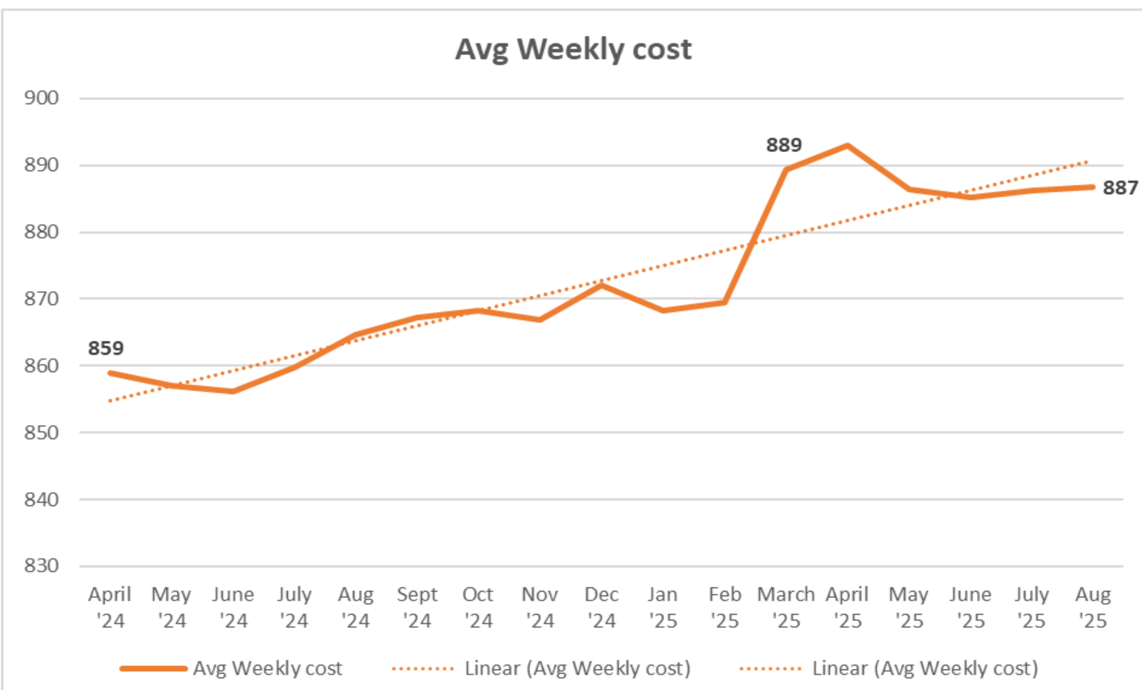
Adult care packages

4.4.3 The primary contributor to this overspend is adult care packages, which are forecast to exceed budget by £0.911m. This estimate reflects the current cohort of individuals receiving support. As a needs-led service, predicting future demand remains complex and uncertain.

4.4.4 Between April and September 2025, the number of individuals supported increased from 4,256 to 4,379, representing a net growth of 123 people, including an additional 46 people since P4. This rise in demand is a key contributor to the current budget pressure.



4.4.5 During the same period, the average weekly cost of care packages decreased slightly from £889 in April to £887 in September. It is important to note that April costs include annual uplifts, which temporarily elevate the baseline. While the cost trend appears stable, the combination of increased demand and elevated baseline costs continues to drive financial pressure.



4.4.6 Since reporting in Period 4, the forecast for Section 117 (S117) aftercare – support provided to individuals detained under specific sections of the Mental Health Act – has reduced. However, it continues to contribute to the overall forecast overspend pressure.

4.4.7 Care packages continue to be reviewed under the oversight of Corporate Directors, in line with the scheme of delegation. Existing system-wide activity is focused on reviewing packages for appropriateness, exploring joint funding opportunities, and assessing eligibility for continuing healthcare. These efforts are being factored into the forecasting process to improve accuracy and financial control.

4.4.8 The directorate remains focused on managing both cost and demand pressures. Prevention programmes and targeted interventions are central to efforts to contain the forecast overspend, with many savings initiatives centred around demand management. This approach is reflected in the establishment of the new Prevention and Early Intervention Team, which aims to proactively support individuals before their needs escalate, thereby reducing reliance on more intensive services.

Housing

4.4.9 Housing is currently forecasting an underspend of £0.059m (0.74%).

4.4.10 Homelessness approaches numbers remain consistently lower than the same period last year, which is a positive trend. However, we recognise that the upcoming winter season may place additional pressure on household budgets due to rising fuel and food costs.

4.4.11 The numbers of individuals in temporary accommodation have increased slightly since P4, rising from 183 to 201. Despite this, year on year comparisons show a reduction in the number of acceptances, which is contributing to significant savings and improved performance.

4.4.12 The number of households in B&B accommodation continues to decline, which is a positive trend. In particular, the number of single households in B&Bs has improved in line with the B&B reduction plan. Successful placements often depend on the availability of self-contained accommodation to meet individual needs. The team continues to work proactively to support move-on arrangements and ensure the best use of available stock for single individuals currently placed in B&B.

4.4.13 Family placements in B&Bs have increased slightly since P4, rising from 7 to 15. Despite this, year on year comparisons show a reduction in the number of families placed in B&B accommodation. The area continues to be closely monitored, and families are being supported with moves into alternative temporary accommodation.

4.5 Public Health and Prevention

4.5.1 Public Health and Prevention is currently forecasting a net expenditure of £4.901m against a budget of £4.49m, resulting in a projected overspend of £0.452m (10.16%).

People Services - Public Health and Prevention	Net Budget £'000	Forecast Outturn £'000	Forecast (Overspend)/ Underspend £'000		Movement from July (P4) £'000
Community and Public Protection	3,916	4,368	(452)	(11.5%)	(8)
PH Joint Partnership	0	0	0	0.0%	0
People - Children's	0	0	0	0.0%	0
Public Health	562	562	0	0.0%	0
Total Directorate Budget	**4,478**	**4,931**	**(452)**	**(10.1%)**	**(8)**

4.5.2 Current performance indicates that several of the savings put forward are at risk. Continued monitoring and mitigation planning will be essential to manage the financial position going forward.

4.5.3 The Public Health Grant for 2025/26 for Dorset Council is £16.258m.

4.5.4 Public Health is currently forecasting a breakeven position. Following the disaggregation of the previously shared service, work is underway to review and stabilise operations as a newly formed directorate. This transitional phase includes reassessing service delivery models and financial planning to ensure long term sustainability.

4.6 Place directorate

4.6.1 The overall forecast for Place Directorate for September 2025 is a projected favourable position (an underspend) of £1.671m (1.5%), with a projection of £108.7m net spend against a net budget of £110.4m.

Place	Net Budget £'000	Forecast Outturn £'000	Forecast (Overspend)/ Underspend £'000		Movement from July (P4) £'000
Highways	5,805	5,421	384	6.6%	(47)
Dorset Travel	42,975	42,912	63	0.1%	(0)
Flood & Coastal Erosion Risk Management (FCERM)	1,085	1,087	(2)	(0.2%)	9
Greenspace	3,370	3,410	(40)	(1.2%)	(0)
Health & Activity	152	123	29	19.1%	29
Commercial Waste & Strategy	17,424	17,154	270	1.6%	170
Waste - Operations	17,936	17,624	312	1.7%	312
Fleet	197	138	59	30.0%	59
Weymouth 2040 Ancilliaries	410	434	(24)	(5.9%)	(24)
LUF	0	0	0	0.0%	0
Economic Development	1,486	1,774	(288)	(19.4%)	(231)

Harbours	16	22	(6)	(38.5%)	41
Leisure, Arts & Cultural Services	3,330	3,257	72	2.2%	(51)
Directors Office	1,899	1,181	718	37.8%	718
Assets & Property	8,234	8,234	0	0.0%	(0)
Planning	6,100	5,978	122	2.0%	251
Total Directorate Budget	**110,419**	**108,749**	**1,671**	**1.5%**	**1,236**

4.6.2 The Place Directorate budget includes a built-in saving target in relation to vacancy factor and other post related savings of over £1.4m. Control over this target has been carefully managed, and at this stage there is circa £0.163m of saving not yet achieved.

4.6.3 Other caveats for this report are:

4.6.4 The start of the new academic year sees a significant number of contracts renewed in Dorset Travel for SEND transport and to a lesser extent for mainstream school transport. The budget allows for potential uptick in costs as a result. However, given the size of the budgets (£13m for mainstream school transport and £24m for SEND transport) even a small percentage change in costs can mean a big change in expenditure. For this reason, the forecast for Dorset Travel will be much clearer after the effect of the new school year contracts are known.

4.6.5 Commercial Waste and Strategy is incurring expenditure at several waste sites to make improvements following advice from the Health and Safety Executive. The work is not expected to exceed £0.5m although that figure is not certain at this stage. There is no funding for this work as part of the revenue base budget, however the expected costs can be met from money received from central government specifically for waste services (Extended Producer Responsibility funding grant).

4.6.6 Commentary on the specific Place Directorate services is as follows. Minor budgets and/or minor variances are excluded, for the sake of brevity.

Highways

4.6.7 The Highways budget is forecast to be underspent by £384k. This is made up as follows:

4.6.8 Parking Services are £150k favourable against the budget, based on income to date. The forecast assumes that income for the remainder of the year will come in on profile, but the reality is that parking income can be unpredictable due to factors affecting demand such as the weather and local events.

4.6.9 The Infrastructure services have a projected underspend of circa £500k, of which £425k is an assumption around the cost of utilities (energy) in street lighting. The remainder of the underspend is primarily vacancy related.

4.6.10 Network Operations has a projected overspend of £274k: the majority of this in relation to the Sign Shop is projecting an adverse trading position (exacerbated by vacancies), plus £55k of unbudgeted costs with WSP in relation to the term service contract, and various unresolved savings / income aspirations.

Dorset Travel

4.6.11 Overall, Dorset Travel is projecting a £63k underspend on a net budget of £43.3m. The underspend is in relation to slightly lower Passenger Assistant costs in the year to date.

4.6.12 Contract renewals at the start of the new academic year are currently being analysed and are key to understanding the likely levels of spend for the remainder of the year.

Commercial Waste and Strategy

4.6.13 An underspend of £270k is predicted. This is the net effect of a worsening recyclate price creating a budget pressure but offset by lower tonnages seen in the year so far and supported by positive results from the trade waste and garden waste services. This budget line is volatile and needs to be kept under constant review.

Waste Operations and Fleet

4.6.14 There are projected favourable variances of £312k in Waste Operations and £59k in Fleet. These variances are around staffing/agency, vehicle fuel and vehicle maintenance costs.

Economic Development

4.6.15 The Economic Development service is forecasting a £288k adverse variance. The expected overspend is a combination of vacancy factor, in-built savings, and staffing budget pressure.

Leisure, Arts and Cultural

4.6.16 The projection of £72k underspend is the net effect of unbudgeted Leisure review costs and vacancy factor, offset by predicted utility costs and some staff vacancies.

Directors Office

4.6.17 During March and April 2025, the Place leadership team undertook an exercise to manage and reduce post numbers across the Directorate. This resulted in a saving of £864k, which is shown here, and offset by other minor overspends. (Total forecast on Directors Office £718k underspend).

Assets and Property

4.6.18 Assets and Property are incurring additional costs in relation to staffing, particularly for additional staff who have been employed to work on asset disposals. However, additional funding has been provided from within the Place Directorate as mentioned above, in the sum of £0.450m from Dorset Travel and £0.150m from contingency.

4.6.19 Assets and Property have several savings in-built into the budget which are dependent on a restructure to take place. The restructure is in progress.

4.6.20 The current year saw additional funds added to the repairs & maintenance base budget in the sum of £2m for compliance, plus an additional £1m added as a one-off for fire related compliance work

4.6.21 Overall, the Assets and Property service is currently forecast to be on budget i.e. nil variance.

Planning

4.6.22 Overall, an £122k favourable variance is projected, largely due to income and several vacancies. Income for planning applications and building control always fluctuates significantly from one month to the next. Pre-application advice is performing positively and is a useful barometer of future planning applications, while the national uplift in statutory housing targets is likely to see an increase in planning applications later in the autumn when the fixed 5-year supply period comes to an end. Building control has seen similar fluctuations but market share remains robust and there may be further increases in activity in advance of the 2026 introduction of the Building Safety Levy as developers seek to get in before the deadline.

Mitigations are as follows:

- Active vacancy management
- Active promotion of discretionary chargeable services and expanding the offer
- An anticipated uplift in housing applications during the later part of this financial year
- Minimisation of spend on other budget lines which will mitigate any budget pressures elsewhere.

4.7 Corporate Development

4.7.1 The Corporate Development forecast is £40.949m compare with a net budget of £41.649m, showing a underspend of £0.7m (1.7%).

Corporate Development	Net Budget £'000	Forecast Outturn £'000	Forecast (Overspend)/ Underspend £'000		Movement from July (P4) £'000
Financial & Commercial	10,331	10,304	27	0.3%	73
Human Resources	1,953	1,692	261	13.4%	261
ICT Operations	8,974	8,834	140	1.6%	222
Chief Executive's Office	1,157	1,165	(8)	(0.7%)	(8)
Directors Office	235	235	0	0.0%	0
Strategy, Performance and Sustainability	13,498	13,185	313	2.3%	313
Digital Change	2,349	2,333	17	0.7%	17
Transformation	3,151	3,201	(50)	(1.6%)	0
Total Directorate Budget	**41,649**	**40,949**	**699**	**1.7%**	**878**

4.7.2 **Finance & Commercial** is experiencing a minor underspend with service pressures currently offset by underspends.

4.7.3 **Human Resources** is forecasting an underspend of £261k, primarily due to pay-related savings. These savings have resulted from a combination of factors, including staff vacancies, appointments made at lower scale points than budgeted, adjustments to contracted hours, uptake of the holiday purchase scheme, and maternity leave without backfill.

4.7.4 **ICT Operations** is currently reporting an underspend of £140k, reflecting a positive movement of £222k since Quarter 1. This improvement is the result of a combination of factors, including staffing efficiencies, infrastructure savings, and increased income.

4.7.5 A £68k pay underspend was achieved through vacant posts contributing to service savings, partially offset by costs associated with roles that were expected to be removed but remain filled, alongside other staffing pressures. Additional savings from vacant cyber posts have been used for corporate purposes and are not included in this figure.

4.7.6 Infrastructure costs have reduced by £136k, driven by savings across several service contracts, although this was partially offset by increased costs for Cloudflare and Microsoft licensing.

4.7.7 **Strategy, Performance & Sustainability** The overall budget position across the services shows a positive forecast, with notable underspends in Customer Services £212k, Organisational Development £59k and Libraries £42k. These are largely attributed to pay savings and additional income.

4.7.8 **Transformation, Customer and Cultural Services** are currently reporting an overspend of £50k.

Legal & Democratic Services

4.7.9 The Legal & Democratic forecast is £8.588m compared with a net budget of £8.640m, an underspend of £52k (0.6%). There are no material variances within services.

Legal & Democratic	Net Budget £'000	Forecast Outturn £'000	Forecast (Overspend)/ Underspend £'000		Movement from July (P4) £'000
Assurance	1,752	1,749	3	0.2%	8
Democratic & Elections Services	3,167	3,167	0	0.0%	0
Land Charges	(312)	(340)	28	9.0%	0
Legal Services	3,053	3,032	21	0.7%	9
Archives	981	981	0	0.0%	0
Total Directorate Budget	**8,640**	**8,588**	**52**	**0.6%**	**17**

Central Finance and Contingency

4.7.10 The forecast for central finance budgets is £432,947m compared with a net income budget of £432,551m, is a forecast underspend of £0.4m (0.1%).

Central Finance	Net Budget £'000	Forecast Outturn £'000	Forecast (Overspend)/ Underspend £'000		Movement from July (P4) £'000
Our Future Council programme	(10,000)	(6,710)	(3,290)	(32.9%)	1,710
General Funding	(31,225)	(31,584)	359	1.1%	0
Capital Financing	22,658	22,658	0	0.0%	0
Contingency	1,425	(2,075)	3,500	245.6%	0
Precepts/Levy	21,560	21,591	(31)	(0.1%)	(0)
Central Finance	(436,970)	(436,827)	(142)	(0.0%)	(0)
Total Central Budgets	**(432,551)**	**(432,947)**	**396**	**0.1%**	**1,710**

4.7.11 **Our Future Council (OFC) programme** – see later section on OFC.

4.7.12 **Capital Financing** - At the end of the 2024/25 financial year, the Council revised its approach to calculating the Minimum Revenue Provision (MRP). This change was primarily introduced to better align the charge with the actual usage of assets over time, while continuing to ensure a prudent level of provision is maintained to support the repayment of debt.

4.7.13 The change in the calculation also results in a reduced budget requirement, with an anticipated underspend of circa £6m. However, this has not yet been reflected in the forecast, as is expected that the underspend will be transferred to reserves, and then released to support the funding of Our Future Council.

4.7.14 **Contingency** - The Council's base budget included a contingency of £13m. The Contingency budget includes £4.5m allocated for inflation, originally set aside due to the complex impacts of inflation driven by demand and changes to national insurance policy. To help mitigate the overall overspend and the reduced savings from the Our Future Council programme, £1.0m has now been released. A further £2.5m has been released following confirmation of the Nationally agreed pay award at 3.2%.

4.7.15 **Central Finance** - These budgets include income from council tax and business rates. A business rates surplus of £2.5 million has been identified; however, this has not yet been reflected in the forecast, as it is anticipated that the surplus will also be required to fund OFC.

4.8 Transformation and savings plans

4.8.1 **Our Future Council – Whole Council Transformation** The 2025/26 Dorset Council budget includes a portfolio of savings plans across each directorate, alongside the Our Future Council (OFC) whole council transformation programme. OFC is designed to modernise shared functions across the organisation and underpin them with appropriate, enabling technology.

4.8.2 The approved business case for OFC included a savings requirement of £10.0m for 2025/26.

Progress to Date – September 2025

4.8.3 The programme is currently forecasting delivery of £6.7m in savings for 2025/26. This reflects progress with the implementation of new operating models, a voluntary redundancy programme, third party spend review and initial service redesign efficiencies.

4.8.4 Workstreams such as commissioning and procurement are progressing and expected to contribute more significantly over the three-year programme.

4.8.5 As of September 2025, the programme is forecasting delivery of £6.7m with further details presented to Cabinet in October 2025 Transformation Report.

4.9 Savings - Adults & Housing

4.9.1 The Adults and Housing directorate has a savings programme in place to deliver £10.597m. At this stage, £6.421m (61%) has been achieved. Below details the progress on each of the programmes.

4.9.2 Since P4 reporting, further savings have been achieved within the Working Age Adults and Housing workstreams.

4.9.3 A full review of outstanding savings has identified £0.300m as unachievable within the current financial year. The remaining savings are being closely monitored, and continued oversight and mitigation planning will be essential to manage the financial position going forward.

4.10 Savings – Children's

4.10.1 The Children's Services directorate has a savings programme to deliver £7.182m. To date, £6.862m has been achieved.

4.10.2 Around £3.9m of this includes work on projects such as **Family Hubs** which offer a network of Family Hubs, embedded in communities in Dorset where families can get the support they need, **Mockingbird** the current constellations support 57 children and 41 fostering households, an Advanced Practitioner (AP) who will join the fostering service in November, this will enable us to expand the programme over the coming months. We aim to launch a further 2 constellations by 31 March 2026. **Safeguarding Families Together** 309 children from 167 families are currently receiving help under SFT. **The Early Support and Digital Family Offer** is centred on making Children's Services digital by design—prioritising family needs and promoting digital access as the default.

4.10.3 **Service savings** – In addition to the above savings, Children's identified an additional £3.28m of savings as part of the 2025/26 budget set. Savings range from additional Social Care Grant allocations being retained centrally, through to increased vacancy factors. All the savings in this category are forecast to be achieved, although not without risk. For example, service delivery being impinged through vacancies being held for longer and the reporting requirements of grants.

4.11 Savings – Birth to Settled Adulthood

4.11.1 To date, £0.371m of the £1m savings target have been realised, and work continues to deliver the remaining savings. As mentioned earlier in the report, demand for services within this cohort is increasing.

4.12 Savings – Place

4.12.1 The Place Directorate budget for 2025/26 includes £4.740m of in-built specific savings targets. This is in addition to in-built vacancy factor targets.

4.12.2 The savings fall across 47 budget lines, and so they are not reported individually here, but are as referenced in the budget setting report.

4.12.3 At this stage, three savings proposals are marked as Red or partially Red. These are:

- The proposals to charge for car parking in the evening was not pursued (£235k)
- An alternative model for Tourism is not on track (£84k).
- A proposed reduction in Community Highways Officers is not being pursued.

4.12.4 At this stage, the majority of savings are marked as “Amber” meaning that, whilst the savings cannot be considered “banked” as yet, they are broadly on track.

4.12.5 In summary, of the £4.740m savings, £1.350m can be considered as achieved with a further £2.731m subject to further ongoing monitoring (“Amber”).

4.13 Savings – Corporate

4.13.1 The Corporate savings target for 2025/26 is £2.7m, which is in addition to in-built vacancy factor targets of £0.7m. To date £1.8m (67%) have been achieved. Of the remainder £0.4m (14%) are on target to be achieved and £0.5m (19%) are deemed high risk and are unlikely to be achieved this year.

4.13.2 The Financial & Commercial savings targets initially included:

- An additional vacancy factor of £350k
- Centralisation of finance-related roles (£128k)
- Centralisation of invoice processing and debt control (£80k)
- Introduction of a supplier incentive payment scheme (£50k)
- Commercial income and sponsorship opportunities (£50k)

4.13.3 Progress has been made towards the vacancy factor target, with £210k achieved and £140k remaining. However, the centralisation of finance roles, invoicing, and debt control has not been progressed, due to delays with OFC programme for Group 2.

4.13.4 The supplier incentive payment scheme has been deferred until the new ERP system is implemented. While initial work was undertaken earlier in the year to explore commercial income and sponsorship opportunities, this has not been progressed due to competing priorities.

4.13.5 Within ICT the position has improved and only £20k of the original savings targets have been deemed high risk. That said the service is forecast to underspend overall due to a number of other factors.

4.13.6 A £50k saving was originally anticipated within Transformation, Customer and Cultural, based on a proposed restructure. However, this restructure is no longer considered viable, and the saving will not be realised.

4.14 Dedicated Schools Grant (DSG)

4.14.1 2024/25 ended with a £37.3m overspend. At the 30 September 2025, the forecast outturn is a £54.3m overspend for 2025/26. Adding the historic cumulative deficit position, a revised cumulative deficit would be £148.6m. This figure reflects the withholding of DfE contributions whilst the safety valve agreement is being reviewed. If the agreement is reinstated and previously committed contributions are received this would reduce to a cumulative deficit of £115.8m after DfE and Council contributions.

4.14.2 Any deficit associated with the DSG is kept off councils' balance sheets because of the statutory override set out in The Local Authorities Capital Finance and Accounting (England) Regulations. This was extended from March 2026 to March 2028 in June 2025.

4.14.3 Until March 2028 the deficit is therefore held separately from the general fund, however, there remains an underlying cashflow pressure from carrying a £148m deficit meaning that the Council has access to £148m less cash than it would otherwise. As a result, interest foregone during 2025/26 on the deficit equates to £4.9m of pressure met by the General Fund. This is £4.9m which could otherwise be spent on local service delivery. This will rise to around £7.4m if the deficit is £148m.

4.14.4 As the deficit grows, there will come a point at which it exceeds Council reserves, and the Council would be technically insolvent. However, the government announced a two-year extension to the statutory instrument in June 2025. The promised approach to SEND reform was expected in a white paper this Autumn but has now been deferred to early 2026. These commitments from the government should mean the future risk is lowered.

4.14.5 Further analysis and detail is available in the Dorset Schools Forum monitoring reports: [Browse meetings - Schools' Forum - Dorset Council]

4.15 Safety Valve

4.15.1 To address the deficits nationally the DfE introduced the Safety Valve Programme. As mentioned earlier in this report, Dorset’s agreement is currently under review, with partner contributions being withheld.

4.15.2 The agreement with the Department for Education in March 2022 to help eradicate the cumulative DSG deficit and support a return to a balanced in-year DSG position by 2026-27. Dorset Council will contribute £33m of revenue as part of the agreement. Additionally, Dorset are investing £47m into capital schemes across the county.

4.15.3 To date, the DfE funding received totals £23.75m and Dorset Council contributions equal £15m. As at the 31 July 2025, no DfE contributions for 2023-24 and 2024-25 have been received.

4.15.4 The financial advisors have reviewed the March plan, and the practice advisor visited Dorset in July 2025. An updated plan was submitted to the DfE by the 12 September deadline.

4.16 Local Context

4.16.1 A significant driver for the historic deficit is the continued rise in the number of children and young people who require an Education, Health, and Care Plan (EHCP). Chart 1 demonstrates this growth since the introduction of the SEND reforms introduced in 2014.

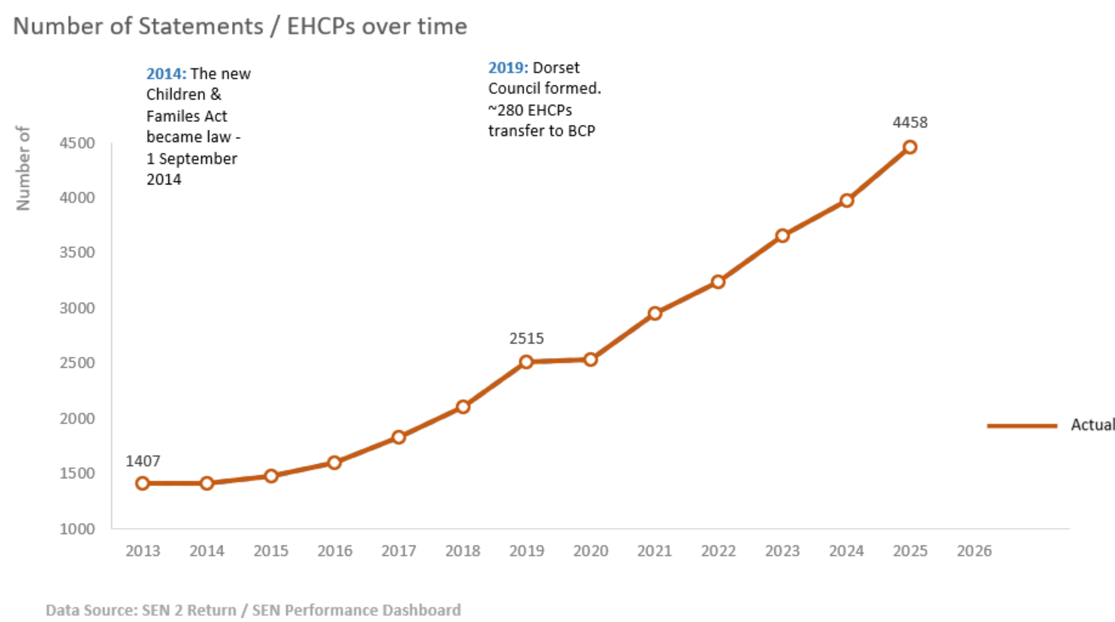


CHART 1: Number of pupils with an EHCP since 2013

4.16.2 There has been a notable increase in Independent Special School Placements, with current forecasts indicating 293 FTE at an average cost of £67,000. This compares to the budgeted 261 FTE at £74,000. Although the average unit cost is lower than anticipated, the higher volume of placements is contributing to a projected overspend on Independent Special School Placements of £1.9m.

4.16.3 The DSG budget for financial year 25/26 was set with a starting in-year deficit of £51.11m. The majority of the movement from this starting deficit to the current overspend position of £54.3m is the forecast position on Independent Special School Placements mentioned above.

4.16.4 Personal budgets and Alternative Provision pressures contribute to a further £1.0m of the overspend position as indicated by the AP tracker kept by the brokerage team.

4.16.5 There is also an increase in overspend due within the Early Years Block, due to an assumption, based on data from the previous financial year, that Dorset Council would receive more funding than transpired. The Early Years Block has seen a 75% increase in 25/26 due to government initiatives to offer 30-hour free childcare for under 2-year-olds. Exact numbers regarding take up are not stable and were based on best assumptions at the time.

4.16.6 A new EHCP database, Synergy Case Management, was implemented on 7th May 2025. Due to delays with reporting and data cleansing, EHCP data as at the end of September is currently unavailable. This has now been added to Dorset Council's central risk register

4.17 Local Authority Trading Companies (LATC)

4.17.1 The council has involvement with four LATC's that support the work of the council. This report focuses on the financial performance of the LATC's and highlights any material financial matters which could impact the Council's finances.

New company at the Dorset Innovation Park

4.17.2 Cabinet recently approved setting up a new company in relation to the Dorset Innovation Park. Set up is in progress and more details around financial performance will follow in quarterly reports.

Care Dorset

4.17.3 As of 30 September 2024, Care Dorset Holding Ltd reported a cash balance of £5m alongside debtors of £2.2 million and creditors of £7.8 million.

4.17.4 Care Dorset has aligned its financial reporting year end with Dorset Council, with the next set of accounts due to be published after 31st March 2026. Care Dorset continues to work closely with Dorset Council to identify efficiencies across the contract and to support the ongoing improvement of services.

Dorset Centre of Excellence Ltd

4.17.5 The Dorset Centre of Excellence Ltd was established in June 2021. The Company became leaseholder of the site previously owned and occupied by St Mary's Independent School in May 2022 and opened Coombe House School in the same month.

4.17.6 Coombe House provides education for children with special educational needs and/or disability (SEND). The Dorset Centre of Excellence Ltd is a limited company, 100% owned by Dorset Council.

4.17.7 The accounting year end for the Dorset Centre of Excellence Ltd is 31 March and accounts for the year ended 31 March 2025 have been finalised and have received an unqualified report from the auditor.

4.17.8 Turnover for the Company was £6.2m in 2025/26 (£3.3m for 2023/24). The Company received fees from Dorset Council of £6.0m for 2025/26 (£2.9m for 2023/24).

4.17.9 The Company reports a surplus before tax of £736k for 2024/25 (£493k pre-tax loss 2023/24). This is significantly ahead of the performance forecast in the 5-year Business Plan (revised and approved March 2024) which anticipated a surplus of £233k.

4.17.10 The Company continues to meet growth targets in pupil numbers and staff in line with the 5-year Business Plan (revised March 2024). The surplus for year ending 31 March 2025 was achieved with minimal development of other commercial activities on the site, pupil numbers not yet at capacity and cost pressures from inflation and Teachers' Pension Scheme employer contribution increases.

4.17.11 The Company still has losses carried forward at 31 March 2025 of £1.4m.

4.17.12 The Company purpose is to provide special school places for Dorset children at a fee significantly below the market rate. An agreement was made to increase the annual fee to £52k as of April 2025 after the fee had remained at £42k per pupil since opening in May 2022. This increased fee is still far below the current average cost of an Independent Special School setting. Any future surplus will support maintaining a low fee for Dorset placements.

Connect2Dorset

4.17.13 Connect2Dorset is a joint venture with Commercial Services Group (a company wholly owned by Kent County Council). The new service came into effect at the beginning of April 2024 and provides the Council with contingent agency, contract and interim employees.

4.17.14 The long-term aim of Connect2Dorset is to improve the quality of our agency workers, and where suitable convert agency workers to permanent employees.

4.18 General fund position and other earmarked reserves at year-end

4.18.1 Any overspend at the end of the year will mean a drawn down from reserves will be required. Based on the revenue forecast as at the end of 2025/26 there will be a requirement for the following use of reserves:

i) £5.3m overspend from the general fund and earmarked reserves, £3.3m of which is required to cover Our Future Council shortfalls
ii) £12m for Transformation investment
iii) £5.1m contribution to the Dedicated Schools Grant.

4.18.2 This forecast use of reserves could see the Council's earmarked reserves during this financial year reducing the balance from £114m to £82m. Much of this is planned use of earmarked reserves for the purpose they were initially earmarked for. E.g. a grant carried forwards, or for a specific project.

4.18.3 The General Fund Balance at the end of 2024/25 was £31.6m and is forecast to increase to £36.4m which equates to 8.7% of General Fund. The minimum operating level for the council to hold in its general fund would be 5%.

4.18.4 Therefore, the total available reserves is forecast to be in the region of £118m by 31 March 2026.

Reserve	Opening balance (£m)	Forecast closing balance (£m)	Movement (£m)
Earmarked Reserves	114.0	82.0	(32.0)
General Fund Reserve	31.6	36.4	4.8
Total	**145.6**	**118.4**	**(27.2)**

4.18.5 Further concern comes from the rising cumulative DSG deficit which based on the Q2 report is an unmitigated £148m before safety valve partner contributions. Without a national solution to this, the cumulative deficit is on track to exceed all available reserves and so poses a significant risk to the financial viability of the Council. Further detail on DSG was contained earlier in this report.

4.19 Capital programme and financing

4.19.1 The capital strategy and capital programme for the MTFP period, which totalled almost £550m, was agreed by Council in February 2025.

4.19.2 The 2024/25 capital outturn was reported to Cabinet in June 2025 and the result of that was that there was programme slippage of £22.770m into 2025/26.

4.19.3 This, along with the agreed budget and updates since that date, mean a programme of £491.4m for the next five years, as summarised in the table below.

Capital Programme	Total Budget					
	2025/26	2026/27	2027/28	2028/29	2029/30	Total Budget 24/25-29/30
Full external funding	36,754	2,938	2,768	0	0	42,460
Partial external funding	49,584	35,688	0	0	0	85,272
Partial external funding	0	18,575	31,562	23,084	17,687	90,908
Council funded	29,564	66,882	48,794	19,278	6,395	170,913
Funded from other Reserves	0	0	0	0	0	0
Capital Receipts Applied	9,900	1,000	1,000	1,000		12,900
Minimum Revenue Provision	11,241	12,972	14,602	16,499	16,749	72,063
Self Funded	5,879	4,432	2,850	2,750	1,000	16,911
Total funding	**142,922**	**142,487**	**101,576**	**62,611**	**41,831**	**491,427**

4.19.4 The spend and commitments against the programme of £142.9m at 30 September 2025 was £44.6m (31%). The programme is under continuous review to monitor the progress of all approved projects and to identify any issues that may impact on the overall programme. Where slippage is identified the project budgets will be reprofiled within the overall programme.

4.19.5 The project budgets for the current year are outlined below.

Directorate	No. of projects	Project Budget £,000	Spend / Commitments £,000	Variance £,000	% Spent
Adults & Housing	21	9,248	3,504	5,744	38%
Children's	13	10,549	3,323	7,226	31%
Place	114	112,222	36,304	75,918	32%
Public Health & Prevention	1	26	0	26	0%
Corporate	12	10,877	1,445	9,432	13%
Total	**161**	**142,922**	**44,576**	**98,346**	**31%**

4.19.6 The movements in the project budgets since the beginning of the financial year are shown in the table below.

Directorate	Q1 Budget £,000	Adjustments £,000	Re-profiling £,000	New funding £,000	Q2 Budget £,000
Adults & Housing	8,940	0	0	308	9,248
Children's	17,798	(89)	(12,183)	5,023	10,549
Place	125,502	(6,882)	(9,431)	3,033	112,222
Public Health & Prevention	26	0	0	0	26
Corporate	17,431	0	(6,554)	0	10,877
Total	**169,697**	**(6,971)**	**(28,168)**	**8,364**	**142,922**

4.19.7 Changes to the Capital scheme since the beginning of the financial year include the following items.

4.19.8 There has been an adjustment of £6.6m relating to Vehicle Replacement Funding (2025 to 2029) based on the latest replacement profiles.

4.19.9 There has been re-profiling of £28.2m into future years to more accurately reflect the timing of works and therefore spend incurred. The most significant movements include SEND capital strategy £8.7m; ERP Replacement £5.0m; Dorset Waste Infrastructure - Blandford site £3.9m; Dorset Council Fleet Replacement Programme £2.9m; SOCA Board programme £2.7m and ICT Minor Capital Works & Projects £1.5m.

4.19.10 There has also been new external funding of £8.4m confirmed, most notably SEND capital strategy £5.0m; Local Transport Plan programme of works £2.0m and Local Nutrient Mitigation Fund £1.0m.

4.19.11 It is too soon to forecast what level of slippage we might anticipate into future years, based on previous financial years it is unlikely that all aspects of the programme will be deliverable this year based on the current rate of spend.

4.19.12 The delivery of the capital programme is reviewed monthly by the Capital Strategy and Asset Management Group (CSAMG).

4.20 Sundry debt management

New invoices for 2025/26

4.20.1 The total value of debts (invoices) raised between 1 April and 30 September 2025 is £127.1m, a breakdown by directorate is shown below:

Total debt raised	2025/26 £'000

Adults & Housing	£37,813
Children's Services	£4,057
Place	£17,321
Corporate	£67,954
Total	**£127,145**

Overall amounts owed

4.20.2 Looking at debt across all years, the balance of sundry debt outstanding at 30 September 2025 was £39.6m, the breakdown is as follows:

Total Debt					
Directorate	**Total due £'000**	**Less than 30 days £'000**	**30-90 days £'000**	**90-365 days £'000**	**Over 365 days £'000**
Adults & Housing	30,234	2,838	1,657	9,038	16,702
Children's Services	904	450	147	99	208
Place	6,123	1,303	675	1,830	2,315
Corporate	2,346	2,006	135	112	93
Grand Total	**39,608**	**6,597**	**2,614**	**11,080**	**19,317**

4.20.3 Of the £39.6m outstanding debt, £30.2m relates to Adults & Housing. This includes amounts associated with deferred payment arrangements and care services provided under gross without prejudice terms.

4.20.4 After adjusting for these the debt which is currently collectable is as follows:

Collectable Debt					
Directorate	**Total due £'000**	**Less than 30 days £'000**	**30-90 days £'000**	**90-365 days £'000**	**Over 365 days £'000**
Adults & Housing	17,129	2,644	600	4,380	9,505
Children's Services	904	450	147	99	208
Place	6,123	1,303	675	1,830	2,315
Corporate	2,345	2,006	134	112	93
Total	**26,501**	**6,403**	**1,556**	**6,421**	**12,121**

Prior year performance

4.20.5 At the end of 2024/25 the Collectable Debt arrears were £43.36m and to date £25.8m (60%) has been collected.

4.20.6 The next table breaks down performance for prior year debts.

Prior year arrears	Amount owed 31/03/2025 £,000	Collected in year £,000	Amount outstanding 30/09/2025 £,000	% collected
Pre 1 April 2019	641	46	595	7%
2019/20	777	1	776	0%
2020/21	1,203	3	1,200	0%
2021/22	1,163	(10)	1,173	-1%
2022/23	1,942	23	1,964	-1%
2023/24	3,247	138	3,109	4%
2024/25	34,383	26,997	7,386	79%
Total	**43,356**	**27,154**	**16,203**	**63%**

Deferred payments

4.20.7 Deferred payments are a form of adult social care debt incurred when Dorset Council provides care services to individuals who own property but may not have sufficient liquid assets to pay for their care immediately. Under the Deferred Payment Scheme, the Council agrees to defer payment for care costs, securing the debt against the individual's property through a legal agreement.

4.20.8 This arrangement allows the individual to delay payment until a later date—typically when the property is sold—at which point the Council recovers the full amount owed. Because the repayment is expected in the future and is secured, deferred payments are not treated as collectable debt in the same way as invoices that are due and payable now. Instead, they are classified separately as future recoverable debt.

Deferred Payments					
Directorate	Total due £'000	Less than 30 days £'000	30-90 days £'000	90-365 days £'000	Over 365 days £'000
Adults & Housing	4,176	(201)	401	1,537	2,440

Gross without prejudice

4.20.9 Gross without prejudice debts arise when Dorset Council provides adult social care services before a full Care Act assessment and financial assessment have been completed. These debts are recorded to reflect the potential liability but are not actively pursued until it is determined whether the individual receiving care is financially responsible for contributing to the cost of their support.

4.20.10 This approach ensures that individuals are not prematurely chased for payment before their eligibility and financial capacity have been properly assessed. As such, these debts are held on record but sit outside the category of collectable debt, which refers to amounts that are confirmed as due and actively recoverable.

Gross Without Prejudice					
Directorate	**Total due £'000**	**Less than 30 days £'000**	**30-90 days £'000**	**90-365 days £'000**	**Over 365 days £'000**
Adults & Housing	8,929	396	656	3,121	4,757

4.21 Write-offs

4.21.1 The value total write-offs processed so far this year is £24k against a collectable debt total of £26.5m, see the table below. Sufficient provision has been made to cover these debts, which represent a relatively minor portion of the total outstanding balance (0.09%).

Debts written off	**2025/26 £'000**
Adults & Housing	25
Children's Services	0
Place	(2)
Corporate	0
Total	**24**

4.22 Council tax and business rates debt management

Council tax

4.22.1 The value of council tax debt raised in 2025/26 is £431.2m and £240.9m has been collected to date. The collection rate at 30 September 2025 is 55.87%, which is slightly less than the corresponding position from the previous year, which was 56.24%.

4.22.2 It is important to highlight that, while the percentage collected is slightly lower than the previous year, the total debit raised in 2025/26 is £38m higher than in 2024/25.

Business rates (non-domestic rates – NDR)

4.22.3 The value of business rates debt raised in 2025/26 is £119.2m and £70.0m has been collected to date. The collection rate at 30 September 2025 is 58.72%, which is slightly less than the corresponding position from the previous year, which was 60.96%.

4.22.4 The initial dip on NDR was anticipated as a reliable taxpayer, with a significant number of liabilities, who has historically paid as a one-off payment at the start of the year, has opted to pay over an instalment plan throughout the year from this year. We are confident full payment will be received, just now throughout the year rather than as a one-off payment

Write offs

4.22.5 The write-offs processed by the Revenues & Benefits Service during the year are shown in the table below.

Debts written off	**2025/26 £'000**
Council tax	60
Business rates	9
Housing Benefit overpayments	22
Total	**91**

4.23 Financial planning, strategy and the MTFP

4.23.1 The Council has already started the process of refreshing the MTFP and developing the budget strategy for 2026/27 which, as well as meeting new pressures, will also need to deal with any ongoing pressures from 2025/26.

4.23.2 More details on the MTFP are contained within another report on this evenings Cabinet agenda.

4.24 Number and extent of contract exemptions

4.24.1 Appendix C includes the number and extent of contract exemptions, and the narrative is included in the appendix.

4.24.2 Contract breaches may occur when suppliers or the council fail to meet agreed terms, such as deadlines or service standards, posing financial, reputational, and legal risks. These breaches are typically operational contract management matters and remain confidential and excluded from standard reporting until they published in accordance with legislation.

4.24.3 Contract exemptions, meanwhile, are permitted in accordance with the council's Contract Procedure Rules ("CPR" which apply to the procurement award and management of contracts for goods, services and works). The council's CPR provide for advance approval to depart from the standard rules, where certain criteria are met; for example, to allow a contract to be awarded directly to one supplier, after investigating the market and identifying the only that supplier could perform the contract. Each exemption request and approval or rejection is documented.

4.24.4 A Section 5 (Local Government and Housing Act 1989) report is a formal legal report issued by the council's Monitoring Officer where it appears that any proposal, decision or omission of the council (by committee or officer) has or is likely to be unlawful or amount to maladministration or injustice. Section 5 reports, follow a separate public process and are not included in the paper. The Monitoring Officer has not issued any such reports in 2025/26.

4.25 Summary, conclusions and next steps

4.25.1 To conclude, Dorset Council's outlook for 2025/26 has improved Period 4 to Quarter 2 yet remains challenging, with significant pressures from rising demand, inflation, and systemic underfunding. The Council's leadership is taking decisive steps to strengthen budgetary controls, accelerate transformation initiatives, and closely monitor savings delivery across all directorates.

4.25.2 Despite these efforts, the projected overspend and the growing Dedicated Schools Grant deficit underscore the need for continued vigilance and adaptability. The Council's reserves are forecast to reduce by year-end, highlighting the importance of prudent financial management and strategic prioritisation of resources.

4.25.3 Looking ahead, the Council must remain agile in responding to both local and national financial risks. The budget gap for 2026/27 will require a fundamental reprioritisation of service delivery to ensure long-term sustainability. Continued engagement with government partners, robust risk management, and transparent reporting will be essential as we navigate this period. By maintaining a clear focus on strategic objectives and embracing innovation in service delivery, the Council aims to safeguard its financial health and continue delivering high-quality services to the community.

5. Alternative options considered

5.1 As part on the in year monitoring and budget setting for next year the council will give consideration to varying degrees of introduced enhanced cost containment measures, reprofiling or deferral of capital projects, additional use of reserves, service redesign or reduction, income generation, lobbying and external funding, alternative savings approaches, contract management.

6. Legal considerations

6.1 Requirement to Set a Balanced Budget

The council is legally required to set a balanced budget each year and must deliver services within the resources available through the revenue and capital budgets for 2025/26.

6.2 Contract Procedure Rules (CPR)

The council's CPRs apply to the procurement, award, and management of contracts for goods, services, and works.

6.3 Section 5 Reports

Under the Local Government and Housing Act 1989, a Section 5 report is a formal legal report issued by the council's Monitoring Officer if any proposal, decision, or omission appears to be unlawful or amount to maladministration or injustice.

6.4 Statutory Override for DSG Deficit

The Dedicated Schools Grant (DSG) deficit is kept off the council's balance sheet due to a statutory override, which has been extended to March 2028.

7. Financial Implications

7.1 Financial implications are covered within the body of this report.

8. Natural environment, climate and ecology implications

8.1 The Council's budget continues to fund action set out in the climate and ecological emergency action plan, including a £25m capital expenditure commitment over the term of the current MTFP.

9. Well-being and Health Implications

9.1 The Council has continued its focus on keeping people safe and well, it works closely with health partners in order to ensure that public services as a whole work closely to help people stay well.

9.2 The Council continues to play an essential role in distributing government grants to individuals, businesses and other qualifying groups during the year as well as delivering high-quality public services.

10. Other implications

10.1 None specific.

11. Risk implications

11.1 Having considered the risks associated with this decision; the level of risk has been identified as:

Current Risk: High
Residual Risk: High

11.2 The residual risk reflects the operating environment for council finances across the UK as these are under extreme pressure.

11.3 The current risk reflects pressures faced by this Council and are outlined within the commentary on the revenue budgets and Dedicated Schools Grant (DSG) position.

11.4 Revenue budget - mitigation will be required to prevent further draws on reserves which have reduced from 2023/24 to 2025/26 and will reduce further if required to meet the forecast revenue overspend.

11.5 DSG - looking ahead, further pressure on the Council's reserves comes from the cumulative deficit on the DSG, which is forecast to exceed available reserves by the end of 2025/26. Whilst an extension has been agreed to the statutory override to March 2028, the cashflow pressure remains.

11.6 The Fair Funding Review 2.0 consultation on the revised funding from Central Government and delays to SEND reform does not provide confidence that the underlying, systemic underfunding for Local Government service delivery will be addressed. As a result, it is expected that the local and national pressures the Council is facing in the current financial year can be expected to continue over the medium term. With further details expected in late November as part of the Autumn Budget and late December as part of the Provisional Local Government Finance Settlement (LGFS)

11.7 Taking both the local and national operating environment into consideration, the S151 Officer, the Council's Chief Finance Officer, establishes the current risk assessment as *high* and that readers of the report should expect:

i. the budget gap for next year (2026/27) should be expected to widen
ii. delivering a balanced budget to require a reprioritisation of service delivery to ensure ongoing financial sustainability.

5. 12. Equalities

12.1 No specific equalities issues have emerged in drafting the Council's various reports on financial performance and position.

6. 13. Appendices

13.1 Appendix A - Savings Plans

Appendix B – Climate Wheel

Appendix C – Contract Exemptions

Appendix D – Cabinet approval

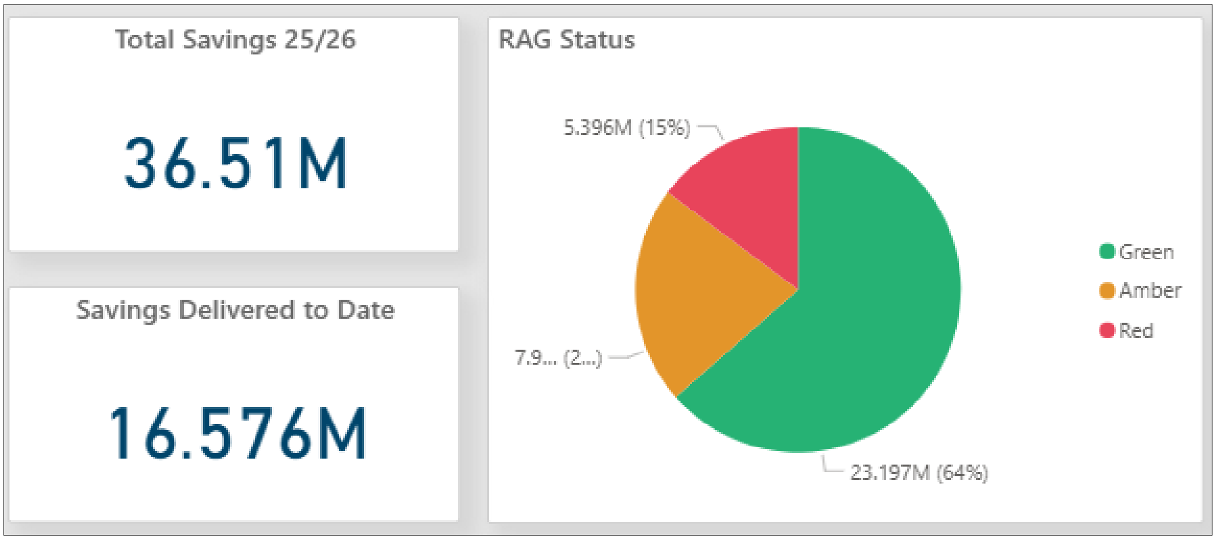
7. 14. Background Papers

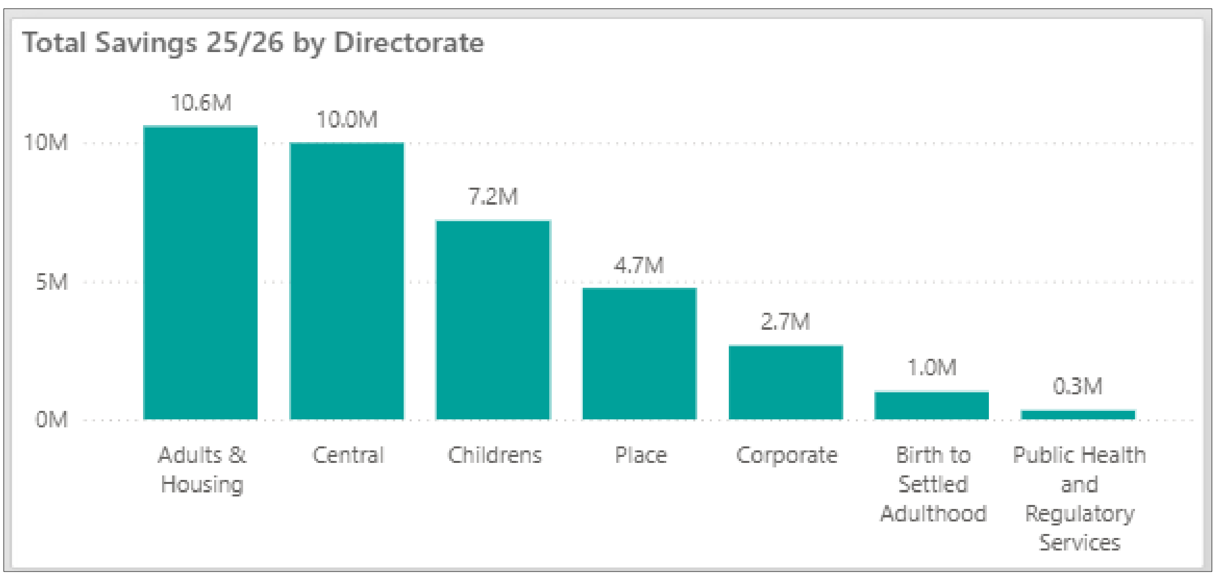
14.1 2024/25 draft outturn report
2025/26 budget strategy report

15. Report sign-off

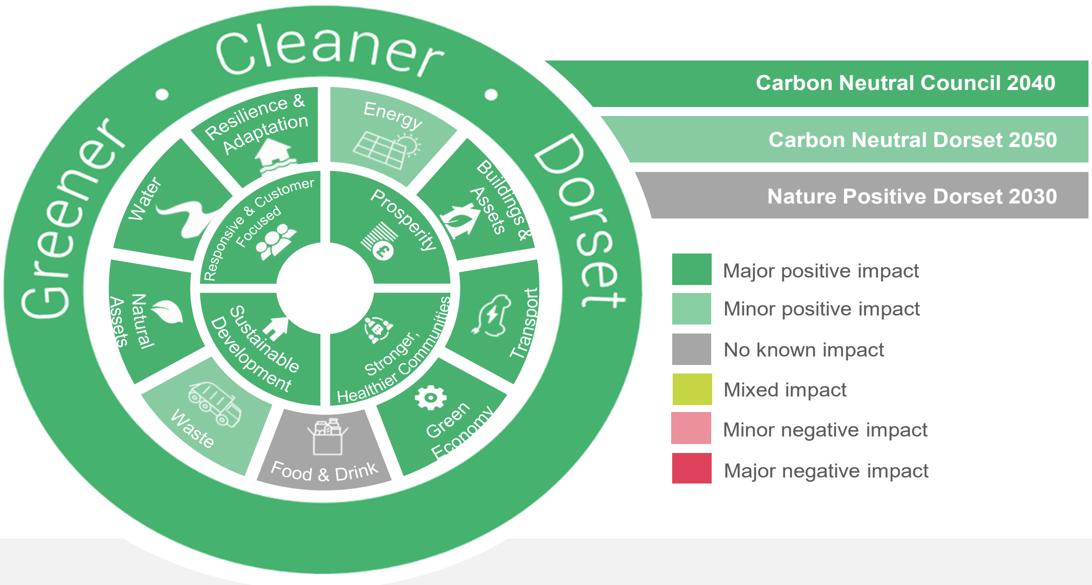
15.1 This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s).

Appendix A - Savings





Appendix B – Climate wheel



Quantitative Impact on CEE targets (if known)		
	Unit	Number of units (+/-)
2030 - Natural asset extent & condition	Ha	0
2040 - Operational Emissions	CO_2 (tonnes)	0

ACCESSIBLE TABLE SHOWING IMPACTS

Natural Environment, Climate & Ecology Strategy Commitments	Impact
Energy	minor positive impact
Buildings & Assets	major positive impact
Transport	major positive impact
Green Economy	major positive impact
Food & Drink	No known impact
Waste	minor positive impact
Natural Assets & Ecology	major positive impact
Water	major positive impact
Resilience and Adaptation	major positive impact

Corporate Plan Aims	Impact
Prosperity	strongly supports it
Stronger healthier communities	strongly supports it
Sustainable Development & Housing	strongly supports it
Responsive & Customer Focused	strongly supports it

TABLE OF RECOMMENDATIONS

Recommendations	**Responses -will this be incorporated into your proposal? How? And if not, why not?**
Energy	
Find out energy use of buildings that are being brought into the Dorset Council carbon footprint, as this will affect our ability to hit our carbon reduction targets	
Find out energy use of any new build buildings that are being added to the Dorset Council carbon footprint, as this will affect our ability to hit our carbon reduction targets	
Support the acceleration of heating and energy and water efficiency through cavity and solid wall insulation, draught proofing, improved glazing and shading, and high energy and water efficient smart appliances	
Buildings & Assets	
No recommendations found for this category	
Transport	
No recommendations found for this category	
Green Economy	
No recommendations found for this category	
Food & Drink	
No recommendations found for this category	
Waste	
Look at ways to reduce the amount of waste produced	
Natural Assets & Ecology	
No recommendations found for this category	
Water	
No recommendations found for this category	
Resilience & Adaptation	
No recommendations found for this category	

Appendix C

Commercial Exemptions April to September 2025.

The table below gives the data for the exemptions that have taken place between April and September 2025, the data includes the number of exemptions per directorate and the extent (value) of these exemptions.

Exemptions	Number of exemptions *	Total value of exemptions (£ to nearest £100,000)*
Adults	1	£100,000
Children's	1	£20,000
Corporate	0	£0.00
Place	7	£900,000
Public Health	0	£0.00
Total	**9**	**£1,020,000**

*Data is correct as submitted by internal stakeholders.

Many of the extensions relate to Place, approximately 80% of the value of the Place exemptions (£731,458) relate to two exemptions, one was for urgent work that was required for repairs and the second for additional sites requiring Micro Asphalting.

Commercial Exemptions August to September 2025.

The table below gives the data for the exemptions that have taken place between August and September 2025, the data includes the number of exemptions per directorate and the extent (value) of these exemptions.

Exemptions	Number of exemptions *	Total value of exemptions (£ to nearest £100,000)*
Adults		
Children's		
Corporate		
Place	1	£300,000
Public Health		
Total	1	£300,000

*Data is correct as submitted by internal stakeholders.

There is only 1 exemption for Place during this period, and this is for additional sites requiring Micro Asphalt.

Appendix D – Cabinet approval

November 2025 Cabinet Procurement Plan Report – briefing note

Procurement Title: IMPOWER – Valuing Care Phase 2

Procurement Title
IMPOWER Valuing Care Phase 2
Purpose of the Procurement To seek Cabinet approval to award IMPOWER to deliver Phase 2 of the Valuing Care programme. This builds on Phase 1 (May – Nov 2025), which successfully introduced a needs-led approach to care commissioning, delivering early savings and improved outcomes. **Strategic Context** As with all local authorities Dorset Council continues to face significant financial pressures in children's social care, driven by rising demand and placement sufficiency challenges. The Valuing Care programme directly addresses these issues by linking children's needs to care and cost, enabling smarter commissioning and better outcomes. Phase 1 focused on establishing the Valuing Care methodology and building internal capability. During this time, 106 children had Valuing Care profiles completed. Social Workers identified that 55 of these children had opportunities to do something different in terms of care and support. Of these, 53 children have already been discussed at the Valuing Care Panel, with two further discussions scheduled. As a result of these panels, 36 opportunities to do something different have been validated. Valuing Care has already played a part in a child moving from an external residential home to an internal foster carer, resulting in an annualised cost reduction of £488k to date in year. Further planned moves and changes in care arrangements that are expected to deliver a £316,000 cost reduction in the current financial year (2025/26), with a further £3.4 million expected in 2026/27. The remaining savings will be realised in 2027/28, as the cost reduction profile is spread out over time due to the pace at which children can safely move, as agreed at Panel. Phase 1 also delivered a forecasting model, trained over 60 professionals, and embedded a new way of linking children's needs to cost and provision, laying the groundwork for smarter commissioning and improved outcomes. Phase 2 aligns with: • **Our Future Council** transformation priorities • **Council Plan** objectives for financial sustainability and improved outcomes for children • **Children, Young People and Families Plan**, delivering Good Care Provision to children in our care • **Dorsets Sufficiency Strategy**, ensuring we have sufficient range of care settings (fostering/residential care) in Dorset • **Better Homes Panels** delivery oversight **Scope and Flexibility** Phase 2 will:

• Support the ongoing realisation of opportunities identified from phase 1 • Embed and scale the Valuing Care approach • Strengthen commissioning intelligence • Improve foster carer utilisation • Deliver validated savings Phase 2 will embed and scale the Valuing Care approach, strengthen placement sufficiency, improve foster carer utilisation, and integrate the methodology into Mosaic and quality assurance frameworks and deepen provider engagement. The investment represents strong value for money, with a validated £4.2 million cost reduction already forecast and further savings anticipated through additional cohort work. IMPOWER's proprietary tools, sector expertise, and proven track record make them uniquely positioned to deliver the required outcomes at pace, supporting Dorset's long-term vision for sustainable improvement in children's services. **Built-in flexibility includes:** • Additional cohort profiling • Integration with Mosaic and QA frameworks • Alignment with transformation programmes • Potential scope extension if further savings are identified
Estimated Value: What is the total value (include potential change)?
This work increases the total contract value from £480,000 (Phase 1) to £940,000, as the charge for Phase 2 is £460,000. This exceeds the £500,000 Cabinet approval threshold. The programme is expected to deliver validated annualised savings of £4.2 million, with a minimum return on investment of 4:1 and potential to reach 8:1.
Contract Duration: 6 months (November 2025 – April 2026)
Procurement Procedure: Direct award via framework

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Cabinet

11 November 2025

Medium Term Financial Plan (MTFP) and budget strategy

For Decision

Cabinet Member:
Cllr S Clifford, Finance & Capital Strategy

Local Councillor(s): **All**

Senior Leadership Team:
S Cremer, Corporate Director, Section 151 Officer

Report author and job title:
Sean Cremer, Corporate Director, S151 Officer
Email:
sean.cremer@dorsetcouncil.gov.uk

Statutory Authority: Section 151 of the Local Government Act 1972

Report status: Public (the exemption paragraph is N/A)

1. Executive summary

1.1 The purpose of this report is to set out the framework for the 2026/27 budget and the MTFP covering the period 2026–2031. It also outlines the ongoing work throughout the autumn to enable the budget to be finalised ahead of the Full Council meeting in February 2026.

1.2 The MTFP sets out how the Council plans to prioritise resources and adapt its operations to continue delivering services effectively within the constraints of available funding.

1.3 This year's budget setting exercise takes place against a backdrop of delays to the national announcements which underpin some of the key assumptions which are used for the budget. The Chancellor of the Exchequer's budget is expected to take place on 26 November 2025, last year this was on 30 October 2024. The Chancellor is expected to confirm the final spending totals for 2025–26 and set detailed departmental allocations for 2026–27. This update is expected to set out any changes to the government's fiscal rules, changes to the tax system, approach to spending on public services. As a result of the later date for the Chancellor's budget, some of the key pieces of information are currently unknown. Officers continue to model a number of scenarios which will be refined as national events unfold. For Local Government the impacts of the Fair Funding Review 2.0 consultation in respect of the departmental allocations from Government and resource allocation across the sector are of paramount importance.

2. Recommendation(s)

2.1 That Cabinet:

(i) notes the updated cost pressures set out in this paper and the validation work that has been carried out on them;
(ii) agrees/updates the assumptions being used in the Medium-Term Financial Plan (MTFP);
(iii) notes the financial gap arising from (ii) and (iii) above;
(iv) agrees the 2026/27 principles for budget setting outlined in section 13;
(v) notes the approach to closing the budget gap set out in this paper, recognising that this is work in progress;
(vi) continues to lobby local MPs and work with peers to press the case for additional, multi-year funding;
(vii) agrees that Portfolio Holders work with officers to continue to identify and develop further efficiencies and savings;
(viii) endorses the next steps and timetable leading up to the 2026/27 budget which will presented to full Council on 10 February 2026.

3. Reason for Recommendation(s)

3.1 Local authorities are legally obligated to set a balanced annual budget, meaning that planned expenditure must be matched by sustainable income sources. This excludes reliance on one-off or short-term funding that cannot be maintained over time.

3.2 This report is being presented to Cabinet to provide an update on the projected budget gap for 2026/27 and the subsequent years covered by the MTFP. It also outlines progress made to date on identified actions and savings, including the forecasted financial performance for 2025/26 against the approved budget.

4. The report

4.1 Financial context
2025/26 current year position

4.1.1 The Council began this planning cycle with an initial budget gap of £37.868m for 2026/27, carried forward from the previous MTFP.

4.1.2 The Quarter 2 2025/26 financial management report to Cabinet sets out a forecast overspend for the current year of £5.3m. Work to refine the forecast position for the year has continued over the summer with additional pressures being built into the forecast as well as savings targets not being on track to be achieved.

4.1.3 An overspend in the current year will impact not just on the current year, but also the base budget for 2026/27 if the required savings cannot be delivered in time for the beginning of the new year. We must also review the sustainability of any short-term or non-recurrent savings which have been made this year to help offset those that fall short from planned work. Whilst this is sound, in-year financial management, the base budget impact for future years also needs to be understood.

2026/27 funding for Local Government

4.1.4 As mentioned earlier the governments Autumn Budget is almost a month later than last year. As a result there remains a reliance on a number of assumptions around the changes to core spending power following the Fair Funding Review 2.0 and the resultant distribution of local government funding in following years.

4.1.5 In advance of the Chancellor's Autumn Budget in November, Dorset must carefully consider several key factors to ensure prudent financial planning. These include anticipating changes to core spending power, identifying which government grants will continue, assessing potential revisions to grant calculation methods, and understanding how funding may be redistributed across local authorities. Additionally, councils need to evaluate which new government priorities might attract funding and be mindful that headline announcements may mask whether funding streams represent genuine additional resources or merely replacements for existing grants.

4.1.6 Following the Autumn Budget further details of the funding for Dorset will be outlined in the *provisional* Local Government Finance Settlement (LGFS) expected in late December – last year this was published on 18 December 2024. With almost a month delay to the Autumn Budget this timing of the provisional LGFS could present a risk to the Councils ability to respond to changes ahead of the planned Scrutiny sessions in January 2026. Particularly if Dorset’s provisional settlement is significantly worse than expected.

Inflation

4.1.7 CPI Inflation is projected to fall from a peak of 4.0% in late 2025 to around 2.5–3.5% during 2026.

4.1.8 Based on the Office for National Statistics (ONS) fan chart, of projected inflation trends, it is considered reasonable to assume an average inflation rate of approximately 3.4% for the 2026/27 financial year. This assumption reflects current expectations and provides a prudent basis for financial planning.

4.2 Financial modelling assumptions and the initial budget gap

4.2.1 Under Section 25 of the Local Government Act 2003, the Chief Financial Officer (CFO) is required to report to Full Council when it considers the budget and sets Council Tax for the upcoming financial year. This report must address the robustness of the financial estimates and the adequacy of reserves included in the budget proposals, ensuring that Members have access to professional and authoritative advice to inform their decisions.

4.2.2 Members are required to take this report in account when making decisions in relation to the budget and the setting of council tax. The financial modelling assumptions outlined in this section form a critical basis for the CFO’s assessment of the reliability of the estimates and the sufficiency of reserves.

4.2.3 The process of rolling forward the financial model and rebasing it to reflect the new financial year, along with decisions approved by Cabinet since the previous budget was set, marks the starting point of the new financial planning cycle. The finance team continues to work closely with managers across the Council to progress this work.

4.2.4 In preparing the draft budget proposals for 2025/26, a range of assumptions were built into the MTFP model for 2026/27 and beyond. These assumptions will need to be reviewed and refined on an ongoing basis as new information becomes available, up to the point at which the budget is formally set.

4.2.5 The current assumptions for the forthcoming financial year are outlined in the table below. It is important to note that these remain under review and will continue to be updated ahead of the Full Council meeting in February 2026.

Variable	Latest Assumption 2026/27
Required council tax increase	<3%
Council tax base growth	1.24%
Required Social Care Precept	<2%
Business rates growth	-6.61%
Pay award	3.2%
General inflation	3.4%
Increase in fees & charges	3.4%

Local taxation

4.2.6 Our working assumption for council tax is that realising potential increases to Dorset's core spending power will be reliant upon making use of the full flexibilities with a referendum cap continuing to be set at 3% and the adult social care precept will be capped at 2%. At this stage the planning assumption is that the council will be required to levy the full amount as part of delivering a balanced budget.

4.2.7 For Band D Council tax payers this equates to an additional £2.02 per week on the Council element of the bill.

4.2.8 Whilst Council Tax collection rates continue to be holding up, care will be needed with council tax modelling for the budget. The latest collection data will be available as part of the Q2 finance management report at this Cabinet meeting.

4.2.9 In respect of Business Rates there remain concerns around income collection over the medium term as a result of the sustained economic instability, affecting in year collection rates and collection of arrears. The Autumn statement may well confirm further changes to business rates.

Pay pressure

Local Government Pay award

4.2.10 The pay and conditions of employment for local government services employees are determined by the National Joint Council (NJC), which comprises representatives from Trade Unions (58) and Employers (12).

4.2.11 The 2025/26 NJC pay award was agreed at 3.2% and for the 2026/27 financial year. The MTFP currently assumes the same again, a 3.2% increase in pay inflation, reflecting anticipated ongoing national pay trends.

National Living Wage

4.2.12 From 1 April 2026, the National Living Wage is forecast to increase by 4.1% to £12.71 per hour for workers aged 21 and over. The National Minimum Wage for 18–20-year-olds is expected to increase to between £10.55 and £10.75 per hour and for under-18s and apprentices is expected to rise to around £8.20-£8.40 per hour. The government its commitment to aligning pay more closely across age groups. This may be revised in future Government budgets.

National Insurance

4.2.13 From 6 April 2025, the rate of employer National Insurance contributions increased from 13.8% to 15%, and the Secondary Threshold, the point at which employers begin paying National Insurance, was reduced from £9,100 to £5,000 per year. These changes have significantly increased employer costs, particularly for lower-paid roles.

4.2.14 Looking ahead to 2026/27, while no further rate increases have been formally announced, the 15% rate and £5,000 threshold are expected to remain in place, unless revised in future Government budgets.

Pay inflation

4.2.15 All Council staff are paid at an hourly rate which is above the national living wage. Therefore, changes to the national living wage do not add further pressure onto the direct pay bill.

4.2.16 Where the council commissions services, for example within the care sector these employers may be impacted by the rises in national living wage or changes to national insurance and so seek support from the commissioner (the Council) with meeting the cost. Inflation requests are being managed consistently through a senior officer group.

4.3 Continuing and new budget pressures in the MTFP

4.3.1 As part of reviewing the MTFP gap for 2026/27 the senior leadership team (SLT) and their teams have been reviewing budgets for the current year and assessing the ongoing impact of rising costs and demand for services.

4.3.2 There are also significant new pressures in 2026/27 as well as continuing impacts of price increases.

4.3.3 The table below shows a full breakdown of the pressures, savings and movement in the base budget for each directorate based on these assumptions.

	Adjusted base budget 25/26	Draft base budget 26/27	Increase/(Decrease) in base after adjustments	%
People - Children's	£83,158,333	£94,700,235	£11,541,902	14%
Birth 2 Settled Adulthood	£9,220,600	£10,819,789	£1,599,189	17%
People - Adults & Housing	£166,146,302	£189,763,568	£23,617,266	14%
Public Health & Prevention	£3,999,028	£4,720,605	£721,577	18%
Place	£108,778,721	£116,029,319	£7,250,598	7%
Corporate Development	£50,404,198	£53,791,959	£3,387,761	7%
Service Budgets	**£421,707,182**	**£469,825,475**	**£48,118,293**	**11%**
Central Budgets	(£4,554,877)	(£857,709)	£3,697,168	
Total Budget	**£417,152,305**	**£468,967,766**	**£51,815,461**	**12%**
Council Tax, Business Rates and Central Grants Funding	(£417,152,305)	(£424,539,944)	(£7,387,639)	2%
			£44,427,822	**11%**

4.3.4 A summary of the key points from the table above:

i. Total spend pressure within service budgets £48m, 11%
ii. Central budgets pressures total £3.7m
iii. Total net funding uplifts expected totals £7m, 2%
iv. Remaining budget gap £44m, 11%

4.3.5 The following table includes only the new or changing assumptions and reconciles the increase from a net budget gap of £37.9m as reported in February 2025 to the latest gap as reported to Cabinet in November 2025.

Budget Gap - Feb 2025	**£37,867,735**
Change in inflation	£5,702,518
Supporting DSG	£2,550,000
Place	£1,553,235
Adults and Housing	£8,775,503
Corporate	£1,793,080
Children's	£1,561,198
B2SA Pressures	£1,300,000
Public Health and Protection	£611,984
Change in grant funding	-£55,696
Reduction in Central Finance	-£3,327,000
Increase in Business Rates	-£5,374,277
Increase in Council Tax	-£8,530,459
Current Budget Gap	**£44,427,821**

4.3.6 Cabinet continues to work collaboratively with the SLT and their respective service areas to identify actions that address financial pressures. A key focus remains on prioritising mitigation measures to support the Council in meeting its statutory duty to set a balanced budget for 2026/27.

4.3.7 More detail of the material pressures is contained in Appendix 1.

4.4 Draft budget principles

4.4.1 To ensure the Council sets a robust and balanced budget, it is essential to follow a clear and structured approach. These budget principles provide a framework to guide decision-making, helping all parties understand how they can contribute to balancing the budget. They also support the Council in making necessary, and sometimes difficult, choices to deliver the priorities and outcomes set out in the Dorset Council Plan within the constraints of available resources.

4.4.2 Dorset's budget principles, outlined below, are proposed for Cabinet's continued endorsement and will guide the remaining work on the budget strategy.

i. **No reliance on reserves** – The budget will not be balanced by drawing on reserves.

ii. **Priority-led resource allocation** – Funding decisions will be aligned with the Dorset Council Plan and its strategic priorities.

iii. Protect **and improve services** – Services will be safeguarded where possible but must demonstrate value for money and improved efficiency.

iv. **Maximise unitary council benefits** – We will continue to seek savings and efficiencies from our status as a unitary authority.

v. **Adopt a commercial mindset** – The Council will pursue opportunities to operate more commercially where appropriate.

vi. **Evidence-based decisions** – Business cases will underpin key decisions, and we will consider 'invest to save' opportunities.

vii. **Realistic and accountable budgeting** – Budgets must be achievable and aligned with the Council's objectives, with clear accountability for delivery and sound financial management.

viii. **Transformation in progress** – We are implementing both short-term and long-term transformational savings plans as part of our ongoing strategy to deliver sustainable financial improvements.

ix. **Work within the financial strategy** – All resource allocation must align with the overarching financial strategy approved by Cabinet.

x. **Target new Government funding** – Where possible, new Government funding will be directed towards existing spending pressures and priorities

4.4.3 Based on the current options identified, the Council would need to identify £44 million of savings to prevent drawing from reserves to balance the 2026/27 budget.

4.4.4 The Chief Financial Officer's (CFO) Section 25 statement will need to assess the robustness of the proposed budget and the adequacy of reserves in this context.

4.5 Timetable

4.5.1 The major milestones in the remaining budget and MTFP timetable are set out in the table, below.

11 November	Cabinet (Q2 and MTFP)
21 January	People and Health Scrutiny Committee
22 January	Place and Resources Scrutiny Committee
3 February	Budget presented to Cabinet
10 February	Budget recommended to full Council

4.6 Risk

4.6.1 There is significant risk in our planning assumptions at this stage. Officers' initial work has identified a £44m budget gap in 2026/27. The remaining budget gap equates to £117.05 per head of Dorset population (based on 379,578 population figure)

4.6.2 Adult Social Care reforms, SEND Transport costs, inflation and pay awards continue be the main focus but these are not our only risks.

Dedicated Schools Grant (DSG)

4.6.3 Another key area to address is the Dedicated Schools Grant (DSG). Across the country local authorities are facing significant deficits within the DSG which are mainly due to pressures within the High Needs Block. A technical accounting override has been adopted, and has been extended until 2028. There is a significant risk that without the statutory override being in place, that the deficit could impact on the general fund. As at quarter 2, Dorset Council is currently forecasting an in-year deficit of £54.3m for 2025/26 with a cumulative deficit of £148m by 31st March 2026.

4.6.4 National SEND reforms have been delayed from Autumn 2025 until the new year. This delay will not help address the financial and demand pressures the SEND system is currently experiencing.

4.7 Capital programme

4.7.1 The capital programme for 2025/26 was approved by Full Council in February 2025 and is updated quarterly. As noted in the quarter 2 report, the total programme now runs to some £491.427m of gross expenditure.

4.7.2 Officer subgroups are also developing capital programme proposals for 2026/27 and beyond. Given the interest and MRP implications each project is considered as part of a bidding process. Cabinet will be presented with a proposed capital plan prior to full Council consideration in February 2026.

4.8 Reserves

4.8.1 Reserves are being used to support the activities of the Council and based on the revenue forecast as at the end of 2025/26 there will be a requirement for the following use of £32m reserves:

i. £5.3m overspend from the general fund and earmarked reserves, £3.3m of which is required to cover Our Future Council shortfalls
ii. £12m for Transformation investment
iii. £5.1m contribution to the Dedicated Schools Grant.

4.8.2 This forecast use of reserves could see the Council's earmarked reserves during this financial year reducing the balance from £114m to £82m. Much of this is planned use of earmarked reserves for the purpose they were initially earmarked for. E.g. a grant carried forwards, or for a specific project.

4.8.3 The General Fund Balance at the end of 2024/25 was £31.6m and is forecast to increase to £36.4m which equates to 8.7% of General Fund. The minimum operating level for the council to hold in its general fund would be 5%.

4.8.4 Therefore the total available reserves is forecast to be in the region of £118m by 31 March 2026.

Reserve	Opening balance (£m)	Forecast closing balance (£m)	Movement (£m)
Earmarked Reserves	114.0	82.0	(32.0)
General Fund Reserve	31.6	36.4	4.8
Total	**145.6**	**118.4**	**(27.2)**

4.8.5 Further concern comes from the rising cumulative DSG deficit which based on the Q2 report is an unmitigated £148m before safety valve partner contributions. Without a national solution to this, the cumulative deficit is on track to exceed all available reserves and so poses a significant risk to the financial viability of the Council.

4.8.6 Until March 2028 the deficit is therefore held separately from the general fund, however, there remains an underlying cashflow pressure from carrying a £148m deficit meaning that the Council has access to £148m less cash than it would otherwise. As a result, interest foregone during 2025/26 on the deficit equates to £4.9m of pressure met by the General Fund. This is £4.9m which could otherwise be spent on local service delivery. This will rise to around £7.4m if the deficit is £148m.

4.8.7 As mentioned earlier if the statutory override ceases and the Council has to recognise the cumulative DSG deficit and the s151 officer will have to assess the risk to the financial viability of the Council. It is of little comfort that many upper tier councils across the Country are in the same position

4.9 Lobbying

4.9.1 The council continues to highlight the case for additional investment in Local Government through Dorset's MPs, with peers and through networks like the Society of County Treasurers (SCT), the County Councils' Network (CCN) and with the Local Government Association (LGA).

4.9.2 Campaigning alone will not deliver enough resources to meet all our challenges and we must focus on reducing costs and growing income at the same time.

4.10 Further work to close the gap

4.10.1 As there is every year there remains much work to be done, and the actions are:

a) continue to validate, test, challenge and update the budget assumptions;
b) Ensure that robust cost controls are maintained through the remainder of 2025/26 to minimise the spend pressures being brought into 2026/27.
c) continue to identify and implement savings whilst protecting front line services, taking advantage of the financial efficiencies that becoming a unitary council has presented;
d) continue to engage with consultation processes around funding formulas for the future and particularly the local government financial settlement for 2026/27;

4.10.2 It will be a through a combination of these measures that the Council will meet its legal requirement to set a balanced budget for 2026/27.

4.11 Summary and conclusions

4.11.1 While Dorset Council is not alone in facing substantial financial pressures, it is essential that we identify local solutions alongside continuing to make a strong case for further national investment to support the Council's ability to meet its statutory responsibilities and deliver vital services.

4.11.2 Many of the pressures, risks and the national context is familiar to the rest of the sector. Dorset remains committed to developing solutions to close the budget gap, building on the creativity, energy and discipline of our workforce to deliver a balanced budget and remain in the best position to deliver vital local services.

5. Alternative options considered

5.1 The Council is legally required to set a balanced budget. Options will be considered ahead of presenting a budget to Council in February 2026.

6. Legal considerations

6.1 The Council is legally required to set a balanced budget, and has a number of statutory responsibilities which affect the extent to which service delivery can be varied.

7. Financial implications

Covered within the report.

8. Natural environment, climate and ecology implications

8.1 The Council's budget continues to fund action set out in the climate and ecological emergency action plan, including commitments as part of the capital plan over the term of the MTFP.

9. Well-being and health implications

9.1 The Council budget contains a significant proportion of spend to improve well-being and health for the population through Children's, Adults & Housing and Public Health & Prevention budgets in particular.

10. Other implications

None that are not covered in this report.

11. Risk implications

11.1 Having considered the risks associated with this decision, the level of risk has been identified as:

Current Risk: **High**
Residual Risk: **High**

11.2 The council is required to set a balanced annual budget. Dorset Council is anticipating:

1. fully using its budgeted contingency in the current year (2025/26),
2. requiring use of reserves to meet the forecast overspend
3. requiring use of reserves to meet the costs of transformation set out in the October 2025 Cabinet Transformation Report.

a. The Quarter 2 report, which will be presented to Cabinet on 11 November 2025 alongside this paper, provides further detail on the financial matters affecting the 2025/26 budget. Where service overspends cannot be mitigated, this will have a consequential impact on the financial position for 2026/27 and future years.
b. Any use of reserves puts further pressure on the revenue budget as the increased reliance on external borrowing increases the amount of interest paid by the Council.
c. Looking ahead, further pressure on the Council's reserves comes from the cumulative deficit on the Dedicated Schools Grant (DSG), which is expected to exceed the total reserves held by the council by March 2026. The override has been extended until 2028 however on 22 October 2025 the Government announced delays to the SEND reform which were expected in the Autumn of 2025 and now are said to be coming forward "early in the new year". Without a change to funding or policy this would mean that many councils in England, including Dorset, would likely be facing a section 114 notice when the statutory override ends in March 2028.
d. Taking into account both the local and national operating context, the S151 Officer, the Council's Chief Finance Officer, has assessed the current financial risk level as high. Readers of this report should therefore anticipate that achieving a balanced budget will likely require a reprioritisation of service delivery to maintain long-term financial sustainability.

12. Equalities

12.1 The Council's budget serves as a strategic framework to support the delivery of its priorities. Achieving a balanced budget relies on a number of key assumptions and the successful implementation of transformational change programmes. While the overall budget framework has not been subject to a standalone equality impact assessment, individual programmes and changes that underpin budget delivery will each be assessed for their potential impacts.

13. Appendices

Appendix 01 – Directorate Pressures

14. Background papers

Budget strategy report 2025/26

Period 4 financial management report to Cabinet 2025/26

October 2025 Cabinet - Transformation Report

15. Report sign-off

15.1 This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)

Appendix 01 - Directorate pressures

1.1 The following paragraphs outline the material pressures over £1m within each directorate and the status of mitigating action.

1.2 Figures contained are the current working totals and subject to further scrutiny and mitigation as officers progress through the budget setting process therefore inclusion in this report at this stage does not mean that the pressure or value is confirmed as part of the budget gap.

Adults and Housing

1.3 The overall growth modelled for Adults and Housing is an increase of £23.617m, an increase of 14%.

1.4 General (non-pay) inflation is calculated based on an uplift of 3.4% which equates to £7.931m for Adults and Housing. This covers contract and care package inflationary increases.

1.5 Growth in adult care packages for 2025/26 is calculated at £12.629m. The modelling reflects the increase in the number of people supported since October 2024/25 (when the 2025/26 budget was set), projected growth for the remainder of the financial year, and forecasted growth for 2026/27 based on trends over the past two years. Key areas of growth include Homecare, Extra Care, Supported Living and care homes.

1.6 Additional pressures built into the budget include increased demand within the Mental Capacity Act and Safeguarding teams. Given sustained growth in demand over recent years, investment in these areas is considered both timely and necessary. A saving was previously identified for 2025/26 through a reduction in the prevention contract, which was temporarily funded in-year. Following a review, it was concluded that this reduction would negatively impact service delivery and is therefore not being pursued. The Directorate has also carried forward staffing savings over several years that have not been achieved, placing ongoing pressure on service delivery and financial sustainability.

1.7 The Council continues to use external advisors, LG Futures, to support forecasting of government funding allocations across various grant streams. At this stage, it is assumed that all existing grant funding for Adults will continue.

Children's Services

1.8 The overall growth modelled for Children's Services is an increase of £11.5 million, to £94.7 million, representing a 14% uplift.

1.9 Budget increases centre on two main themes for 2026/27:

- Council-wide pressures that affect all council services, including pay inflation, general inflation, increments, and nationally agreed pay awards.
- Targeted investment in Children's Services to address specific service demands and priorities.

1.10 Specific budget increases are focused on areas that support the council's commitment to improving outcomes for children and young people, particularly ensuring the best start in life for all.

1.11 The primary driver for the proposed budget growth in 2026/27 is the Children in Care population. Although recent data shows a decline in the number of children in care, the increased budget reflects increased numbers observed between January and August 2025 and the cost of placements. There has been a 22% increase (£1.2k per week) for external residential placements since June 2024. The budget uplift ensures the service can respond to fluctuations and maintain high standards of care.

1.12 Children's Services are actively working to reshape the children in care population and budget requirement by influencing:

- The number of children in care, aiming to reduce reliance on statutory care through early intervention and family support.
- The mix of care placements, with a shift towards more stable, cost-effective, and locally provided options, for example foster families.
- The cost of placements, by investing in council-run provision and reducing dependency on high-cost external providers.

1.13 Key initiatives include:

- Increasing the number of Dorset Council-run children's homes, enhancing placement sufficiency and improving outcomes.
- Reviewing and updating fostering fees, to support recruitment and retention of foster carers and ensure competitive, sustainable arrangements.
- Further work with iMPOWER to refine the placement mix, for example reduce reliance on external residential care.
- Maintaining the prevention approach, through continued investment in Locality and Pathfinder models, which focus on early help, multi-agency collaboration, and reducing escalation into statutory services.

1.14 This is a fluid position, as the Children in Care cohort continues to change, inflationary pressures evolve, and new ideas and approaches are explored and developed.

1.15 In addition to the pressures outlined above, there are other areas within Children's Services requiring additional funding, including:

- Special Educational Needs (SEN) legal costs, tribunals and complaints,
- The final year of the High Needs Block recharge. This is a recharge from the High Needs Block to Children's Services, based on costs from 2013, that have gradually ceased and 2026/27 there is no recharge at all.
- Permanently achieving transformation savings to ensure long-term sustainability and improved service delivery.

1.16 Finally, until the provisional settlement is announced in December, uncertainty remains with Children's Services grants and the formulas used to allocate each Local Authorities allocation. Dorset could be disadvantaged if there is a formula change.

Place Directorate

1.17 Pay inflation is included at £2.692m. This assumes a 3.2% increase plus allowance for increments.

1.18 General (non-pay) inflation is included at £2.878m. This is calculated on a 3.4% uplift and 7% for energy costs.

1.19 Growth in Dorset Travel is included at £2.4m. Cabinet will be aware of significant uplifts in expenditure that this sector has seen nationally in recent years. At the time of writing, contract prices for the new academic year have not been analysed in full, and therefore this figure cannot be considered as robust.

Corporate Development

1.20 The overall budget proposed for Adults and Housing is an increase of £3.387m, an increase of 7%.

1.21 Of this increase the most significant is related to pay inflation and increments of £2.050m.

Central Finance

1.22 Within Central Finance the costs associated with the Minimum Revenue Provision (MRP) have been reduced by £4.4m following the policy revision at the end of 2024/25.

1.23 The interest payable related to the capital programme has been increased by £5.1m to reflect the expected borrowing costs. This is needed to fund the existing capital programme as well as an estimate of new capital projects in 2026/27 to 2030/31.

1.24 £2.5m has been included in the Contingency budget to reinstate funding following the pay award increase for 2025/26.

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Cabinet

11 November 2025

Highways Capital Programme Strategy

For Decision

Cabinet Member:
Cllr J Andrews, Place Services

Local Councillor(s):
All councillors

Senior Leadership Team:
J Britton, Executive Director for Place Services

Report author and job title:
Jack Wiltshire, Corporate Director for Highways, Engineering & Transport
Email: jack.wiltshire@dorsetcouncil.gov.uk

Statutory Authority: Dorset Council

Report status: Public (the exemption paragraph is N/A)

1. Executive summary

Potential for £115 Million Investment in Dorset's Highways

1.1 Although post 2025/26 Department for Transport (DfT) allocations for highways maintenance are still pending, if current funding levels are sustained, Dorset could receive a combined total of £115 million through the Local Transport Grant and Highways Maintenance Block between 2026 and 2030. This would represent a transformational investment in the county's transport infrastructure.

A Major Boost for Dorset's Transport Future

1.2 On 2 September 2025, the Department for Transport unveiled a landmark £2.3 billion national investment through the Local Transport Grant, a bold step forward for local transport infrastructure. Dorset is set to benefit significantly, with £15.517 million earmarked for roads and cycleways between 2026 and 2030. This marks a substantial uplift in funding and shows clear support for the region's transport ambitions.

National Strategy Signals Long-Term Commitment

1.3 In June 2025, the Chief Secretary to the Treasury introduced the UK Infrastructure: A 10-Year Strategy to Parliament - a transformative plan backed by £24 billion to tackle maintenance backlogs, repair potholes, and future-proof transport networks. This strategic investment aims to drive economic growth, productivity, and improved living standards across the UK. Dorset's share of this funding is yet to be confirmed, but a multi-year settlement extending to 2030 is due to be announced.

Structures Fund Targets Critical Infrastructure

1.4 On 16 June 2025, HM Treasury announced a new £1 billion structures fund stating, "The Structures Fund will inject cash into repairing run down bridges, decaying flyovers and worn-out tunnels across Britain, and ensure other transport infrastructure is both more resilient to extreme weather events and to the demands of modern transport - making everyday journeys safer, smoother and more dependable." The process to allocate money for the Structures Fund is ongoing, with the mechanism for the allocation to local authorities due to be announced shortly.

Unlocking the Power of Multi-Year Planning

1.5 This paper identifies how Department for Transport funding can be allocated to deliver schemes that maintain and enhance Dorset's highway network. The move to multi-year funding allocations will enable a more consistent approach to highway asset management, enabling funded programmes of work to be planned and delivered over the next four years.

2. Recommendation(s)

That Cabinet approves the following-

2.1 Dorset Council seeks £1.5M funding from the Department for Transport's new Structures Fund for essential concrete repairs and structural maintenance for the A30 Shaftesbury Bridge.

2.2 Cabinet delegate authority to the Executive Director for Place in consultation with the Cabinet Member for Place Services to approve funding allocation to the A30 Shaftesbury Bridge scheme from the Department for Transport Highways Maintenance Block allocation if the project is not eligible for the Structures Fund or maintenance is needed before the Structures Fund is allocated.

2.3 Cabinet approves the spend within the forward plan (see Appendix A) for Department for Transport and other externally funded highway improvement and structural maintenance works over £500k. Cabinet delegates the making of any contract award for schemes within Appendix A to the Cabinet Member for Place Services in consultation with the Executive Director for Place.

2.4 Cabinet endorses the overall highway structural maintenance programme being agreed in accordance with the Officer Scheme of Delegation in consultation with the Cabinet Member for Place Services and that approval of expenditure for individual schemes below £500k within that programme is made under the existing Officer Scheme of Delegation for Dorset Council.

3. Reason for the recommendation(s)

3.1 To align the Department for Transport's multi-year funding with the local objectives of the Dorset Council Plan 2024 to 2029. To support more effective long term asset management and gain additional Department for Transport investment for Dorset's highway network. Improving resilience, connectivity and road safety will strongly contribute to the Council's priorities of growing our economy, communities for all and responding to the climate and nature crisis.

4. The report

Local Transport Grant

4.1 Dorset Council's Local Transport Grant funding for highway improvements from the DfT has remained low in comparison to our peers since 2019. This funding is separate to the DfT funding we receive for maintenance activities like road resurfacing. The increased Local Transport Grant will enable Dorset Council to deliver more ambitious transport projects, improving accessibility, addressing congestion, and making our streets safer for pedestrians and cyclists.

4.2 Table 1 shows the confirmed Local Transport Grant for Dorset Council for the next four years. This sees a welcome increase in the funding allocation, ramping up each year until 2029/30.

Local transport authority	**Total capital funding (£m)**	**2026/27 (£m)**	**2027/28 (£m)**	**2028/29 (£m)**	**2029/30 (£m)**
Dorset	**15.517**	2.16	3.249	4.452	5.656

Table 1. DfT Funded Local Transport Grant for Dorset Council 2026-2030

4.3 Appendix A of this report shows the current forward plan of local transport improvement and structural maintenance schemes over £500k. Cabinet's approval of the spend for these projects is sought as a recommendation of this report. Future schemes utilising the new funding will be identified following the principles of our Local Transport Plan, with feasibility studies conducted and forward programmes of work reported to Cabinet for approval.

The Structures Fund

4.4 The recently announced Structures Fund will provide the opportunity to seek additional DfT funding to carry out essential maintenance work to Shaftesbury Bridge (carrying the A30 over the B3081 in Shaftesbury). The bridge was subject to refurbishment works in 2023 involving concrete repairs to the soffit. As part of this work, further defects were identified to the concrete, bearings and expansion joint at the east abutment. The proposed maintenance scheme will involve replacement of the failed expansion joint, repairs to damaged concrete and replacement of the bearings.

4.5 Since the initial announcement of the Structures Fund, there have been no further formal updates on how to apply for the funding. The Shaftesbury Bridge project is 'shovel ready' and informal conversations with the DfT have identified this as a project that could demonstrate Dorset Council's ability to move quickly and deliver one of the first projects under this funding.

4.6 However, if Structures funding is not made available before the maintenance work becomes urgent, it is proposed that the funding is approved from the main DfT Structural Maintenance Block allocation made to Dorset Council each year (currently £25 million).

Highway Structural Maintenance

4.7 Dorset Council currently only has one year's certainty in the funding for highway structural maintenance. The announcement under the UK Infrastructure: A 10 Year Strategy that a multi-year funding settlement will be agreed will enable better long term asset management of the network. The anticipated multi-year settlement will be significant. If the 2025/26 allocation were to remain constant over the next 4 years, the entire DfT funded programme of work would have a value of £100 million.

4.8 Dorset Council's most recent Residents' Survey saw 57% of respondents say making sure roads and highways are in good condition was one of their top priorities, whilst also making it clear that protecting Dorset's natural environment is highly important. Dorset Council's highway asset management strategy is recognised by other highway authorities as demonstrating best practice, particularly with regard to utilising a wide range of road surfacing and treatment options to maximise the life of the road whilst minimising the asset’s carbon footprint and whole life costs.

4.9 Although the entire structural maintenance programme over the next four years could be in the region of £100 million, individual schemes within that programme will typically cost less than £500k. For various reasons such as weather conditions or changing rates of deterioration, highway structural maintenance schemes may need to be reprogrammed throughout the financial year and some schemes may increase in priority. Dorset Council’s scheme of delegation gives financial powers to officers for expenditure approval below £500,000. A recommendation of this report is that power is used to approve the structural maintenance schemes valued at below £500k delivered using the DfT’s structural maintenance block allocation and that this power is exercised in consultation with the Cabinet Member for Place Services.

4.10 Advancements in technology will see the upcoming programme of structural maintenance works planned and evaluated using the latest available technology. Visual condition data is now held for Dorset’s entire road network through Dorset Council’s contract with Gaist. Condition data can now be interpreted using AI, to assist engineers in selecting the most appropriate options for the long term asset management of the highway network.

Figure 1. Example road condition visualisation produced by Gaist’s camera surveys

5. Alternative options considered

5.1 If Dorset Council is unsuccessful in seeking funding from the Structures Fund, the Shaftesbury Bridge project will need to be delivered using the DfT's structural maintenance allocation. This would result in £1.5M less investment on the resurfacing of Dorset's Roads.

6. Legal considerations

6.1 Highway authorities have a duty to maintain public highways, which includes roads and bridges to ensure they are in a safe condition for ordinary traffic. This is primarily governed by Section 41 of the Highways Act 1980.

6.2 Highway authorities have a statutory duty under Section 39 of the Road Traffic Act 1988 to investigate and improve road safety through measures like accident studies, prevention initiatives, and road improvements.

7. Financial implications

7.1 The paper details investment funded by the Department for Transport. This funding is external to Dorset Council and could amount to £115 million over the next four years.

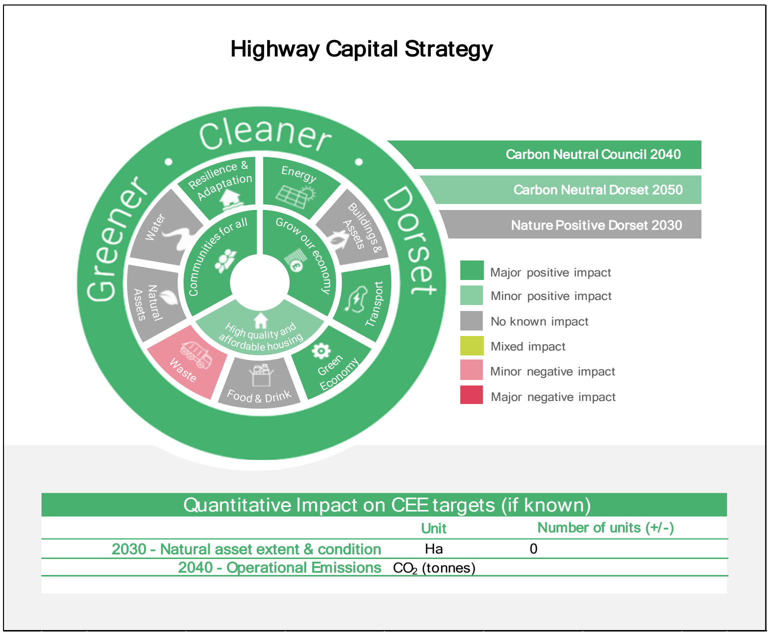
7.2 The estimated costs for the schemes in the capital forward plan are shown in Appendix A.

8. Natural environment, climate & ecology implications

8.1 A highway network that feels safer and provides greater opportunities for people to make alternative travels choices to the car will have a positive effect on the environment as emissions from fossil fuelled vehicles decrease.

8.2 Investment in improved infrastructure will provide greater resilience, with new road surfaces coping better with the trend of hotter summers and wetter winters.

8.3 Civil engineering works involving new concrete and asphalt can have a significant carbon footprint. This will be mitigated through effective planning of works to select lower carbon options and utilise materials that have a lower whole life carbon impact. Improving longevity, recycling, reuse and rejuvenation of road surfaces remain the primary options. New technology such as the use of biogenic binders is being trialled, locking away carbon in new road materials.



9. Well-being and health implications

9.1 The projects funded through the Local Transport Grant will be in accordance with the Local Transport Plan priorities. Such improvements will improve connectivity around Dorset, making it easier, safer and healthier to travel. This will particularly support the aims of our corporate priority of communities for all.

10. Other implications

10.1 None identified

11. Risk implications

11.1 HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: Low
Residual Risk: Low

12. Equalities

12.1 No adverse impacts to equalities groups have been identified from the proposals.

13. Appendices

Appendix A. Highway Improvement and Structural Maintenance Schemes over £500k

Scheme Title	2025/26 £000s	2026/27 £000s	2027/28 or beyond £000s	Total Scheme Cost £000s
Ferry Bridge Maintenance Portland - Weymouth	£1,500			£1,500
A30 Shaftesbury Bridge Maintenance		£1,500		£1,500
B3150 Bridport Road / Williams Avenue Dorchester	£551			£551
Damers Road / Williams Avenue Dorchester Junction	£650			£650
North Quay, Weymouth - Public Realm Improvement	£1,900			£1,900
A30 Over Compton Safety Scheme - Average speed Cameras		£1,300		£1,300
Schemes being developed (For noting and not for authorisation at this time)				
Norden to Corfe Castle Footway/Cycleway		>£500		>£500
Green Seafront Stabilisation and Enhancement,		>£500		>£500
Shore Road Enhancement, Swanage		>£500		>£500
A354 Portland Beach Road to Osprey Quay Roundabout Safety Scheme		£800		£800
Wessex Stadium Roundabout Weymouth Safety		£950		£950
A347 Ringwood Road Ferndown - Trickett's Cross - Penny's Hill Active Travel Improvement and Road Maintenance		£2,000		£2,000
Westerhall Junction/Carlton Road South, Weymouth Crossing			TBC	TBC
Weymouth Town Centre Masterplan Outputs			TBC	TBC
A351 Sandford Missing Cycle Link (part of Wareham Arc)			£7,500	£7,500

Appendix B. Accessible Impact Assessment & Table of Recommendations

Natural Environment, Climate & Ecology Strategy Commitments	Impact
Energy	major positive impact
Buildings & Assets	No known impact

Transport	major positive impact
Green Economy	major positive impact
Food & Drink	No known impact
Waste	minor negative impact
Natural Assets & Ecology	No known impact
Water	No known impact
Resilience and Adaptation	major positive impact

Corporate Plan Aims	Impact
Grow our economy	strongly supports it
High-quality and affordable housing	minor positive impact
Communities for all	strongly supports it

TABLE OF RECOMMENDATIONS

Recommendations	Responses -will this be incorporated into your proposal? How? And if not, why not?
Energy	
No recommendations found for this category	
Buildings & Assets	
No recommendations found for this category	
Transport	
No recommendations found for this category	
Green Economy	
No recommendations found for this category	
Food & Drink	
No recommendations found for this category	
Waste	
Look at ways to reduce the amount of waste produced	Recycle arisings from resurfacing projects, look for options to recycle insitu. Approach to reuse before disposal is considered. Plan scheme options that minimise waste.
Natural Assets & Ecology	
No recommendations found for this category	
Water	
No recommendations found for this category	

Resilience & Adaptation	
No recommendations found for this category	

14. Background Papers

14.1 None

15. Report sign-off

15.1 This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)

Cabinet

11 November 2025

Weymouth 2040: - Renewable Energy Partnership

For Decision

Cabinet Member:
Cllr R Biggs, Property & Assets and Economic Growth

Local Councillor(s):

Senior Leadership Team:
J Britton, Executive Director for Place Services

Report author and job title: Matthew Piles, Strategic Director, Place Services
matthew.piles@dorsetcouncil.gov.uk

Statutory Authority:

Report status: Public (the exemption paragraph is N/A)

1. **Executive summary**

1.1 Dorset Council is leading a bold transition towards clean energy. This ambition is underpinned by our Council Plan, whose central vision is '*Working together to create a fairer, more prosperous and more sustainable Dorset for current and future generations',* and which establishes climate and nature as one of its four core priorities – including a target of achieving a net zero county by 2045 and a net zero council by 2035. Clean energy also forms the heart our climate strategy and our economy strategy, Energising Dorset, in central recognition of clean energy's significant potential to unlock investment, jobs and economic growth for Dorset.

1.2 The Council is also spearheading the Dorset Clean Energy Super Cluster, a transformative initiative based on Portland that integrates offshore wind, hydrogen, and carbon capture technologies, aiming to attract significant investment and create thousands of jobs. Despite challenges like grid limitations and planning constraints, Dorset is leveraging its rich natural resources and innovative partnerships to become a national leader in sustainable energy and climate resilience.

1.3 This report proposes a strategic collaboration between a UK-based renewable energy project developer, Source Galileo, and Dorset Council to shape a transformational and innovative approach to advance the development of onshore renewable and clean energy projects on council-owned land and property.

1.4 Source Galileo has proposed a strategic partnership with Dorset Council to accelerate the development of onshore renewable energy projects on Council-owned land and property. This collaboration, summarised in a proposed Memorandum of Understanding (MOU**),** aims to support Dorset's climate goals by identifying and developing sites suitable for solar PV and other clean technologies. Under the proposed MoU, the developer would lead site assessments at its own cost, assume full financial risk for development, and secure viable land for significant time periods on market-standard option for lease/lease terms. Dorset Council would provide timely data and advice and explore long-term corporate power purchase agreements (CPPAs) to secure stable, low-carbon energy. The proposed partnership also includes joint efforts to secure grid connections, access innovation funding, and ensure responsive communication. Together, the parties aim to deliver transformative energy infrastructure that aligns with Dorset's net-zero ambitions and maximizes local benefits for Weymouth regeneration. The proposed project at Higher South Buckland farm is an anchor project and the collaboration will look at other Council assets, such as car parks for future opportunities. This will not be an exclusive collaboration, and the Council will have the ability to deal with other parties until binding agreements are in place for any specific land parcel.

2. **Recommendation(s)**

2.1 **Higher South Buckland Farm, Renewable Energy Project**

That authority be delegated to the Executive Director of Place, in consultation with the Cabinet Member for Assets, Property and Economic Development and Corporate Director Finance & Commercial (s151 Officer) interim to:

- Progress the Solar PV opportunity at Higher South Buckland Farm.
- Work with SSEN to secure a grid connection to enable future deployment.
- Enter a strategic partnership with Source Galileo to advance the project, including signing exclusive land agreements on standard market-terms.

The project supports Dorset Council's net zero goals and offers early delivery potential, directly contributing to the intersecting clean energy and Weymouth regeneration ambitions of the Council Plan and our climate and economy strategies.

3. **Reason for the recommendation(s)**

3.1 Advance the Higher South Buckland Farm, Solar PV by entering into an MOU and subsequent contractual agreements with Source Galileo to advance this renewable energy project. The County Farm presents a strategic opportunity for renewable energy deployment. Supporting Source Galileo in securing grid access and site exclusivity will enable Dorset Council to move forward with a 50MW solar PV project on council land. This supports the Council's net zero goals and offers a quicker win in the regeneration programme.

4. Source Galileo

4.1 Source Galileo is a UK-headquartered renewable energy developer specialising in large-scale renewable energy projects across the UK, Ireland, and Norway. The company is developing PV and battery storage projects in the UK and is also active in offshore wind development. Source Galileo is funded by Galileo Green Energy, a European developer with operations in 10 countries and over 200 employees in its group.

5. County Farm Site Overview - Higher South Buckland Farm

5.1 County Farm, Chickerell is part of the Dorset Council County Farms Estate, a publicly owned portfolio of 41 farms covering approximately 2,600 hectares across the county. These farms are managed to support agricultural development, provide opportunities for new entrants into farming, and contribute to the rural economy and landscape stewardship.

Repurposing the farm for solar energy generation supports key objectives within the Farms Estate Strategy 2026–2036 as follows:

- Environmental Improvement (Section 6.4): Solar development contributes to carbon emission reduction and climate resilience, directly supporting the Council's climate and nature crisis response.
- Renewable Energy Opportunities (Section 6.4.7): Aligns with the strategy's ambition to pilot low-carbon technologies and develop best practice models for energy generation on farms.
- Asset Categorisation (Section 6.3.4): Enables productive use of assets deemed unsuitable for farming, delivering public value through alternative uses such as renewable energy.
- Strategic Asset Management Plan (Section 5.2): Reflects the Council's commitment to optimising asset use for ecological and financial return, in line with broader corporate priorities.

This approach enhances the sustainability of the Farms Estate while supporting Dorset Council's wider environmental and economic goals.

5.2 Located near the town of Chickerell, in West Dorset, County Farm comprises predominantly Grade 3 and Grade 4 agricultural land. The site features gently sloping terrain with a south-facing aspect, making it well-suited for solar energy generation. It is bordered by hedgerows and contains a mix of open fields, farm buildings, and overhead electricity infrastructure. A small portion of the land is designated as flood risk area, and parts of the site intersect with a public right of way and a Landscape Protection Area.

5.3. The site is already identified as a solar PV opportunity area within the Dorset Council Local Plan Options Consultation: Opportunity areas for renewable energy. Our draft Farms Estate Strategy recognises the energy generation potential of the estate, and a funding bid has recently been submitted to the SW Net Zero Hub to further appraise feasibility on the wider estate – building upon an earlier high-level solar PV options assessment for the estate which identified the potential at the Higher South Buckland site. This project therefore meshes with this wider feasibility work, acting as an anchor project that could serve to enrich our understanding of opportunities for progression on the wider estate.

5.4 Chickerell itself lies just west of Weymouth and is part of the South Dorset parliamentary constituency. The area has seen significant development in recent years and is home to existing energy infrastructure, including a small solar farm and a 45 MW gas power station at the Chickerell Substation, where a globally significant 2.4 GWh battery storage facility is approved for 2028.

5.5 The site's proximity to existing renewable energy developments, such as Newlands Solar Farm and Notting Lane Solar Farm, and its relative closeness to the Chickerell Grid Supply Point (GSP), make it a strategically attractive location for a solar PV-led project. The Chickerell substation is currently undergoing upgrade works funded through a £20m investment by SSEN to enhance its resilience and capacity.

5.6 The lease on the farm has ended but the tenancy automatically continues (under statute) until either party serves notice to terminate the tenancy - which neither party has done to date. Assets and Property receive an income of £16,920 for the lease of the farm.

5.7 If we want to terminate the tenancy, by law we need to give at least 12 months' notice, which must expire on the term date (which is 24 March in any year).

6. The Proposal – Higher South Buckland Farm

6.1 The Higher South Buckland Farm Renewable Energy Project is a large-scale solar energy installation proposed on Dorset Council owned farmland. Physically, the project will consist of:

Solar Photovoltaic (PV) Installation

- Up to 50 MWp of solar panels will be installed across the site.
- These panels will be mounted on metal frames, likely in rows aligned to maximise exposure to sunlight, especially given the site's south facing slope.
- The layout will be designed to minimise visual impact, particularly due to the site's location within a Landscape Protection Area and proximity to a Public Right of Way.
- Access tracks, fencing, and security infrastructure will be included, but designed to be landscape sensitive.

7. Key Legal and Financial Assumptions

Higher South Buckland Farm – Renewable Energy Project

7.1 Legal Position: Land Ownership and Use

The site forms part of Dorset Council's publicly owned County Farms Estate, which provides a strong foundation for delivery in terms of land control and governance. The land is classified as Grade 3 and Grade 4 agricultural, which aligns with national and local planning policy for solar energy development.

This classification supports the site's suitability for renewable infrastructure without compromising high grade agricultural use.

Nevertheless, the Council must ensure that existing tenancies, estate management obligations and long-term land stewardship are fully considered in the legal structuring of the option for lease, lease and related development agreements.

7.2 Financial Position

Under section 123(2) of the Local Government Act 1972 (LGA 1972), a local authority is prohibited from disposing of land for less than the best consideration reasonably obtainable unless it obtains the consent of the Secretary of State. This requirement applies to long leases exceeding seven years, as such leases are considered a "disposal" under section 123. Additionally, if any of the land is classified as open space, the authority must comply with section 123(2A), which requires it to advertise its intention to dispose of the land in a local newspaper for two consecutive weeks and to consider any objections received before making a final decision.

To ensure compliance with these provisions, it is advisable to obtain a professional valuation for the purposes of section 123 from suitably qualified valuation professionals.

7.3 Planning

The site intersects with a Landscape Protection Ara and includes a Public Right of Way, both of which introduce planning sensitivities. The planning application will require:

- The establishment of exclusion zones to protect public access and visual amenity.
- A landscape sensitive layout to mitigate environmental and community impacts.
- Careful design of infrastructure within the Flood Risk Zone, ensuring resilience and compliance with flood mitigation standards. In addition, the project must meet Biodiversity Net Gain (BNG) requirements and

early ecological assessments, and habitat enhancement plans will be essential to avoid planning delays and ensure regulatory compliance.

7.4 **Grid Connection and Strategic Access**

Initial technical assessments confirm that a grid connection to the Chickerell Grid Supply Point (GSP) is feasible. However, this is subject to:

- Confirmation of available grid capacity.
- Reinforcement timelines, which may affect project phasing and delivery.

To secure strategic access to the gid, the Council must enter into two key legal instruments:

1. A Letter of Authority to initiate formal engagement with the Distribution Network Operator (DNO).
2. An Agreement with Source Galileo to secure a 50 MW import/export capacity.

Failure to secure these instruments in a timely manner could result in loss of grid access and delay the project's delivery.

7.5 **Viability and Strategic Fit**

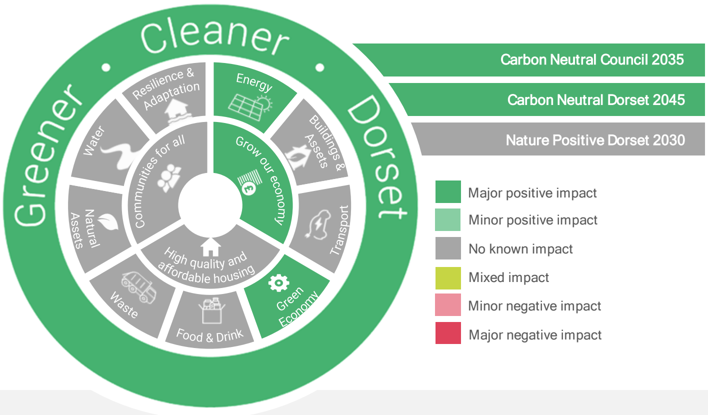
The site benefits from a south-facing slope and minimal shading, making it highly suitable for solar energy generation. To optimise delivery and reduce risk, it is recommended that:

- BNG zones are integrated into the planning process from the outset.
- A phased approach is adopted to allow flexibility in response to grid and planning constraints.

This proactive strategy will help avoid costly redesigns and ensure compliance with evolving environmental regulations.

8. **Natural Environment, Climate and Ecology Implications**

This project would make a significant contribution to the Council's clean energy ambitions within the council plan, climate and economy strategies – including contributing to our target of achieving a net zero county by 2045 and a net zero council by 2035: whilst also having significant potential to help further unlock investment, jobs, economic growth and further regeneration in the Weymouth area. Whilst we have seen Dorset's renewables capacity grow by around a fifth over the last few years to ~350GW, that constitutes roughly only a fifth of our electricity consumption locally – and electricity demand could double by 2050. The project not only constitutes a valuable contribution in its own right to these ambitions but also could serve as an important test case in understanding how we can work with commercial renewables providers to understand and unlock potential on our wider estate.



Quantitative Impact on CEE targets (if known)

	Unit	Number of units (+/-)
2030 - Natural asset extent & condition	Ha	Unknown
2040 - Operational Emissions	CO_2 (tonnes)	Unknown
2050 - County Emissions	CO_2 (tonnes)	Unknown

8.1 **Climate Alignment of Weymouth's Regeneration Strategy**

Dorset Council's commitment to achieving carbon neutrality by 2040 is embedded across the regeneration programme. Each initiative contributes to this goal through sustainable design, energy efficiency, and renewable energy deployment.

9. Wellbeing and Health Implications

9.1 The policies and proposals in the final version of the Local Plan will support the regeneration of Weymouth by providing for housing, employment, community facilities, and accessible public spaces that meet the town's future needs. These elements are essential to improving the wellbeing of individuals and communities, particularly in areas of deprivation.

10. Risk implication

10.1 The regeneration initiatives outlined in this report present a range of strategic, financial, and operational risks that must be carefully managed to ensure successful delivery. This section expands on the key risks and outlines mitigation strategies to support informed decision-making.

10.2 Financial Stability of Development Partners

Risk: The financial health and reliability of private sector partners may affect project delivery, repayment of investments, and long-term viability.

Mitigation: Conduct thorough financial due diligence, request audited accounts, and secure financial guarantees or performance bonds where appropriate.

10.3 Procurement Complexity and Potential Delays

Risk: Complex procurement processes may delay project timelines and limit market engagement.

Mitigation: Initiate early procurement planning, seek legal advice on compliance, and consider market testing to ensure competitive and transparent selection.

10.4 Market Volatility Affecting Demand and Viability

Risk: Fluctuations in construction costs, interest rates, and investor appetite may impact the feasibility of regeneration schemes.

Mitigation: Build flexibility into financial models, monitor market trends, and explore phased development to reduce exposure.

10.5 Reputational Risks if Projects Stall or Underperform

Risk: Delays, cost overruns, or perceived misuse of public funds could damage Dorset Council's reputation and public trust.

Mitigation: Maintain transparent stakeholder engagement, publish progress updates, and ensure robust governance and oversight.

10.6 Legal and Planning Constraints

Risk: Non-compliance with planning regulations, environmental assessments, or statutory duties may result in legal challenges or delays.

10.7 HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: Medium
Residual Risk: Medium

11. Equalities

11.1 At this stage, no direct equalities impacts have been identified. However, future development proposals will require detailed assessments to ensure inclusive access, community benefit, and compliance with equalities legislation.

12. Appendices

Appendix 1: Higher South Buckland Farm – Renewable Energy Project Details.

13. Report sign-off

13.1 This report has undergone the internal clearance process and has been formally signed off by:

- Director for Legal and Democratic Services (Monitoring Officer)
- Corporate Director Finance & Commercial (s151 Officer) interim
- Relevant Portfolio Holder(s)

Appendix 1: Higher South Buckland Farm – Renewable Energy Project Details.

South Buckland Farm, Nottington, Weymouth (DT3 4BQ)

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Cabinet

11 November 2025

Weymouth 2040: A Regeneration Vision Rooted in Place and People – Levelling up fund

For Decision

Cabinet Member:
Cllr R Biggs, Property & Assets and Economic Growth

Local Councillor(s):

Senior Leadership Team:
J Britton, Executive Director for Place Services

Report author and job title: Matthew Piles, Strategic Director, Place Services
matthew.piles@dorsetcouncil.gov.uk

Statutory Authority:

Report status: Public (the exemption paragraph is N/A)

1. **Executive summary**

The Weymouth Regeneration Programme is a transformative initiative led by **Dorset Council**, aimed at revitalising the town's economic, social, and environmental landscape. Supported by **£19.5 million from the UK Government's Levelling Up Fund**, the programme is designed to unlock the full potential of Weymouth's waterfront and urban areas.

The overarching ambition is to create a **diverse, thriving coastal town** that offers:
- High-quality public spaces.
- A vibrant mix of residential, commercial, and leisure opportunities.
- Enhanced accessibility and connectivity.
- A resilient local economy rooted in sustainability and innovation.

This report presents a comprehensive and ambitious overview of the current regeneration initiatives proposed for Weymouth. It aims to inform Dorset Council's strategic decisions by consolidating advisory input on:

- A hotel-led mixed-use development opportunity at Weymouth Peninsula,
- Development on North Quay
- Heart of Weymouth, Cultural and Visitor Centre: The Rectory, St Thomas Street

The report also provides a progress report on the Weymouth Regeneration programme and the Dorset Allied Health Professional University Proposal. A Strategic Outline Case has received Cabinet approval for the University, with agreement to progress to a Full Business Case. Funding has already been allocated to develop a Dental Faculty in Weymouth, reinforcing the commitment to health education in the County.

2. **Recommendation(s)**

2.1 **Weymouth Peninsula Development Proposal**

That authority be delegated to the Executive Director of Place, in consultation with the Cabinet Member for Assets, Property and Economic Development and Corporate Director Finance & Commercial (s151 Officer) interim to:

- Formally invite Hall & Woodhouse to submit a proposal for a long leasehold development on the Weymouth Peninsula.
- Ensure the proposal aligns with the Weymouth Town Centre Masterplan, including:
    - Provision of hospitality and leisure facilities.
    - Delivery of public realm enhancements that support placemaking and community benefit.
- Report any recommended proposal to the Harbour Advisory Committee, Weymouth Harbour Consultative Group and Cabinet for approval.

2.2 **North Quay, Development**

That authority be delegated to the Executive Director of Place, in consultation with the Cabinet Member for Assets, Property and Economic Development and Corporate Director Finance & Commercial (s151 Officer) interim to:

- Approve the proposed disposal strategy for the North Quay site, based on a closed or selective tender process.
- To finalise the tender framework, including developer selection criteria and disposal conditions.
- Request a further report to Cabinet outlining the outcome of the process and recommending either a preferred developer or confirmation that the site will be included in the strategic partnership proposal.

2.4 **Heart of Weymouth, Cultural and Visitor Centre**
The Rectory, St Thomas Street

That Cabinet approve investment of £1.1 million from the Levelling Up Fund towards the acquisition of The Rectory freehold and delegate authority to the Executive Director of Place, in consultation with the Cabinet Member for Assets, Property and Economic Development and Corporate Director Finance & Commercial (s151 Officer) interim to approve and progress with the most appropriate to investment option, subject to:

i) a council review of investment options;
ii) the Weymouth Area Development Trust CIC confirming that it has secured capital funding; and
iii) submission and satisfactory review of:
- Architectural plans.
- Cost plan and development cashflow.
- Full project programme.
- Evidence of positive pre-planning consultation.
- A viable business case to be produced by Weymouth Area Development Trust CIC for long term community use, including operational plans, financial forecasts, market need, and a fundraising strategy.

The proposal must demonstrate financial viability, strategic alignment with Dorset Council's regeneration objectives, and WADT secured capital funding before Dorset Council commits its funding from its contribution as part of the Weymouth Levelling Up Fund (LUF) Regeneration Programme.

3. **Reason for the recommendation(s)**

3.1 Weymouth Peninsula Development - Invite Hall & Woodhouse to submit a proposal for long leasehold development at Weymouth Peninsula. The Peninsula site offers a landmark opportunity for coastal regeneration. Hall & Woodhouse's concept includes hospitality, leisure, and public realm enhancements. Formalising their interest through a long leasehold proposal could catalyse investment, activate the waterfront, and align with the town's masterplan and tourism strategy, initiate pre-application planning discussions and a comprehensive procurement review. The Peninsula is harbour land except for the Pavilion area. Any disposal of harbour land will have to be in the best interests of the harbour and the land must not be needed for harbour purposes. All proceeds must go to the harbour. The proposal would have to go through the Harbour Advisory Committee (with consultation with the Weymouth Harbour Consultative Group), for recommendation to Cabinet.

3.2 North Quay Development - Castletech Projects Ltd and Our Place and DJ Property have submitted proposals for a mixed-use redevelopment comprising of residential and commercial units. Our Place and DJ Property have also indicated consideration should be given to the Weymouth Bowl site as part of this process.

3.3 Delegating authority enables Dorset Council to undertake due diligence, explore alternative development proposal and delivery models, and ensure strategic alignment with the wider regeneration programme and Levelling Up Fund objectives, before committing to any disposal.

3.4 Heart of Weymouth - The proposed redevelopment of The Rectory, St Thomas Street into the Heart of Weymouth Cultural and Visitor Centre represents a strategic opportunity to revitalise the town centre, celebrate local heritage, and stimulate economic and cultural growth. However, the scale and complexity of the project require careful scrutiny to ensure:

- Financial viability and long-term sustainability.
- Strategic alignment with Dorset Council's regeneration and cultural objectives.
- Community benefit, including inclusive access and educational value.
- Secured capital funding (£6.5 million) and a robust fundraising strategy.

3.5 Delegating authority enables Dorset Council to review key documentation, including architectural plans, costings, a business case and investment options, which may be financial or involve property acquisition, before committing to the redevelopment. This ensures the project is deliverable, impactful, and aligned with the Council's broader regeneration programme..

4. **Weymouth Levelling Up Fund (LUF) Regeneration Programme**

In January 2023, Dorset Council secured £19.5 million from the UK Government's Levelling Up Fund (Round 2) to deliver a transformative regeneration programme focused on Weymouth's waterfront economy. This investment marks a pivotal moment in the town's long-term vision to revitalise its historic harbour, unlock development potential, and re-establish Weymouth as a vibrant coastal destination.

A Vision for the Waterfront

The regeneration programme is centred on four key sites that frame Weymouth's harbour and town centre:

1. North Quay
2. Weymouth Bowl
3. The Peninsula
4. West Marina

Together, these sites represent a once-in-a-generation opportunity to reshape the town's relationship with its waterfront - creating new homes, jobs, public spaces, and commercial opportunities while preserving its maritime heritage.

5. **Site by Site Overview and Progress**

5.1 **North Quay**

North Quay is a prominent waterfront site in central Weymouth, offering strategic potential for mixed-use development. The site was previously subject to a formal procurement exercise launched in January 2024, which invited proposals from the development sector. Despite initial interest, the council did not receive any bids that met the required standards for quality, sustainability, and deliverability.

The site remains a priority for regeneration, and its successful redevelopment is considered essential to the long-term economic and social vitality of

Weymouth. The council has maintained interim use of the site as a public car park, but this is not considered a sustainable or optimal long-term solution.

The council's overarching objective is to secure a development that reflects the ambitions of the Weymouth 2040 programme. This includes delivering high-quality design, sustainable construction, and meaningful community benefits. The disposal strategy must also ensure value for money and retain sufficient control over the development process to safeguard public interest.

Dorset Council has received two development proposals from Local developers who did not bid in the procurement exercise in January 2024.

Castletech Projects Ltd and Our Place and DJ Property (with the latter two acting in partnership) have submitted proposals for a mixed-use redevelopment comprising of residential and commercial units. Our Place and DJ Property have also indicated consideration should be given to the Weymouth Bowl site as part of this process.

The recommended approach is to dispose of the land as a pure land transaction (and therefore not subject to compliance with the Procurement Act 2023) following a closed or selective tender process, inviting further engagement with the two existing developers with a proven track record in delivering high-quality regeneration schemes in coastal or heritage-sensitive environments. This method will enable the council to assess proposals not only on financial grounds but also on their alignment with local priorities and the Weymouth 2040 vision.

The disposal will be structured to include a set of development conditions, ensuring that any future scheme delivers tangible public benefit. These conditions may require the inclusion of affordable housing in line with local planning policy, the adoption of sustainability measures such as low-carbon construction and energy-efficient design, and a commitment to architectural quality that respects the character of the waterfront and surrounding conservation areas.

In addition, the council will expect the successful developer to deliver enhancements to the public realm and provide wider community benefits, such as improved access, landscaping, and social infrastructure. To ensure timely delivery, the disposal agreement will include clear phasing requirements and milestone commitments.

To safeguard the council's long-term financial interest, consideration will also be given to retaining a stake in the site through mechanisms such as overage agreements or development covenants, allowing the council to share in any uplift in land value resulting from planning gain or market appreciation.

5.2 **Weymouth Bowl**

Planning permission to demolish the disused bowling alley was granted in April 2024, with demolition being undertaken in August 2025. A substantial

Archaeological investigation will then follow this Autumn with the local community making it ready for mixed-use development. The Council has completed a design review maximising the site opportunities to allow the site to be part of the Housing Strategy and route to market. The proposed redevelopment of the Weymouth Bowl site could introduce a three-block scheme to deliver a mix of residential and potential commercial uses, while respecting the urban context and promoting sustainable living.

Massing and Urban Integration

- The massing strategy breaks the site into three distinct blocks, ranging from 2 to 5 storeys, ensuring the development is contextually appropriate and avoids over dominance.
- This approach creates pedestrian and vehicular routes through the site, with opportunities for green spaces and improved permeability.
.

5.3 **The Peninsula**

This iconic site at the mouth of Weymouth Harbour was once a ferry terminal and is now largely used for car parking. It offers a unique opportunity for a landmark waterfront development, potentially including residential units, a hotel, destination dining, retail and maritime commercial space. The working fishing harbour will remain active on the southern edge, with opportunities for improved maritime infrastructure.

A major harbour wall replacement project began in September 2025, lasting approximately 8 months. Weymouth Harbour Walls F&G are the north and east facing walls that make up part of the Weymouth Peninsula. The harbour walls are in poor condition and need to be replaced as soon as practicably possible.

WSP were appointed through the TEPS Framework as consulting engineers to assist the Coastal Risk Management Team with the design, tender and construction monitoring of the works. For environmental and cost reasons, WSP have selected a design that involves the construction of a new sheet pile wall in front of the old sheet pile wall with an anticipated design life of 70 years. Knights Brown have been selected as the Contractor through an open tender process.

5.4 **West Marina**

Dorset Council is progressing an ambitious land assembly initiative west of the Inner Harbour and Marina, supported by Levelling Up Fund (LUF) and Council capital investment. The Council has already acquired key sites including Newstead Road, Kwik Fit, and the St John's Ambulance buildings, and is actively engaging with Homes England, One Public Estate, the Ministry of Justice, and the Department for Work and Pensions to unlock further opportunities.

The vision is to deliver a major mixed-use development that creates a seamless and connected public realm, linking the Inner Harbour, town centre, and seafront promenade. This joined-up approach will enhance pedestrian movement, improve accessibility, and strengthen the relationship between Weymouth's key waterfront and civic assets—including the Pavilion and surrounding cultural destinations.

6. **Dorset Allied Health Professional University Proposal**

The Dorset system is advancing a transformative initiative to establish an Allied Health Professional University in Weymouth, designed to address future workforce needs in health and care services. This proposal has emerged from collaborative discussions with the Health Sciences University (HSU) and key regional stakeholders, including NHS partners, Weymouth College, Care Dorset, Dorset Healthcare, Dorset County Hospital Federation, and the Weymouth 2040 programme.

The University will serve as a cornerstone for developing innovative care workforce models, particularly for bedded Reablement services, and is envisioned as a catalyst for broader educational and economic growth. Initial programmes will focus on Allied Health Professions, with future expansion into Green Energy and Engineering to support a thriving local workforce.

A Strategic Outline Case has received Cabinet approval, with agreement to progress to a Full Business Case. Funding has already been allocated to develop a Dental Faculty in Weymouth, reinforcing the commitment to health education in the region. The proposal also aligns with HSU's bid to the Office for Students for mobile health equipment, which would enhance clinical training capacity and accelerate the University's teaching offer in West Dorset.

Key priorities include:

- A comprehensive accommodation strategy for students and essential workers.

- Retention of skills through local employment and career pathways.
- Strengthening partnerships across education, health, and local government sectors.

This initiative represents a bold step toward securing Dorset's future as a centre of excellence in health education, workforce innovation, and sustainable regional development

7. **Weymouth Peninsula Development Opportunity**

The Weymouth Peninsula site presents a rare and high-impact opportunity for coastal regeneration. Located adjacent to Weymouth beach and surrounded by water on three sides, the site is currently underutilised, dominated by surface car parking and aging infrastructure. Its proximity to the town centre, transport hubs, and heritage assets makes it ideal for a flagship mixed-use development.

The Peninsula is harbour land except for the Pavilion area. Any disposal of harbour land will have to be in the best interests of the harbour and the land must not be needed for harbour purposes. All proceeds must go to the harbour. The proposal would have to go through the Harbour Advisory Committee (with consultation with the Weymouth Harbour Consultative Group), for recommendation to Cabinet.

The Hall & Woodhouse proposal includes a pub/diner with accommodation, leisure units, restaurants, and public realm enhancements. The concept plan outlines a 14,355 sq ft facility with hotel rooms, balconies, and dedicated parking. The scheme is designed to activate the waterfront, enhance tourism, and catalyse further investment.

The site is allocated for mixed-use development in the Weymouth Town Centre Masterplan SPD and Local Plan Policy WEY6. It is outside the conservation area but adjacent to listed buildings and the Scheduled Ancient Monument of Nothe Fort. Flood risk, heritage sensitivity, and biodiversity net gain requirements are key considerations. The site can accommodate a 3–4 storey hotel and associated leisure uses. A comprehensive masterplan is recommended to ensure integration with the wider Peninsula. The development should maximise pedestrian access, public realm quality, and views to heritage assets. Strategic flood defences and sustainable drainage systems will be essential.

8. **Heart of Weymouth, Cultural and Visitor Centre**
The Rectory, St Thomas Street

This report seeks Cabinet approval for Dorset Council to invest LUF funding towards the acquisition the freehold of a Grade II Listed Building in Weymouth's historic town centre, using Levelling Up Fund resources, and to transfer ownership to the Weymouth Area Development Trust CIC (WADT). The building will be transformed into the Weymouth Cultural & Visitor Centre — a flagship community-led initiative designed to celebrate the town's heritage, support the creative economy, and catalyse town centre regeneration.

The proposed Centre is a legacy project of Weymouth & Portland's Town of Culture 2025/26 programme, conceived by 24 local organisations. It aims to repurpose a cherished heritage asset into a vibrant cultural destination that will serve residents, schools, artists, historians, and visitors alike. The building, located in the heart of Weymouth, is ideally positioned to become a focal point for cultural activity and civic pride.

The Weymouth Area Development Trust CIC (WADT), which is transitioning to Charitable Incorporated Organisation (CIO) status, will lead the delivery and long-term stewardship of the Centre. This governance model ensures the project remains focused on public benefit, while enhancing access to grant and social enterprise funding.

The Centre will offer a year-round programme of exhibitions, performances, workshops, and community events. Key features include:

- A welcoming visitor information hub with interactive digital displays and local guides.
- A flexible 80-seater performance and event space for music, theatre, film, talks, and civic gatherings.
- Art and exhibition galleries showcasing visual arts, maritime heritage, and social history.
- Learning and workshop rooms for school visits, heritage skills training, and lifelong learning.

- A café and gift shop promoting local produce and crafts.
- Two residential accommodation units to generate sustainable income.

The project is expected to deliver significant economic and social benefits, including increased visitor numbers, extended tourism season, job creation, support for local businesses, and enhanced civic pride. It will also provide accessible cultural resources for residents and educational opportunities for schools and community groups.

The project will be delivered by WADT in close collaboration with Dorset Council, local cultural organisations, and the business community. The transition to CIO status will strengthen WADT's governance and funding capacity, while maintaining its community-led ethos. The Centre will be regulated by the CIC Regulator and, in future, the Charity Commission.

The proposal will require a council review of most appropriate investment options, which may include financial investment or property acquisition using LUF funding in order to secure the freehold use of the property for the benefit WADT and the project. Detailed legal advice will be required to ensure the structure of the investment and/or purchase and any transfer will be compliant with our legal obligations and subsidy control law.

Over the next 18 to 24 months, the project will progress through acquisition, renovation, cultural and business development, community engagement, and marketing. A sustainable revenue model will be established to ensure long-term viability.

10. **Legal considerations**

10.1 Under section 123(2) of the Local Government Act 1972 (LGA 1972), a local authority is prohibited from disposing of land for less than the best consideration reasonably obtainable unless it obtains the consent of the Secretary of State. This requirement applies to long leases exceeding seven years, as such leases are considered a "disposal" under section 123. Additionally, if any of the land is classified as open space, the authority must comply with section 123(2A), which requires it to advertise its intention to dispose of the land in a local newspaper for two consecutive weeks and to consider any objections received before making a final decision.

To ensure compliance with these provisions, it is advisable to obtain a professional valuation for the purposes of section 123 from suitably qualified valuation professionals.

10.2 Weymouth Peninsula – Development Proposal

The site includes land designated as "harbour premises" under the Weymouth Harbour Revision Order (HRO). Legal advice confirms that while the revised HRO provides a clearer framework, the Council must continue to comply with its Open Port Duty. The Hall & Woodhouse proposal is compliant with the HRO, but the location near the harbour entrance requires careful consideration to avoid obstructing operations. A formal procurement process may not be required, but the Council must demonstrate best value through valuation, marketing, or subject-to-planning leasehold disposal. Legal advice is recommended to determine the appropriate disposal route.

11. Financial implications

11.1 Capital funds

The total capital funds available amount to £25.8 million. This includes approximately £19.5 million from the Levelling Up Fund grant and around £5.8 million from other Dorset Council sources, such as Community Infrastructure Levy (CIL) contributions and a reserve from the Harbours budget.

As of the current reporting period, the following allocations have been made:

- £9.378 million – Peninsula project including harbour wall works
- £6.948 million – North Quay office demolition and planned public estate improvements
- £6.269 million – Weymouth Bowl and West Marina works

These commitments total £22.59 million.

Following the above commitments, the remaining unallocated capital balance stands at £3.21 million.

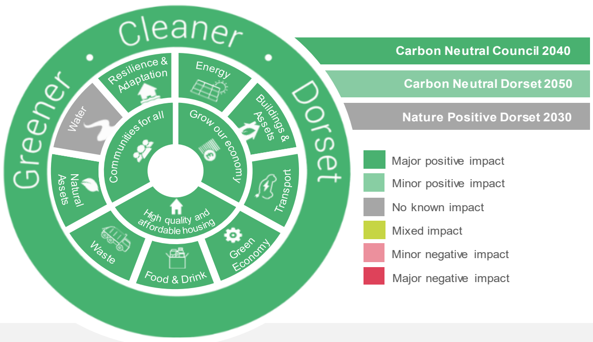
The proposal to acquire The Rectory for the Weymouth Cultural & Visitor Centre is financially viable within the remaining capital funds. The acquisition cost can be met from the £3.21 million balance without requiring additional capital at this stage.

It should be noted that the restoration and repurposing of The Rectory will require a separate application for capital funding. Potential sources for this phase may include external grants, social enterprise loans, and strategic partnerships.

The proposal must demonstrate financial viability, strategic alignment with Dorset Council's regeneration objectives, and secured capital funding before Dorset Council commits its funding from its contribution as part of the Weymouth Levelling Up Fund (LUF) Regeneration Programme.

12. Natural Environment, Climate and Ecology Implications

Weymouth 2040: A Regeneration Vision Rooted in Place,



Quantitative Impact on CEE targets (if known)		
	Unit	Number of units (+/-)
2030 - Natural asset extent & condition	Ha	0
2040 - Operational Emissions	CO_2 (tonnes)	

Climate Alignment of Weymouth's Regeneration Strategy

Dorset Council's commitment to achieving carbon neutrality by 2040 is embedded across the regeneration programme. Each initiative contributes to this goal through sustainable design, energy efficiency, and renewable energy deployment.

Weymouth Peninsula – Sustainable Coastal Development

The mixed-use scheme includes:

- Sustainable architecture designed to minimise environmental impact.
- Integration of renewable energy technologies, such as solar panels and efficient building systems.

The development will incorporate flood resilience and biodiversity net gain measures, aligning with climate adaptation goals.

13. Report sign-off

This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)

Cabinet

11 November 2025

Weymouth 2040: Strategic Partnership

For Decision

Cabinet Member:
Cllr R Biggs, Property & Assets and Economic Growth

Local Councillor(s):

Senior Leadership Team:
J Britton, Executive Director for Place Services

Report author and job title: Matthew Piles, Strategic Director, Place Services
matthew.piles@dorsetcouncil.gov.uk

Statutory Authority:

Report status: Public

1. **Executive summary**

Weymouth is entering a transformative phase, guided by a bold regeneration strategy that weaves together heritage, hospitality, housing, skills, and renewable energy. This report sets out the strategic benefits, key risks, and recommended next steps for establishing a long-term Strategic Regeneration Partnership between Dorset Council and Willmott Dixon, in collaboration with Milligan. The proposed partnership offers a clear framework for investment, collaboration, and place-led development.

The overarching ambition is to shape Weymouth into a diverse, resilient coastal town that delivers:

- High-quality public spaces that foster community pride and wellbeing.
- A dynamic mix of residential, commercial, and leisure uses to support a vibrant local economy.
- Improved accessibility and connectivity, both physically and digitally, to unlock opportunity.
- A sustainable and innovative economy, rooted in local skills, clean energy, and inclusive growth.

2. Recommendation(s)

2.1 Strategic Partnership - Willmott Dixon, in partnership with Milligan

That authority be delegated to the Executive Director of Place, in consultation with the Cabinet Member for Assets, Property and Economic Development and Corporate Director Finance & Commercial (Interim s151 Officer) to:

- Assess the potential added value of a long-term Strategic Regeneration Partnership with Willmott Dixon, in partnership with Milligan.
- Finalise the assessment of the use of the Pagabo Developer Led Framework, and decide on whether to appoint Wilmott Dixon directly or run a further competition in accordance with the Framework terms
- Award a contract to undertake the commercial masterplan, high level feasibility studies and strategic business plan for 6 key initial Council-owned development sites up to a value of £250k (plus VAT) with Willmott Dixon or other supplier, with an option to extend the contract for further development works if desired.
- Negotiate the fee structure for the Partnership and next stages; and
- Implement the necessary governance arrangements to support the Partnership.

3. Reason for the recommendation(s)

3.1 The recommendation allows the Council to clarify the partnership structure, fee model, and deliverables to determine whether this collaboration offers added value beyond existing plans and whether it aligns with the Council's governance and procurement frameworks. It also provides the Council with a commercial masterplan, high level feasibility studies and strategic business plan to start the process of unlocking public and private sector investment.

4. Legal Considerations

4.1 Strategic Partnership - Willmott Dixon, in partnership with Milligan

4.1.1 Nature of the Proposal

The Council is ambitious about recognising the full potential of all our town centres - including Weymouth - for the benefit of residents, visitors and businesses.

The Council Plan 2024-2029 sets out the priority to 'grow the economy' which would result in further benefits such as increasing wealth, creating more opportunities, and improving living standards for local people, and boosting funds for public services. 'Kickstarting the regeneration of Weymouth' is identified as a key action to deliver this priority. A further key priority within the

Council Plan is to ‘provide affordable and high-quality housing’, to meet the needs of existing and future residents.

The creation of a long-term Strategic Regeneration Partnership for Weymouth would accelerate this action through building on work carried out to date by the Council and progressing the development of underused sites. This aligns with the Council’s Economic Growth Strategy 2025-2050 which sets out seeking development partners as a step to progressing the regeneration of Weymouth. The emerging new Local Plan and Weymouth Town Centre Masterplan refresh also emphasise these important themes.

The key sites identified for the Partnership at this stage are Commercial Road Car Parks, West Marina Sites (some of the site identified are leased to third parties), Weymouth Bowl, North Quay and The Peninsula. The mix of sites or their red lines may change as a result of the Step One: High Level Feasibility Framework Review (see below).

The Peninsula, with the exception of the Pavilion area and any other harbour land proposed to be disposed of harbour land will have to be in the best interests of the harbour and the land must not be needed for harbour purposes. All proceeds must go to the harbour. The proposal would have to go through the Harbour Advisory Committee (with consultation with the Weymouth Harbour Consultative Group), for recommendation to Cabinet

The Partnership would look to rapidly develop a commercially led masterplan, establishing the best use and delivery method for how these Council-owned sites can be successfully developed to regenerate and drive growth in Weymouth. This will in turn allow the Council to:

- Improve the offer and vibrancy of the town, bringing significant economic benefits to the town centre and wider area
- Accelerate delivery of these key sites through establishing viability and/or funding solutions, both private and public sector (see below).
- Help drive Weymouth forward as a destination for inward investment, assisting on issues such as strategic master planning, transport and infrastructure, working closely with key stakeholders such as Highways.
- Coordinate the Council’s investment ask of local and national public sector funders (via grants, loans etc)
- Deliver sustainable change in alignment with the Council’s commitment to the Natural Environment, Climate and Ecology Strategy 2023-25 Refresh. This will be achieved through making green buildings the heart of the community alongside delivering enhanced social value and inward investment for the local communities.
- Put Weymouth on the map as a destination, both as a place to live and for tourism and leisure.
- Demonstrate real progress to residents and public and private sector stakeholders and investors alike.

These initial sites may also form part of broader area-based programmes in conjunction with other landowners / partners, helping to unlock holistic regeneration. Other site opportunities for the Partnership may also be identified by the Council at a later date if these initial sites are progressed successfully.

The recognition of Weymouth's regeneration as a key priority in existing and emerging strategies/policies, provides a strong foundation for the Partnership to drive change. This alignment creates an opportunity to accelerate regeneration and attract significant public and private sector investment to Weymouth. It also builds on previously secured support, including the £19.5m in Government funding secured in 2023 to revitalise Weymouth's Waterside Economy, including several of the above sites.

4.1.2 **Procurement Route**

The proposed route to select a Regeneration Partner is through the Pagabo Developer Led Framework (the Framework).

The Framework was established by Pagabo in December 2020 and may continue until April 2026 (if Pagabo take the final extension period). The Host contracting authority is Cumbria Northumberland Tyne and Wear NHS Foundation Trust which means this is a compliant framework in accordance with the Public Contract Regulations 2015.

The Framework offers a compliant route to market for the council in accordance with the Public Contract Regulations 2015 as long as the council complies with the requirements of the Framework when entering into a call off contract.

The Framework allows Direct Awards to Developers when the council is able to determine from the Framework tender price and quality responses which developer is best placed to deliver the requirements, and where the template call off contract can be used without substantial amendment.

Over 75 Developers bid to get onto the Framework initially and only 28 were appointed. Of this 28 Developers through Willmott Dixon achieved the highest overall Evaluation score with a combined value of 87.03 %. This was split with a commercial score of 31.83 (out of 40) and a Quality Score of 55.20 (out of 60).

The next steps are to review the call off contract documentation to ensure they meet our needs without substantial modification. If they can, then the agreements would be entered into with Wilmott Dixon.

If the conditions for direct award are not met, the council will have to run a further competition under the Framework.

Pagabo assists in the procurement process which reduces the need of for specialist procurement support in house or externally which should reduce the

Councils cost throughout the process. Template Head of Terms are also available within the Framework to reduce legal timescales and costs.

4.1.3 Legal and Commercial Risks

Potential loss of traction from work already undertaken by Dorset Council and Stantec/Vail Williams. This can be mitigated by Willmott Dixon taking on Stantec/Vail Williams as part of its professional team.

No guarantee of delivery: Willmott Dixon/Milligan will consider but is not obliged to invest directly; Dorset Council remains reliant on market appetite and viability. This can be mitigated by the track record demonstrated by Willmott Dixon, with Milligan, operating similar Partnerships. Any commercial structure potentially negotiated in due course would incentivise delivery.

Risk of confusing stakeholders with introduction of a new delivery partner. This can be mitigated by a clear communications strategy worked up and implemented collaboratively by the Council, Willmott Dixon and Miligan.

Time/resource investment: Legal, procurement, and officer time will be needed to establish and manage the Partnership. This can be mitigated by the support and standard materials (e.g. template Heads of Terms) provided by the Pagabo Framework.

Potential financial exposure: Dorset Council may be asked to underwrite or loan-fund unviable schemes, which is common in regeneration, but carries reputational and financial risk. This can be mitigated by Willmott Dixon’s strong track record in securing external grant funding.

Direct appointment may prevent other bidders: Willmott Dixon, in partnership with Milligan, has demonstrated significant relevant experience, both locally and further afield, with a particular understanding of tackling the challenges of coastal communities. A market review would be undertaken before committing to a Partnership. The feasibility studies may lead to a conclusion to work with other smaller local developers on aspects of these initial developments.

5. Financial implications

The proposal from Willmott Dixon, in partnership with Milligan, is for an initial fee of up to £250k (plus VAT) to undertake the Stage 1 works as outlined in Appendix A. The £250k will be funded within the existing revenue budget as the Place directorate is currently forecasting an end of year underspend.

This fee includes professional advisor roles but excludes any Pagabo procurement fee(paid by Willmott Dixon) Council staff time and any Council legal costs associated with this initial commission.

5. Appendices

- Appendix A: Willmott Dixon Strategic Partnership Note – 8 August 2025

6. Report sign-off

6.1 This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)

Appendix A: Strategic Regeneration Partnership with Willmott Dixon

Overview

Willmott Dixon, in partnership with Milligan, has proposed a Strategic Regeneration Partnership (SRP) with Dorset Council focused on delivering transformational change in Weymouth. The proposal outlines a collaborative model to develop a Commercial Masterplan, high-level feasibility studies for six key initial Council-owned sites, and a strategic business plan to guide investment and delivery.

Willmott Dixon / Milligan Track Record

Willmott Dixon is a large, family-owned UK construction company founded in 1852. They have experience building a range of uses for public and private sector clients including large regeneration projects and are committed to becoming Zero Carbon in their operations by 2030. Their strong balance sheet and commercial expertise has led to them becoming developers and development managers for a growing number of these clients.

Milligan is a UK-based property development and investment company with strong expertise delivering regeneration, mixed-use and retail developments, in partnership with local authorities and institutional investors.

Willmott Dixon, in partnership with Milligan, operates successful Strategic Regeneration Partnerships in other locations, such as Torbay locally, with a new Partnership currently being formed in Dover.

Partnership Structure

Rather than forming a new LLP (as seen in Bournemouth's Development Company), the proposal suggests a Strategic Regeneration Partnership is formed by way of a joint venture agreement. Dorset Council would contribute political leadership, land, and potentially access to PWLB funding or covenant strength to unlock private sector investment. Willmott Dixon would provide development management, design and build expertise, and market engagement. Milligan would lead placemaking, retail strategy, and investment planning.

This approach means that the Council can:

- Retain full ownership of land assets until appropriate delivery arrangements for each project (Hold/JV/Sell/Develop etc) are agreed in due course;
- As landowner, collaboratively work with its Partner to establish the uses and set the quality of development for each site; and
- Achieve a transfer of risk to the developer partner at the appropriate stage.

Other Options Considered

In recommending the Partnership, other options considered and ruled out include:

- Continue with Dorset Council's existing strategy using internal teams and direct procurement. There is scope to bring added capacity and accelerate delivery through the Partnership;
- Formal Development Agreements with selected developers on individual sites. This does not harness the skills of a single partner considering holistically how all of these projects come together to maximise benefits and make a strategic case to public and private sector investors; and
- Creation of an LLP with shared risk/reward, though this is complex and costly to run compared with a joint venture agreement.

Stages and scope of Work

The proposal from Willmott Dixon, in partnership with Milligan, envisages 5 stages as summarised in the following diagram.

Whilst the Council explores the potential of the full Partnership the initial Stage 1 six-month workstream allows progress to be made including:

- A Commercial Masterplan for Weymouth.
- High level feasibility studies for six Council-owned sites: Commercial Road Car Parks, West Marina, Weymouth Bowl, North Quay, and the Peninsula.
- Working with architects to produce a capacity check on a range of masterplan and site delivery options taking a 'whole town' approach.

- Market / demand research to understand local supply/needs/ demands across a range of uses.
- Procuring valuation agents' advice and soft market testing with potential occupiers / operators to ensure the commercial masterplan is deliverable
- Testing of physical constraints and drawing on Willmott Dixon's buildability experience to identify delivery cost for each site
- Identify any land acquisition required and a strategy for this
- Preparation of outline risk register for the masterplan and the sites
- Develop an overarching programme for delivery of the masterplan. Identify the first sites to come forward and produce a plan to deliver those sites through the following period.
- Strategic business plan with site-specific recommendations (Hold/JV/Sell/Develop etc).
- Establish and scope out funding / grant applications
- Promotion/press/PR of the investment case and Partnership
- Stakeholder mapping and initial engagement
- Support the Council in preparing internal business cases/papers
- Stakeholder engagement and placemaking strategy including review of active travel, public transport, and wayfinding.

Governance and Delivery

A Partnership Board - comprising representatives of the Council, Willmott Dixon and Milligan - would oversee strategic direction, supported by operational boards for individual sites. The SRP would not directly invest in development but facilitate delivery through market engagement and Council-led funding or disposal. Success depends on viability, market appetite, the ability to secure external grants and the Council's ability to underwrite or support development risk.

Advantages

- Accelerates delivery through structured governance and defined milestones.
- Leverages Willmott Dixon's construction and development expertise.
- Enhances credibility and market confidence in Dorset Council's regeneration ambitions.
- Reduces internal resource pressure by outsourcing feasibility and master planning.
- Provides access to investor networks and learning from similar projects in Dover and Torbay.

Next Steps

- Secure approval and commit to Stage 1 of work (as above)
- Request clarification on fee structure and draft Heads of Terms for long term Partnership.

- Engage with Torbay and Dover Councils to understand their experience working with Willmott Dixon / Milligan.
- Consider how the work undertaken to date and existing professional team could be taken on by Willmott Dixon / Milligan
- Review other delivery models and consider market testing before committing to exclusive Partnership.

V2/25

Cabinet

11 November 2025

Asset Disposals and Transfers

For Decision

Cabinet Member:
Cllr R Biggs, Property & Assets and Economic Growth

Local Councillor(s): All

Senior Leadership Team:
J Britton, Executive Director for Place Services

Report author and job title: Jessica Maskrey Head of Service Assets & Property, Carly Galloway Service Manager Strategic Asset Management
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Statutory Authority:

Report status: Part Exempt Para 3

1. Executive summary (maximum of 500 words)

1.1 This report sets out an ambitious plan to unlock land for regeneration, placemaking, and the delivery of affordable housing, supporting Dorset's ambition to meet local housing needs and stimulate economic growth.

1.2 To support this ambition, the Council plans to dispose of seventy-eight non-operational assets over five years, generating £46.7 million in capital receipts. These sites, currently underused, will be unlocked for new investment, helping to revitalise communities and support Dorset's future growth.

1.3 The programme will reduce the cost of ownership, free up resources to invest in Dorset's priorities, and support the Council's capital programme. It is a cornerstone of the Strategic Asset Management Plan and a key lever for delivering the Council Plan.

1.4 Disposals will be delivered through a mix of open market sales, auctions, and conditional sales, with a strong focus on enabling regeneration and affordable housing development. Selected sites will be brought forward through a strategic development partnership pilot to enable the delivery of new social rent homes in line with the Council's housing strategy.

1.5 Cabinet is asked to approve the strategy and delegate authority for transactions over £500k to the Executive Director for Place, in consultation with the Cabinet Members for Property, Assets & Economic Growth and for Finance & Capital Strategy, and the Section 151 Officer.

2. Recommendation(s)

2.1 Approve the proposed pipeline for asset disposals as a key mechanism to deliver the Strategic Asset Management Plan, generate capital receipts and support the delivery of the Council Plan.

2.2 Delegate authority to approve disposals of individual assets identified on the disposals pipeline (Appendix A) each with an estimated value exceeding £500,000 and method of disposal to the Executive Director for Place in consultation with the Cabinet Members for Property, Assets & Economic Growth and for Finance & Capital Strategy and the Section 151 Officer.

3. Reason for the recommendation(s)

3.1 The Council holds more non-operational buildings and property assets than can reasonably be maintained in the long term. Many of these assets are in poor condition due to historic underinvestment. The disposal programme will generate capital receipts, reduce ongoing maintenance and operational costs, and support the capital programme, enabling reinvestment in core operational and income-generating assets that are essential to service delivery and financial sustainability.

3.2 Asset transfers to Town and Parish Councils (and other community groups) enable local ownership and stewardship of assets, allowing services and facilities to be tailored to community needs. This fosters stronger engagement, innovation, and long-term sustainability.

3.3 Together, disposals and asset transfers contribute to Dorset Council's Plan priorities by:

- Driving economic growth by unlocking investment opportunities and enabling more productive use of land and assets
- Supporting regeneration and affordable housing delivery
- Empowering communities through locally driven service provision
- Making more efficient use of resources, and being better able to invest in a smaller number of retained assets

4. The Report

4.1 The Council's estate is extensive, varied, and in many cases ageing and in many cases in poor condition, resulting in high maintenance and management costs. In May 2025 a review was initiated on the direction of the Cabinet

Member following the approval of the Council's Strategic Asset Management Plan in October 2024 to build a disposal pipeline, support the capital programme, and reduce borrowing costs.

4.2 The proposed approach aligns with the Council's Priorities as detailed in the Council Plan 2024-2029 and Strategic Asset Management Plan 2024-2030 (SAMP). It will support financial sustainability by providing capital receipts that will contribute to the Council's capital programme and reduce reliance on borrowing. Disposals will allow the Council to focus resources on core operational assets and improving service efficiency, while retaining and investing in income-generating assets that provide ongoing financial returns.

4.3 Asset transfers to Parish and Town Councils enable local ownership of assets that serve a community purpose, supporting community-led regeneration and more responsive service delivery.

4.4 Disposals present opportunities to unlock investment and improve operational efficiency. For example, disposing of industrial estates to commercial landlords can attract increased capital investment, enhance site management, and stimulate business growth, contributing to local economic development and aligning with the Council's strategic priorities.

4.5 Assessment of assets

4.5.1 A rapid asset review of over 500 non-operational assets (representing one third of the council's estate) has identified those suitable for disposal. Each asset was assessed using a structured methodology considering financial value, development potential (including affordable housing), planning and Local Plan alignment, risks and constraints, and indicative timescales. This ensured informed, strategic decision-making aligned with Dorset Council's priorities.

4.5.2 Income generating sites identified as disposals have been assessed using a financial appraisal model to evaluate the net benefit, taking into account the potential loss of income.

4.6 Disposals Pipelines

4.6.1 The disposal routes, with their estimated values are summarised in Table 1.

	No. of Assets	Estimated Value
Open Market Unconditional Sales	32	£16.4m

Auction sales	28	£0.5m
Condition sales for development	14	£22.5m
Regeneration sites	4	£4.6m (plus)
Housing strategy sites	3	£2.65m

Table 1

4.6.2 Full details of the identified properties and their estimated values are set out in Appendix A along with a multi-year disposals pipeline covering various routes - open market sale (unrestricted sale of an asset on the open market allowing competitive offers without conditions such as planning consent); auction (low value assets), and conditional sale for development.

4.6.3 Regeneration and affordable housing sites will be subject to further and ongoing review to ascertain value aligned with the council's regeneration objectives. In some cases, the value of the site may need to be reinvested by the council into the regeneration or housing scheme proposed for the site.

4.6.4 Market conditions fluctuate over time, and it will be important to carefully manage the timing and sequencing of disposals to avoid placing too many similar assets on the market simultaneously, which could dilute interest and impact achievable values.

Year	**Forecast value of capital receipts**	**No. of disposals over £500k**
2025/26	£4.3m (£1m completed to date)	3
2026/27	£12.4m	4
2027/28	£8m	3
2028/29	£9.2m	4
2029/30	£12.9m	8
Total	£46.7m	

4.7 To ensure the Council meets its statutory obligations under the Local Government Act 1999, all proposed disposal methods will comply with the requirement to achieve best value. The choice of disposal route is determined by the nature of the asset, market conditions, and strategic priorities.

4.8 Auction (Unconditional Sale)

4.8.1 This method involves selling sites through public auction, subject to a reserve price. Sales typically complete within three to four weeks following the auction date, offering fast turnaround, immediate cash receipt, and a transparent, competitive process.

4.8.2 The auction route is particularly suitable for sites with a clear title and minimal constraints. However, it offers limited control over the buyer or future use of the asset and may not achieve full market value if interest is low. As such, this route is generally unsuitable for complex or strategically significant sites and will be applied to low value assets.

4.9 Open Market Unconditional Disposal

4.9.1 Sites are marketed for sale “as seen” without conditions such as planning consent. This route typically results in a sale within six to nine months, depending on the level of market interest.

4.9.2 The benefits of this method include wider exposure to potential buyers, the possibility of achieving higher offers than through auction, and a relatively straightforward legal process. Similar to auctions, there is generally no control over the future use or development of the site, although in some circumstances covenants or other legal obligations can be applied; although when this is done, it generally has the market effect of decreasing the value of the asset. As such this approach will be applied to higher value assets with clear title, minimal constraints, and no strategic requirement for future control.

4.10 Conditional Disposal for Development

4.10.1 This method involves marketing sites with development potential and inviting offers that are subject to planning permission. Completion only occurs once planning consent has been secured, or in some cases, when development commences or reaches practical completion. This can significantly extend the timescale and introduces a degree of uncertainty, as values are contingent on the successful outcome of the planning process.

4.10.2 The advantages of this approach include the opportunity to capture the uplift in land value and the ability to align the disposal with Council priorities, such as the delivery of affordable housing or sustainable development. It also provides greater control over the future use and design of the site. Importantly, this method enables investment to be unlocked through third-party ownership, where external capital and expertise can be leveraged to deliver outcomes that the Council may not be best placed to achieve directly. For example, the disposal of a commercial site may support wider economic growth objectives, where private sector landlords are better placed to invest in and accelerate development, contributing to regeneration and job creation.

4.10.3 This approach will be applied to strategically significant sites where planning outcomes are critical to achieving Council priorities. However, it is inherently speculative and more complex, time-consuming, and resource-intensive. It carries the risk of planning refusal or delays and requires more intensive negotiation and ongoing monitoring. These complexities mean that such disposals are typically included later in the programme, once sufficient preparatory work has been undertaken and the planning context is better understood.

4.11 Regeneration schemes

4.11.1 The Weymouth Regeneration Programme, supported by £19.5 million from the UK Government’s Levelling Up Fund, identifies four strategic council-owned sites, North Quay, Weymouth Bowl, the Peninsula, and West Marina, as key opportunities for transformational development. Inclusion of these sites within the disposals pipeline enables the Council to pursue regeneration outcomes that align with the Weymouth 2040 vision, including mixed-use development, public realm enhancements, and sustainable coastal infrastructure. These disposals will be led by the Regeneration Team, working closely with Assets & Property to ensure alignment with strategic priorities and delivery models. Conditional disposal methods, such as selective tendering and development covenants and/or conditions, will be used to secure planning outcomes that reflect community priorities, environmental resilience, and design quality. This approach allows the Council to unlock external investment and deliver regeneration outcomes while retaining strategic influence over site use, phasing, and public benefit.

4.12 Assets identified for housing schemes

4.12.1 The *New Models of Housing Delivery Report*, approved by Cabinet on 29 April 2025 (minute number 147), set out a pilot approach to accelerating affordable housing delivery through strategic partnerships. As part of this initiative, three council-owned sites have been identified for inclusion in the development partnership pilot (referenced in appendix A). These sites will be used to deliver affordable housing, with a particular focus on social rent for households on the housing register. Inclusion of these sites within the disposals pipeline ensures alignment with the Council's housing strategy and enables the use of conditional disposal methods to secure planning outcomes that support sustainable development. This approach allows the Council to unlock investment and deliver housing outcomes through external expertise, while retaining strategic control over the use and design of the sites.

4.13 Asset Transfers

4.13.1 The Council's approach to it's Community Asset Transfer (CAT) process to Parish and Town Councils has been clarified, with the aim of ensuring strategic alignment and maximising community benefit. CATs enable underutilised or surplus assets to be repurposed for local use, supporting the principles of the Strategic Asset Management Plan (SAMP) by ensuring assets are used effectively and flexibly to meet local needs. They also help reduce the Council's liabilities for maintenance and operational costs.

4.13.2 Applications are assessed through a two-stage process. Stage 1 involves submission of an Expression of Interest, which is used to confirm that the asset is not required for strategic or operational purposes and that the proposed transfer meets CAT eligibility criteria. If the application passes stage 1, the applicant will be asked to prepare a business case or provide such further information as appropriate to the particular application as stage 2 of the application process.

4.13.3 Under the revised approach, Stage 2 will require proportionate further information, and as such a full business case may not be necessary for Town and Parish Councils. This reflects the expectation that local councils will have undertaken appropriate due diligence prior to assuming ownership and acknowledges their status as established public bodies with defined governance and accountability arrangements. The process aims to enable decisions within an estimated timescale of up to three months.

4.13.4 It is recognised that there is a backlog of expectations from Parish and Town Councils that will need to be worked through. A dedicated Asset Transfers & Disposals team is in place to drive forward the streamlined asset transfer approach.

4.13.5 A pipeline of potential asset transfers is currently being developed, with proactive engagement planned with the relevant town and parish councils to explore opportunities and progress discussions.

4.14 Governance

4.14.1 In view of the volume of disposals anticipated, the complexity of associated negotiations, and the detailed pipeline presented within this report, Cabinet is requested to delegate authority to approve disposals of individual assets identified on the disposals pipeline in Appendix A each with an estimated value exceeding £500,000 to the Executive Director for Place in consultation with the Cabinet Members for Property, Assets & Economic Growth and for Finance & Capital Strategy and the Section 151 Officer, for transactions over £500,000.

4.14.2 This delegation will enable timely decision-making, maintain momentum in delivery, and ensure the Council can respond effectively to market opportunities. Historically, the absence of a clear disposal pipeline and limited delegations has made property and asset disposals a more time-consuming and resource-intensive process than necessary. Although disposals below £500,000 are already delegated in accordance with the Officers Scheme of Delegation, they are included in this report to provide full transparency across the disposal programme.

4.14.3 It is anticipated that sales by auction will generally be low value of below £500,000 for each asset and Officers will approve disposal in accordance with the existing Officer Scheme of Delegation.

4.15 Resource

4.15.1 A dedicated Asset Transfers & Disposals team is in place to support the delivery of the proposed disposals pipeline.

4.15.2 Property agents specialising in different classes of assets will be commissioned to support the sale of property assets, providing valuation advice and property agency services. An estimated budget of £1,000,000 over a five-year period will be deducted from the gross capital receipts.

4.15.3 The Council’s in house Legal Property Team have confirmed that they have the resources to facilitate these proposals.

5 Alternative options considered

5.6 Other asset classes

5.6.1 As part of the rapid asset review, over 500 non-operational assets were assessed, resulting in the identification of seventy-eight sites with potential for disposal. This review did not include operational assets, which remain outside the scope of this exercise, although the rationalisation of operation assets continues to be a future requirement.

5.6.2 In line with the process outlined in the SAMP a rolling asset review programme will continue to assess the wider estate, identifying further opportunities for disposal, transfer, repurposing, or redevelopment in alignment with strategic priorities.

5.6.3 Recommended option

Officers recommend delivery of the disposals pipeline outlined in this paper, alongside continuation of the rolling asset review process to identify further assets for disposal, development, or repurposing. This option supports the Council's financial sustainability by generating an estimated £46.7 million in capital receipts over five years, reducing maintenance liabilities, and enabling reinvestment in core operational and income-generating assets. It also aligns with strategic priorities including regeneration, affordable housing delivery, and community empowerment through asset transfers. This proactive strategy ensures that underutilised assets are repurposed to deliver maximum public value.

5.6.4 Alternative option – retain assets in council ownership

An alternative option would be to retain all or some of the identified non-operational assets within Council ownership. This approach would maintain the current estate without progressing disposals or transfers at this time. While it may offer flexibility for future decision-making and preserve local control over assets, it would also mean continuing to hold properties that are underutilised or in poor condition, many of which do not contribute to core service delivery or strategic objectives.

This option would limit the Council's ability to generate capital receipts, reduce maintenance liabilities, or reinvest in priority areas. Over time, it may constrain the Council's capacity to respond to emerging needs, deliver regeneration, or improve the efficiency and sustainability of its estate. For these reasons, this option is not recommended as the preferred strategic approach.

6 Legal considerations

6.6 Statutory Powers to Dispose

6.6.1 Section 123 of the Local Government Act 1972 compliance. Local authorities may dispose of land “in any manner they wish,” but must obtain the best consideration reasonably obtainable, unless the Secretary of State consents otherwise.

6.6.2 General Disposal Consent (England) 2003: Allows disposal at less than best consideration if the undervalue is less than £2 million, and the disposal promotes economic, social, or environmental well-being.

6.7 Open Space Land

6.7.1 LGA 1972 Section 123(2A) Advertising and consultation obligations where disposal is of land that is designated Open Space.

6.8 Best Value Duty

6.8.1 Section 3 of the Local Government Act 1999, duty to secure continuous improvement in the way functions are exercised, having regard to economy, efficiency, and effectiveness. 2024 statutory guidance reinforces transparency, accountability, and community engagement in disposal decisions.

6.9 Specific Considerations for different types of disposal (other than usual encumbrances, covenants etc. that may restrict disposal).

	Legal certainty	**Risk**	**Mitigation**
Unconditional Auction	Contract formed at the fall of the hammer.	Limited time for due diligence; potential undervalue if market conditions poor.	Robust valuation and legal pack; set reserve price at value that complies with s.123, document decision-making process etc.
Open Market Unconditional Sale	Straightforward but must comply with best consideration duty.	Challenge if undervalue or inadequate valuation advice.	Independent valuation; document decision-making process.
Conditional Sale (e.g.		Delay in receipt;	Use overage clauses/clawback/restrictive

subject to planning) for Development		planning risk may affect value.	covenant/use stipulation provisions; ensure planning obligations (for example) are clear.
Community Asset Transfer (CAT)	Often at less than market value. Must comply with General Disposal Consent 2003.	Challenge if benefits not clearly evidenced; sustainability of community group.	Evidence community benefit, assess financial viability of transferee, have Legal safeguards (e.g. reversion clauses/overage/restrictive covenants/use stipulation).

7 Financial implications

7.6 Capital receipts

The disposal of surplus assets is expected to generate capital receipts of £46.7m over 5 years, which will contribute directly to the Council's capital programme and reduce reliance on borrowing.

7.7 Costs of development and disposal

An agent will be commissioned to support the sale of property assets, providing valuation, conveyancing, and marketing. An estimated budget of £1,000,000 over a five-year period will be deducted from the gross capital receipts.

7.8 Revenue Impact

7.8.1 In addition to generating capital receipts, the disposal of assets will reduce ongoing repairs and maintenance costs. This is particularly significant given that the current repairs and maintenance budget is insufficient to meet the full cost of required works, resulting in some maintenance being deferred or avoided altogether. Asset disposals will therefore help alleviate pressure on revenue maintenance budgets.

7.8.2 For each asset a rapid financial appraisal has been completed to calculate the difference between the savings arising on borrowing for the capital programme (assuming that the capital receipt reduces the need for borrowing), any loss of revenue rental income, and taking account of future maintenance liabilities avoided. A positive value from the appraisal means selling the asset would result in a net saving.

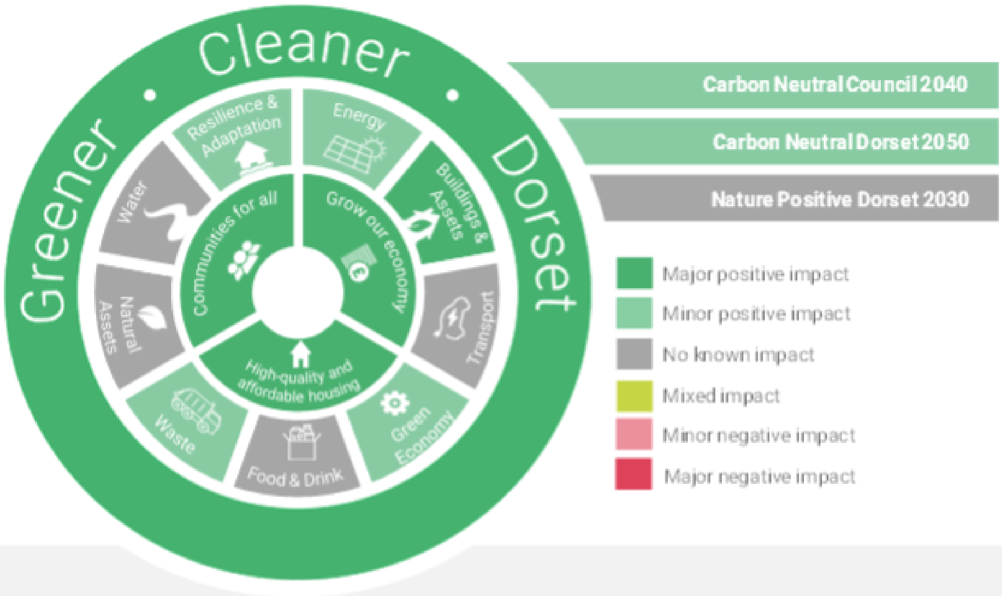
7.8.3 In certain cases, non-financial considerations may take precedence over income generation. For example, the disposal of certain commercial assets may support wider economic growth objectives, where private sector landlords are better placed than the Council to invest in and accelerate development opportunities, particularly in strategic locations, thereby contributing to regeneration and job creation.

7.8.4 Some of the proposed disposals will result in a reduction in income to the Assets & Property (A&P) service. However, most income-generating properties also incur ongoing costs for maintenance, repair, and utilities. Therefore, the net financial impact of disposals may be less severe than the gross loss of income.

7.8.5 However, it must be noted that the current repairs and maintenance budget is already insufficient to meet existing needs. Any proposed adjustments must therefore be carefully assessed to avoid exacerbating existing pressures on the service and to ensure that statutory and operational requirements continue to be met.

7.8.6 The financial appraisal for each asset includes an assessment of both income and expenditure impacts. While some income-generating assets will result in a reduction in rental income, this is offset by savings in maintenance, repair, and operational costs. In most cases, the net budgetary impact is expected to be neutral or positive. Detailed financial summaries will also be provided to delegated decision-makers as actual figures are confirmed, to support informed approvals.

8 Natural environment, climate & ecology implications



Quantitative Impact on CEE targets (if known)

	Unit	Number of units (+/-)
2030 - Natural asset extent & condition	Ha	Unknown
2040 - Operational Emissions	CO_2 (tonnes)	Unknown
2050 - County Emissions	CO_2 (tonnes)	Unknown

9. Well-being and health implications

9.1 The disposal and transfer of surplus assets has the potential to positively impact health and well-being outcomes, particularly where assets are repurposed for community use. Community Asset Transfers to Parish and Town Councils and other local organisations can enable the continued or enhanced provision of locally driven services, including spaces for social connection, physical activity, and access to support services.

9.2 By focusing resources on a smaller number of retained, fit-for-purpose assets, the programme also supports the delivery of services in environments that are safe, accessible, and conducive to positive health outcomes. In cases where assets are transferred or disposed of, care will be taken to assess any potential impact on service users and local communities, and to ensure that alternative provision or mitigation is considered where appropriate.

9.3 The programme aligns with the Council's wider commitment to improving community well-being through effective use of its estate and enabling local stewardship of assets that support inclusive, resilient communities.

10. Other implications

10.1 None

11. Risk implications

11.1 HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: LOW

Residual Risk: LOW

12. Equalities

12.1 The disposal and transfer of assets has the potential to impact different groups within the community, particularly where assets have historically supported inclusive access to services or community activities. As part of the assessment process, consideration will be given to the potential equalities implications of each proposed disposal or transfer, including any impact on protected characteristics under the Equality Act 2010.

12.2 Community Asset Transfers offer opportunities to retain and repurpose assets in ways that reflect local needs and priorities, which can support inclusive service delivery and community cohesion. Where assets are proposed for disposal, steps will be taken to ensure that any adverse impacts are identified and mitigated where possible, including through engagement with affected groups and consideration of alternative provision.

12.3 The programme will be delivered in accordance with the Council's Equality, Diversity and Inclusion commitments, and equality impact assessments will be undertaken where appropriate to support informed decision-making.

13. Appendices

Appendix A - Pipeline of disposals (exempt)

14. Background papers

None

15. Report sign-off

15.1. This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)

Cabinet

11 November 2025

Children's Services Capital Programme

For Decision

Cabinet Member:
Cllr C Sutton, Children's Services, Education & Skills
Cllr S Clifford, Finance & Capital Strategy

Local Councillor(s): All

Senior Leadership Team:
P Dempsey, Executive Director of People - Children

Report author and job title: Paul Scothern, Service Manager – Property & Capital Commissioning, Children's Services
Email: paul.scothern@dorsetcouncil.gov.uk

Statutory Authority:

Report status: Part Exempt Para 3

Executive summary

1. Children's Services are responsible for commissioning several large Capital programmes within the Council's overall Capital programme. Some of those programmes have delegations attached to them enabling named officers to approve individual projects within those programmes, including projects which are above the key threshold decision level. Others relied upon delegations or a Scheme of Nomination which sat outside Children's Services, which is no longer valid.

1.1 Through these capital programmes the Council has been able to ensure there are sufficient mainstream school places available within the school estate to meet overall demand by increasing capacity where it has been required and addressed a number of suitability issues in schools to allow them to operate more effectively.

1.2 In relation to children with Special Educational Needs and Disabilities (SEND) the capital investment has also provided 323 additional places within our Special School and Alternative Provision settings, with more in the pipeline, and 108 places in Inclusion Hubs and Resource Bases in 9 mainstream schools, again with more proposed to be developed under the SEND capital programme.

1.3 The new Family Hub provision has been created through investment in existing properties, with more projects to be completed, enabling more children and families to benefit from locality based multi-disciplinary help and support.

1.4 As additional external funding has been added to programme budgets, additional projects are being added to programmes to meet identified need or priorities. However, the delegations currently in place need to be reviewed to ensure they remain up to date and cover the extent of the projects within the programmes as set out in Appendix 1.

1.5 Appendix 1 sets out those projects which have already been completed or are underway under the existing delegations, together with those future and additional projects which are intended to be progressed under the relevant funding programme.

2. Recommendation(s)

2.1 Cabinet approves the budget and funding allocations to projects within Appendix A (current Capital Programme) and delegates authority to the Executive Director of People – Children's, in consultation with the Cabinet Member for Children's Services, Education & Skills and the Corporate Director Finance & Commercial/Chief Financial Officer & S151 Officer to agree funding allocation of up to £500,000 for any new project, provided those allocations are within the overall Capital Programme budget.

2.2 Cabinet delegates authority to the Executive Director of Place, in consultation with the Executive Director of People – Children's and Cabinet Members for Children's Services, Education and Skills and for Property and Assets and Economic Growth and the Corporate Director Finance & Commercial/Chief Financial Officer & S151 Officer to procure and award contracts, or release agreed funding to third parties delivering projects, for any project within Cabinet approved Appendix A provided the project cost is contained within the overall programme budget.

3. Reason for the recommendation(s)

3.1 To draw together several previous delegations against individual Capital programme budgets to ensure consistency across programmes and to ensure appropriate oversight and authority is in place to allow projects to progress through from inception to delivery.

4. Background

4.1 In 2003 Dorset County Council started its programme to re-build or refurbish all Community, Voluntary Controlled and Foundation schools in its Estate and established the Modernising Schools Programme (MSP), which was over seen by the MSP Board. The overarching aim of the MSP was to improve pupil achievement through the provision of better learning environments.

4.2 At that time Cabinet approved the funding for the programme and delegated authority to the Director of Children's Services in consultation with the MSP Board to monitor the programme and approve funding allocations and budgets for individual projects.

4.3 The delegation to support the MSP Programme was amended over the proceeding years to reflect changes in the focus of the programme and changing funding streams, including 'Basic Need' and the provision of early SEND projects. By January 2018 the name of the Board was changed to School Organisation, Capital Programme and Admissions Board (SOCA), which is the programme title currently shown in the Council's Capital programme. However, as the SOCA Board no longer exists the Programme title could be misleading, so it is proposed to change the programme title within the Capital Programme back to the Modernising School Programme (MSP).

4.4 Since the formation of Dorset Council in 2019 the SOCA Board was disbanded, and several of the reporting process were changed. However, the programme has continued to operate to improve the school estate and to meet the Council's statutory obligations to meet the requirement for sufficient school places. Appendix 1 (Previously approved SOCA Programme Projects since April 2023) shows those projects which have already been approved under the current delegation process since April 2023 and those projects which are committed to (Committed SOCA Programme), but which will need final approval once detailed costs are known.

4.5 In September 2022 the SEND Capital Strategy Implementation Plan was agreed by Cabinet to enable the delivery of increased SEND specialist provision across the County. This was to support the mitigation of the deficit on the High Needs Block and support more children being educated locally in their communities. Delegated authority was granted to the Executive Director for Place, in consultation with the Executive Director for People – Children's to enter into construction contracts at the appropriate time for projects which were referred to in that report, provided the project was within the budget level set by the Cabinet paper. For clarity those projects which were referred to within the September 2022 Cabinet report, and to which that delegation applies are also indicated on Appendix 1 (SEND Capital Programme Projects covered by September 2022 delegation – Project Status update).

4.6 Additional external funding has been allocated to the SEND Capital Programme since 2022. Similarly, additional funding has also been added to the SOCA budget through DfE funding allocations and so officers have continued to formulate programmes of work to utilise that funding to support the objectives of both the SEND and SOCA programmes.

4.7 In light of the recent SWAP Audit, officers have undertaken a review of decisions made based on the September 2022 delegation and have identified 5 projects within the SEND Capital Programme that have been approved by the SEND Programme Delivery Group, but which were not explicitly covered by the previous delegation. These projects do form part of the programme subsequently agreed by the SEND Delivery Group, (an officer group now chaired by the Corporate Director for Education & Learning), and the individual project budgets are contained within the overall programme budget. Processes have now been tightened so this should not happen again. The progression of these projects has not created any financial issues within the programme budget and has created over 50 SEND support places in new Inclusion Hubs/Resources Bases. For completeness these projects are included within the list of SEND Capital Programme (additional projects) shown on Appendix 1.

4.8 The Family Hub Programme, which has been developing since 2021, also contains several capital projects which may be above the key decision threshold when detailed project costs are known and projects need to move into the construction phase. It would seem relevant to extend any agreed delegations as set out in this paper to include that programme as well. These projects are also indicated on Appendix 1 under the Family Hub Programme.

4.9 Similarly, there is a project within the capital programme related to increasing the Children's Residential Sufficiency provision with regard to Short Breaks provision, which was referred to in a paper to Cabinet on 19 January 2021. Whilst this project was not specifically referred to in that cabinet paper, it does have a project budget in the agreed capital programme above the key decision threshold level. This project is shown in Appendix 1 under Children's Residential Sufficiency and is currently in the design process. Once that is completed it will be tendered and provided it is within budget 'commit to construct' approval would be sought. As this is similar to the other programmes, albeit at present only one project, it would seem relevant to extend any agreed delegations as set out in this paper to include this project as well.

4.10 A future SEND and Education Capital Strategy is being developed in line with policy and practice developments and will be presented to Cabinet in due course.

5. Alternative options considered

5.1 The alternative option would be for all projects above the key threshold decision level to be brought to Cabinet on an individual basis for approval for inclusion in a programme and to 'commit to construct'. This could create a piecemeal approach to approval of programmes, possibly delay progression of individual projects and incur additional cost (project costs may increase while waiting for approval).

6. Legal considerations

6.1 Appropriate decision and procurement routes will be followed for all projects within these programmes.

7. Financial implications

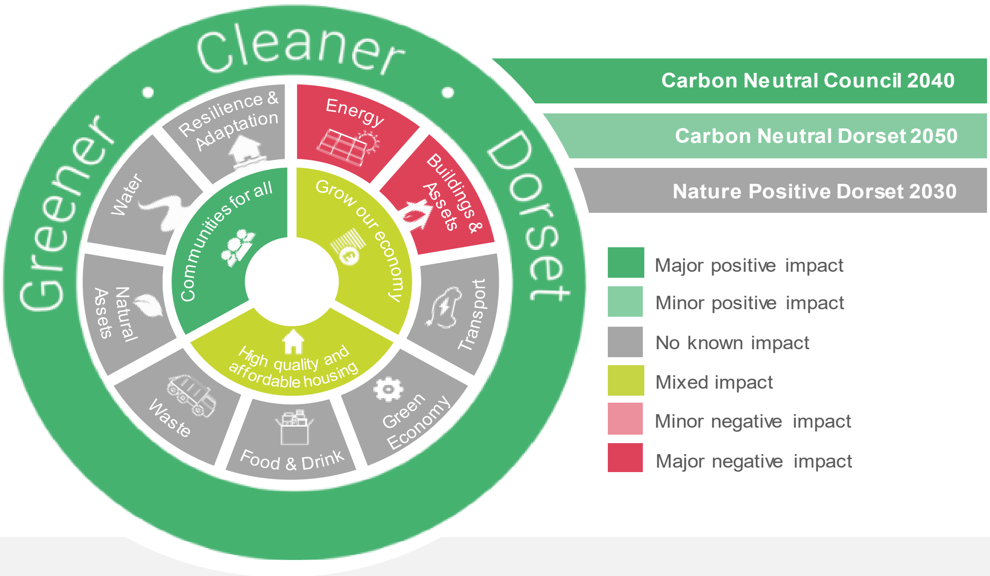
7.1 There are no financial implications generated by this report. All Children's Services capital programmes referred to within this report are already within the Council's existing approved capital programme and monitored by the Capital Strategy Asset Management Group. This report does not propose any change to the process for building or approval of the Council's existing capital programme. The report proposes to update and clarify decisions that may be taken by officers to confirm Children's Services capital programme funding for individual projects and approve individual projects for inclusion in one of the capital programmes as well as for procurement and construction.

8. Natural environment, climate & ecology implications

8.1 The Dorset Council Natural Environment, Climate and Ecological decision wheel is a tool used to identify the climate and ecological implications of the programmes.

8.2 The results of using the tool in consideration of approving this paper are presented below: -

Children's Services Capital Programme



Quantitative Impact on CEE targets (if known)		
	Unit	Number of units (+/-)
2030 - Natural asset extent & condition	Ha	0
2040 - Operational Emissions	CO_2 (tonnes)	

Whilst the results show two major negative impact, this is due to the generic nature of this paper and is not project specific. All building projects contained within these programmes will be designed to carefully consider environmental impact, although mitigation measures may be limited as projects progress as they will involve refurbishment of existing buildings.

9. Well-being and health implications

9.1 All Well-being and health implications will be reviewed within the individual programmes and projects.

10. Other implications

10.1 None

11. Risk implications

11.1 HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: High

Residual Risk: Low

11.2 Funding is in place to support these capital programmes, however, the delegations which currently support them need to be updated to reflect additional projects which have been added to programmes due to additional external funding being available.

12. Equalities

12.1 Progression of projects contained within the Children's Capital programmes will continue to improve the outcomes for children in schools, increase the number of SEND places available to Dorset pupils and support children and families in the community.

13. Appendices

13.1 Appendix A – Current Capital programmes and included projects (Exempt).

13.2 Appendix B - Climate Emergency Wheel supporting tables.

14. Background papers

People and Health Overview Committee – 31 January 2023 Family Hubs
Dorset Council Cabinet – 6 September 2022 SEND Capital Strategy implementation Plan
Dorset Council Cabinet – 19 January 2021 Children's Provision
Dorset County Council Cabinet – 4 April 2018 Sufficiency of SEND Provision Capital Requirements
Dorset County Council Cabinet – Cabinet 19 March 2014 Quarterly Asset Management Update

15 Report sign-off

15.1 This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)

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Cabinet – 11 November 2025
Children's Services Capital Programme

ACCESSIBLE TABLE SHOWING IMPACTS

Natural Environment, Climate & Ecology Strategy Commitments	**Impact**
Energy	major negative impact
Buildings & Assets	major negative impact
Transport	No known impact
Green Economy	No known impact
Food & Drink	No known impact
Waste	No known impact
Natural Assets & Ecology	No known impact
Water	No known impact
Resilience and Adaptation	No known impact

Corporate Plan Aims	**Impact**
Grow our economy	neutral
High-quality and affordable housing	neutral
Communities for all	strongly supports it

TABLE OF RECOMMENDATIONS

Recommendations	**Responses -will this be incorporated into your proposal? How? And if not, why not?**
Energy	
Ensure all electrical equipment is the most energy efficient	This will be considered as part of the individual projects
Maximise energy efficiency of the building fabric (e.g. Loft & wall insulation, triple glazing)	This will be considered as part of the individual projects.
Buildings & Assets	
No recommendations found for this category	
Transport	
No recommendations found for this category	
Green Economy	
No recommendations found for this category	

Food & Drink	
No recommendations found for this category	
Waste	
No recommendations found for this category	
Natural Assets & Ecology	
No recommendations found for this category	
Water	
No recommendations found for this category	
Resilience & Adaptation	
No recommendations found for this category	

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Agenda Item 17

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