

# Public Document Pack



## DORSET COUNCIL

### MINUTES OF MEETING HELD ON TUESDAY 13 FEBRUARY 2024

**Present:** Cllrs Val Potheary (Chairman), Bill Trite (Vice- Chairman left the meeting at 21:15), Rod Adkins (left the meeting at 20:30), Tony Alford, Jon Andrews, Mike Barron, Shane Bartlett, Pauline Batstone (left the meeting at 21:15), Belinda Bawden, Laura Beddow, Derek Beer (left the meeting at 20:30), Richard Biggs, Dave Bolwell (left the meeting at 21:15), Alex Brenton, Cherry Brooks (left the meeting at 20:30), Ray Bryan, Andy Canning, Simon Christopher, Kelvin Clayton, Tim Cook, Toni Coombs (left the meeting at 21:15), Richard Crabb, Jean Dunseith, Spencer Flower (left the meeting at 21:15), Simon Gibson, Barry Goringe, David Gray, Paul Harrison, Jill Haynes, Brian Heatley, Ryan Holloway, Ryan Hope, Rob Hughes, Nick Ireland, Sherry Jespersen, Carole Jones, Stella Jones, Andrew Kerby, Paul Kimber, Nocturin Lacey-Clarke, Howard Legg, Robin Legg (left the meeting at 21:15), Cathy Lugg, David Morgan, Louie O'Leary, Jon Orrell (left the meeting at 21:15), Emma Parker, Mike Parkes (left the meeting at 21:15), Andrew Parry, Mary Penfold, Bill Pipe, Byron Quayle, Molly Rennie, Belinda Ridout, Mark Roberts, David Shortell, Jane Somper, Andrew Starr, Gary Suttle (left the meeting at 21:15), Clare Sutton, Roland Tarr, David Taylor, David Tooke, David Walsh, Kate Wheller, Sarah Williams (left the meeting at 21:15) and John Worth

**Apologies:** Cllrs Pete Barrow, Piers Brown, Graham Carr-Jones, Susan Cocking, Robin Cook, Janet Dover, Mike Dyer, Beryl Ezzard, Les Fry, Rebecca Knox, Julie Robinson, Maria Roe, Gill Taylor and Peter Wharf

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

Jacqui Andrews (Service Manager for Democratic and Electoral Services), Hayley Caves (Member Development and Support Officer), Sean Cremer (Corporate Director for Finance and Commercial), Susan Dallison (Democratic Services Team Leader), George Dare (Senior Democratic Services Officer), Aidan Dunn (Executive Director - Corporate Development S151), Jonathan Mair (Director of Legal and Democratic and Monitoring Officer) and Matt Prosser (Chief Executive)

**68. Minutes**

The minutes of the meeting held on 14 December 2023 were confirmed and signed as a correct record.

**69. Declarations of Interest**

The Director, Legal and Democratic and Monitoring Officer, confirmed that the following members had declared an interest in item 12 and would leave the room and not take part in that item:

Cllrs: Rod Atkins, Pauline Batstone, Toni Coombs, Spencer Flower, Robin Legg, Jon Orrell, Mike Parkes, Gary Suttle, Gill Taylor, William Trite and Sarah Williams.

Cllrs: Shane Bartlett, Tim Cook and Molly Rennie declared an interest in item 10 as they had relatives who worked for the Council.

#### **70. Chairman's Announcements**

Following the announcement this week from the Palace, the Chairman had sent best wishes on behalf of Dorset Council to the King for a speedy recovery. Vivienne Broadhurst, Executive Director People and Adults was leaving the Council and the Chairman thanked her for her leadership, resilience, and hard work.

#### **71. Public Participation**

There were four questions received from members of the public. A copy of the questions and the responses are attached at Appendix 1 to the minutes.

#### **72. Public participation - petitions and deputations**

There were no petitions or deputations.

#### **73. Announcements and Reports from the Leader of Council and Cabinet Members**

The Leader presented his 19<sup>th</sup> leaders bulletin, possibly being the last Full Council before the 2<sup>nd</sup> May elections.

He reflected on the last 5 years of the Council and the ethos of cross-party working which had been successful. His shortlisting for the Local Government Information Unit's Council Leader of the Year award was testament to the ambition, outcomes and achievements of the whole Council.

He highlighted the constant lobbying for a better deal for Dorset funding and DEFRA had announced Dorset Council to be the number one unitary authority in the country for waste re-cycling.

A huge amount of work had been done for the Local Plan, transformation had been embraced and he thanked everyone for all the work done on behalf of the people of Dorset.

In response to member questions the Leader advised that Simon Hoare one of the local North Dorset MPs had been instrumental in achieving the extra £3.9m funding in the recent Government settlement.

#### **74. Questions from Councillors**

There were two questions received from councillors. A copy of the questions and the responses are attached at Appendix 2 to the minutes.

## 75. **Budget Strategy and Medium-Term Financial Plan**

The Finance, Commercial & Capital Strategy Portfolio Holder presented the Budget strategy and medium-term financial plan (MTFP).

A copy of his speech is attached at appendix 3 to these minutes.

The Chairman invited the Group Leaders to present their replies to the budget proposals.

Cllrs Ireland, Sutton and Hughes presented their budget speeches which are attached at appendix 4 to these minutes.

The Finance, Commercial & Capital Strategy Portfolio Holder responded to the comments from the Group Leaders.

**Cllr B Heatley proposed, Cllr C Sutton seconded the following amendment.**

*“To remove from the budget reliance on savings from the Our Future Council programme of £8.1m, and to replace this with £8.1m funding from reserves.*

### **Motion**

In the Revenue Budget summarised in Appendix 1 in the Addendum, amend the line entitled General Funding under Central Finance by replacing the single line.

General funding	5473	(167)	(697)	(32516)	(8122)	(36030)
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by the two lines.

General funding	5473	(167)	(697)	(32516)	0	(27908)
Movement to and from reserves	0	0	0	0	(8122)	(8122)

and make any consequential amendments required to the other tables in Appendix 1.”

The Leader responded to the amendment attached as appendix 5.

Members debated the amendment as proposed, comments included:

Concerns that it was unknown how the 8.1m savings would be made, however it was standard for there to be assumed savings within all the budgets. Additionally, since Dorset Council was formed savings had been made historically, each year through efficiencies.

In accordance with procedure rule 19.6 a recorded vote was taken.

Those who voted in favour of the amendment: Cllrs: B Bawden, A Brenton, A Canning, K Clayton, T Cook, R Crabb, D Gray, B Heatley, R Holloway, R Hope, R Hughes, P Kimber, H Legg, R Legg, D Morgan, J Orrell, M Rennie, A Starr, C Sutton, R Tarr, D Tooke and K Wheller.

Those who voted against the amendment: Cllrs: R Adkins, A Alford, J Andrews, M Barron, S Bartlett, P Batstone, L Beddow, D Beer, R Biggs, D Bolwell, C Brooks, R Bryan, T Coombs, S Christopher, J Dunseith, S Flower, S Gibson, P Harrison, J Haynes, N Ireland, S Jespersen, S Jones, C Jones, A Kerby, N Lacey-Clarke, C Lugg, L O'Leary, E Parker, M Parkes, A Parry, M Penfold, B Pipe, V Potheary, B Quale, B Ridout, M Roberts, D Shortell, J Somper, G Suttle D Taylor, W Trite, D Walsh, J Worth, and S Williams.

Those who abstained: Cllr B Goringe.

Following a recorded vote, 22 for, 44 against and 1 abstention the amendment was **LOST**.

Members debated the original proposal and the Leader summed up prior to going to the vote. Attached at appendix 6.

#### **Proposed by Cllr G Suttle, seconded by Cllr S Flower**

In accordance with procedure rule 19.6 a recorded vote was taken.

Those who voted in favour of the recommendations: Cllrs: R Adkins, A Alford, J Andrews, M Barron, S Bartlett, P Batstone, B Bawden, L Beddow, D Beer, A Brenton, C Brooks, R Bryan, S Christopher, T Cook, T Coombs, R Crabb, J Dunseith, S Flower, S Gibson, B Goringe, P Harrison, J Haynes, B Heatley, R Hughes, S Jespersen, S Jones, C Jones, A Kerby, N Lacey-Clarke, C Lugg, D Morgan, L O'Leary, E Parker, M Parkes, A Parry, M Penfold, B Pipe, V Potheary, B Quale, B Ridout, M Roberts, D Shortell, J Somper, A Starr, G Suttle, C Sutton, D Taylor, W Trite, D Walsh, K Wheller and J Worth.

Those who voted against the recommendations: Cllrs: R Biggs, D Bolwell, A Canning, K Clayton, D Gray, R Holloway, R Hope, N Ireland, P Kimber, H Legg, R Legg, J Orrell, M Rennie, R Tarr, D Tooke, and S Williams.

Following a recorded vote, 51 for, 16 against and 0 abstentions the budget was approved.

#### **Resolved:**

(a) That the revenue budget summarised in Appendix 1, was agreed.

(b) That the increase in general Council Tax of 2.9985% and 1.9975% in the Social Care Precept, providing a Band D Council Tax figure for Dorset Council of £2,001.15; an overall increase of 4.996%, was agreed.

(c) That the Council Tax base agreed by the Section 151 Officer earlier in this budget setting process as shown in appendix 2, was agreed.

(d) That the change to the current scheme of Local Council Tax Support as set out in the report to Cabinet of 30 January, reflecting the decision previously made at full Council on 14 December 2023, was agreed.

(e) That the Capital Strategy, set out at Appendix 3, and the 2024/25 – 2027/28 programme in section 23 of the report to Cabinet of 30 January 2024 was agreed.

(f) That the treasury management strategy as set out in Appendix 4 was agreed.

(g) That the assumptions used to develop the Budget Strategy and Medium Term Financial Plan (MTFP), as set out throughout this report was agreed.

(h) That the recommended balances on earmarked reserves and on general funds, including the minimum level of the general fund, was agreed.

(i) That the responses to the recommendations and comments made as part of the budget scrutiny process, was agreed (Appendix 6).

(j) That the recommendations 1-5 from the 22 November 2023 Harbours Advisory Committee meeting regarding fees and charges, budgets, and asset management plans, as set out at Appendix 7, was agreed.

(k) That the flexible use of additional £1.5m of capital receipts for the purposes of transforming the Council's housing services, as set out at Appendix 8, was agreed.

(l) That the Fees and Charges for the Council for 2024/25, at Appendix 9, was agreed.

Comfort Break 20:27 – 20:37

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## 76. **Pay Policy Statement 2024-25**

Cllrs: S Bartlett, T Cook and M Rennie had declared an interest in this item, they left the meeting and did not take part in the debate or vote.

The Portfolio Holder for Corporate Development and Transformation presented the Pay Policy Statement 2024/25.

In the absence of comments or questions, the Chairman went straight to the vote.

**Proposed by Cllr J Haynes, seconded by Cllr S Flower.**

**Resolved:**

- (i) That the provisions of the Localism Act and content of the Pay Policy Statement for the 2024/25 financial year were noted.
- (ii) That the Pay Policy Statement for 2024/25 was approved.

## 77. **Notice of Motion**

Full Council received the following Notice of Motion: Proposed by Cllr N Ireland, seconded by Cllr S Jones and supported by: Cllrs M Rennie, L Fry, D Gray, P Kimber, B Ezzard, S Williams, C Sutton, K Wheller, D Morgan, D Tooke, P Barrow, D Bolwell, A Canning, M Roe, R Holloway, G Taylor, S Jones, R Legg, R Crabb, B Bawden

### **Motion Narrative and Action Required**

“Council notes that:

- The two-child limit, introduced by the Conservative Government in 2017, restricts support in Universal Credit and tax credits to two children in a family.
- Analysis by the Child Poverty Action Group shows that 900,000 children living in poverty in England do not currently qualify for free school meals because the Conservative Government introduced an arbitrary £7,400 household income threshold in 2018.
- A new report by the Commons Education Select Committee warns mental health problems and cost-of-living pressures on families are among the complex reasons for increased absenteeism.
- Scrapping the two-child limit is the most cost-effective way to reduce child poverty. It would lift 250,000 children out of poverty and mean 850,000 children are in less deep poverty.

Council resolves to:

- Call on the UK Government to scrap the two-child benefit cap.
- Ask the Council’s Chief Executive to write to Members of Parliament representing Dorset Council, expressing the Council’s support for the scrapping of the two-child benefit cap.”

**Cllr L O’Leary proposed, Cllr A Kerby seconded the following amendment.**

“Obviously the leader of the opposition bringing a motion on a policy in Place for 7 years the last likely meeting before an election isn’t for political reasons and instead brought forward to benefit the lowest earning in society so i would like to

amend it.

Low-income families have been hit hard by inflation and a cost of living crisis. Low paid workers often face the brunt of this via our unfair and regressive tax system.

Therefore this council calls on the government to:

Raise the basic rate of income tax threshold to from £12,571 to £20,000 taking millions of the lowest paid working people in this country out of tax all together especially has inflation has pushed more and more people into income tax. This would help push growth in the economy and make work pay"

On a point of order the amendment was not relevant to the original motion and was over-ruled by the Chairman.

Members debated the original motion and commented on the effect of malnourishment on children and although in agreement with the sentiment there were concerns of the knock-on effects and implications regarding where the finances would be sourced.

Generally, members were supportive of the motion and although sceptical that it would not go anywhere, agreed that support was needed by many households, not just those with children but working adults on a low income also.

The Portfolio Holder for Culture and Communities felt that this was a debate that the Council had no power over. There was a lot of excellent work going on in Dorset that the Council and partners did have an element of control over.

On being put to the vote the Motion was approved.

Proposed by Cllr N Ireland, seconded by Cllr S Jones and supported by: Cllrs M Rennie, L Fry, D Gray, P Kimber, B Ezzard, S Williams, C Sutton, K Wheller, D Morgan, D Tooke, P Barrow, D Bolwell, A Canning, M Roe, R Holloway, G Taylor, S Jones, R Legg, R Crabb, B Bawden

**Resolved:**

“That Council noted that:

- The two-child limit, introduced by the Conservative Government in 2017, restricts support in Universal Credit and tax credits to two children in a family.
- Analysis by the Child Poverty Action Group shows that 900,000 children living in poverty in England do not currently qualify for free school meals because the Conservative Government introduced an arbitrary £7,400 household income threshold in 2018.
- A new report by the Commons Education Select Committee warns mental health problems and cost-of-living pressures on families are among the complex reasons for increased absenteeism.

- Scrapping the two-child limit is the most cost-effective way to reduce child poverty. It would lift 250,000 children out of poverty and mean 850,000 children are in less deep poverty.

And

That Council resolved to:

- Call on the UK Government to scrap the two-child benefit cap.
- Ask the Council's Chief Executive to write to Members of Parliament representing Dorset Council, expressing the Council's support for the scrapping of the two-child benefit cap."

## 78. **Council Tax Premiums on Second Homes and Empty Properties**

Cllrs: Pauline Batstone, Toni Coombs, Spencer Flower, Robin Legg, Jon Orrell, Mike Parkes, Gary Suttle, William Trite and Sarah Williams had declared an interest in this item, they left the meeting at 21:15 and did not participate in the item.

The Portfolio Holder for Corporate Development and Transformation presented the report to consider the potential power to levy Council Tax Premiums, there was a one-word amendment to 7.1 in the policy to read: "Any amount of premium received will be part of the Council's Collection Fund and will be shared between the Council and **ALL** Precepting authorities in line with their share of the Council Tax."

Cllr N Ireland proposed and Cllr R Hope seconded the following amendment.

### **Delete item 4.**

### **Replace with ...**

#### **4.**

- 4.1 40% of the additional income from the council tax on second homes in Dorset is allocated to the Housing budget annually.
- 4.2 Any unused or unallocated funds from this budget are transferred to Housing reserves at the end of the financial year and ring-fenced for new supply.
- 4.3 Any income clearly generated from this budget to be transferred to Housing reserves.
- 4.4 The budget to be used for the following purposes:
  - In support of new build, on site, affordable housing from s106 agreements. These properties should be viable however there are occasions when they are not and s106 off site contributions are required to deliver them. In the absence of sufficient off site s106 funding, this budget may be used.
  - To spot purchase properties as required for temporary accommodation for homeless residents.



- To be available for matched funding for government grants, as and when they become available, to increase the amount of affordable housing in Dorset.
- To be used in support of increasing the amount of affordable homes owned by Dorset Council with due regard to the need for a Housing Revenue Account.

4.5 Delegation to officers for spend of <=£200K. Spend in excess £200K to be authorised with the agreement of the relevant portfolio holder, Head of Housing and s151 officer.

Members debated the amendment and while all in agreement that there was a requirement for more affordable housing in Dorset there were some concerns that the council was hypothecating part of its budget. The amendment could unfairly commit a new council following the May elections and the amount of revenue from the scheme could not be predicted.

On being put to the vote the amendment was **CARRIED**.

Proposed By Cllr S Jespersen, seconded by Cllr L O’Leary

Decision: In accordance with procedural rule 8.1 a vote was taken, the committee agreed to exceed the 3-hour meeting time limit.

Members voted on the substantive motion.

Proposed by Cllr J Haynes, seconded by Cllr M Roberts

**Resolved:**

1. That from 1 April 2025 a 100% Council Tax premium would apply to all dwellings occupied periodically (second homes) other than those included as exceptions.
2. That from 1 April 2024 the 100% Council Tax premium for properties which have been empty and unfurnished would be applied from the earlier 1-year commencement point, a change from the current 2-year commencement point, other than those included as exceptions.
3. That cabinet review the Council Tax Premiums for both Second Homes and Empty Properties after two years of implementation.
- 4.1 40% of the additional income from the council tax on second homes in Dorset is allocated to the Housing budget annually.
- 4.2 Any unused or unallocated funds from this budget are transferred to Housing reserves at the end of the financial year and ring-fenced for new supply.
- 4.3 Any income clearly generated from this budget to be transferred to Housing reserves.
- 4.4 The budget to be used for the following purposes:

- In support of new build, on site, affordable housing from s106 agreements. These properties should be viable however there are occasions when they are not and s106 off site contributions are required to deliver them. In the absence of sufficient off site s106 funding, this budget may be used.
- To spot purchase properties as required for temporary accommodation for homeless residents.
- To be available for matched funding for government grants, as and when they become available, to increase the amount of affordable housing in Dorset.
- To be used in support of increasing the amount of affordable homes owned by Dorset Council with due regard to the need for a Housing Revenue Account.

4.5 Delegation to officers for spend of <=£200K. Spend in excess £200K to be authorised with the agreement of the relevant portfolio holder, Head of Housing and s151 officer.

5. That following the outcome of DLUHC’s National consultation, authority to amend exceptions to this policy as a result of any changes to National binding regulations, are given to the Section 151 officer in consultation with the appropriate Portfolio Holder

**79. Exempt Business**

There was no exempt business.

**80. Urgent items**

There were no urgent items.

- Appendix 1**
- Appendix 2**
- Appendix 3**
- Appendix 4**
- Appendix 5**
- Appendix 6**

**Duration of meeting:** 6.30 - 9.40 pm

**Chairman**

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## Full Council – 13 February 2024 Public Participation

### 1. Question from Penny Quilter

I would like to ask about trees at the Old Council building at North Quay in Weymouth, which is currently being demolished (permission granted on 20th July 2023).

- The felling of 6 trees at the front of the building was carried out at the end of 2023, ostensibly “To allow safe demolition of building “. The building is being demolished from the rear and it is unclear why it was necessary to remove these trees.
- According to the Tree Survey dated 10.02.23, 1 of these 6 trees was semi-mature and the rest were young, ranging from 4m to 8m in height and included species of Holly, Silver Birch and Ash. Only one of these trees was in poor condition.
- At the planning meeting on 20<sup>th</sup> July it was suggested that these 6 trees might be replaced by specimens in pots.
- I understand that Dorset’s tree planting objectives (and those in the draft Weymouth Neighbourhood plan) are to increase tree cover. I trust that the “treescape” will be improved on the North Quay site with an overall increase in trees.
- Historic photographs show street trees in the pavement opposite the site when it was houses. It should be possible to “thicken” the existing street tree planting. This could be achieved as a planning condition for any future development.
- There are 7 mature birch trees in the car park area on the demolition site that do not appear in the Tree Survey (4 on the east and 3 on the west side of the main building). These currently have barrier protection. Presumably, these trees are to be protected and retained.

**Please can you comment as far as possible on the points raised and confirm that a tree protection and re-planting plan has been made for the site and more specifically confirm that the plan includes the replacement of felled trees with an appropriate, equivalent species, to be planted in the ground?**

### Response from Cllr D Walsh

It was necessary to remove the frontage trees to enable safe and effective operational access for machinery to carry out the demolition works. Given that the approved additional car park use is temporary it was not considered “conventional” tree planting of a site allocated for redevelopment was appropriate.

Hence the compensatory provision approved was replacing 6 frontage trees with 10 trees in pots/planters to the frontage.  
I confirm the 7 birch trees elsewhere on the site are retained.

## **2. Question from Rob Cheeseman**

There has been an expectation for some time that the **Level 2 Strategic Flood Risk Assessment (SFRA L2) for Weymouth** would be published by now. Following interactions with Weymouth Town Council I understand there was a release date set for September 2023 following a briefing to Weymouth Town Council from Dorset Council. This release failed to happen and a future date has not been given.

I learned in November that the report would be formally released following discussions with the Environment Agency.

Separate submissions by the Environment Agency (EA) to the Weymouth Neighbourhood Plan Steering Group in December 2023 as part of Regulation 14 consultation indicated that the EA were satisfied that SFRA L2 has assessed the current and future flood risk for the Weymouth Town Centre Area.

**When will the Level 2 Strategic Flood Risk Assessment (SFRA L2) for Weymouth be published and what is the reason for the delay in its publication?**

## **Response from Cllr D Walsh**

Officers in both the Strategic Planning and Flood and Coastal Erosion Teams have been working with consultants to prepare the Level 2 Strategic Flood Risk Assessment (SFRA) for Weymouth town centre. An important element of the SFRA is for the Environment Agency to update their advice to Dorset Council to reflect the findings of the SFRA. This process is now drawing to an end and will enable the SFRA to be published later in February 2024.

## **3. Question from Arthur Schaefer**

With reference to Agenda item 4(3) Exception to Council tax premium. For properties that are actively marketed for sale or rent, limited to 6 months period after April 2025.

Will the council consider extending the period of exception if the property refers to a retirement home such as Cloverdale Court, Lyme Regis, which is subject to strict leasing conditions, i.e. minimum age requirements of 55 years, no children allowed and holiday lettings prohibited? Potential buyers are limited to a small niche band of people who fit the strict criteria and those who can afford the expensive service charge in excess of £4500 p/a. The sale of such property is difficult and often exceeds the 6-month period needed to effect a sale.

## **Response from Cllr J Haynes**

Thank you for your question.

The exception you refer to in your question is one of a list of potential exceptions looked at during a National Consultation.

We await the final supporting regulations, as do all Local Authorities, which will stipulate the exact detail.

It is anticipated that where any exception may have an associated maximum set period of award, that this will be fixed, but as with all exceptions we are only able to provide guidance on possible outcomes at this stage.

## **4. Question from Alex Bailey**

"What a whirlwind 2023 has been for all of us! Despite the challenges, I want to extend my heartfelt thanks to everyone who collaborated with me during that tumultuous period. Your contributions were truly invaluable to the campaign, even though my involvement has since come to an end. Unfortunately, Councillor Flower chose not to share the advice from Richard Wald KC publicly, and my opinion of him then remains unchanged – as reported by the Dorset Echo.

Let's now turn our attention to the future, specifically focusing on the current budgetary situation. We must consider the insights provided by individuals such as Weymouth Town Councillor David Gray, as well as the perspectives offered by Dorset's Lone Ranger, Councillor Gary Stuttle. Additionally, we should take into account the remarks made by Dorset Council's treasury manager, David Wilkes, regarding the concerning borrowing trends, with a total of £219 million borrowed and £7 million spent on interest to service external debt. These figures paint a bleak picture of Dorset Council's financial health, especially when coupled with the year-on-year 5% increase in rates for most households, particularly those in Band D in Weymouth. Despite these challenges, there are still some council officers and individuals in this chamber who maintain that Dorset Council possesses sufficient emergency funds.

We cannot ignore the dire financial situation faced by Bournemouth, Christchurch, and Poole (BCP) Council, which is burdened with a staggering £1 billion debt. Given these circumstances, my question remains: What distinguishes Dorset ratepayers that Dorset Council consistently ranks as the third, and sometimes fourth, highest spender per head of population in England?"

## **Response by Cllr G Suttle**

In respect of the Council's financial position your question covers FOUR points

- 1) Kings Counsel advice
- 2) Council borrowing
- 3) Emergency funds, which I understand to be a reference to reserves
- 4) Relative spend on services

Taking each of these in turn

Firstly, On Mr Bailey's opening comment about legal opinion we obtained in connection with the Bibby Stockholm barge, Cllr Flower has already answered a question in this chamber and explained the advice we received from our KC.

Now turning to the second point on Council Borrowing. Dorset Council typically borrows money to finance capital projects that will have a long term benefit the population of Dorset. This is not borrowing to fund day to day service delivery.

**The Councils borrowing** is outlined in appendix 3 of item 9 on this evenings agenda.

Para 3.3 has a table showing the councils gross debt of £219m as at 31<sup>st</sup> March 2023.

As set out in the table following para 3.6 of the same report the Council has set an operational boundary of borrowing of £443m. So the Council borrowing is less than 50% of the operational boundary.

You also raise the level of interest payable with is £8m for 2023/24 as shown in table 8 after para 4.2.

The same table shows that the Council is forecasting £6m of investment income, driven by interest earned. So the **net** financing costs are £2M which represents 3.8% of net revenue streams.

I hope that highlighting the analysis contained within appendix 3 allays your concerns as to the impact of the Council's borrowing.

Turning now to the third item **Adequacy of emergency funds.**

Again, turning to the main body of the report paragraph 22.4 outlines General fund reserves have increased from £28.2m as at 31st March 2020 to £34.75m as at 31 March 2023.

And earmarked reserves have increased from £85.4m to £140.9m over the same period.

The **fourth and final part** of your question references Dorset's **relative spend on services.**

The reference to having the third or fourth highest spender per head.

Unfortunately this is not true, the Office for National Statistics ([ONS](#)) data shows Dorset Council as very much middle of the pack in terms of relative spend per head of population.

I think there may be a misinterpretation of the widely reported information about Dorset's relative position in terms of Council Tax.

As reported to the Place and resources Committee on 17<sup>th</sup> January, for the parts of Council Tax which the Council sets, Dorset is ranked 13<sup>th</sup>

As outlined in the paper, Dorset Core spending power increase is reliant upon Council Tax, with the Government expectation that Councils take the maximum flexibility.

The Leader of this Council continues to lobby with our local MP's for a fairer funding settlement to address this. Recent success here is seen by the final local Government finance settlement providing a further £3.9m for Dorset Council , which is in recognition of Social Care , Home to School Transport and rural service delivery.

Dorset's MP Chris Loder has also in the last fortnight met with the Treasury and the Prime Minister to discuss Dorset's finances, seeking solutions to the systemic underfunding.

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## Full Council – 13 February 2024 Questions submitted by Councillors

### Question 1 – submitted by Cllr B Trite

Since (1) Dorset Council members for Swanage have lately received a high number of complaints from residents concerning the extreme intensity of LED street lighting recently installed in various residential roads in the town; and (2) on investigating, both members fully agreed with complainants that the lighting is extraordinarily harsh and intense, amounting to a serious, intrusive nuisance for occupiers of homes thus affected; and (3) the members consider it reasonable for the residents subject to this nuisance to question whether the wrong specification of lighting unit has been installed for the category of streets concerned; then what action will the Council urgently take to remedy the present, most unsatisfactory situation currently being experienced by these residents?

### Response by Cllr R Bryan

I have asked the Corporate Director for Highways to carry out a policy review of street lighting.

*Supplementary question – 19:07*

*Ray – Yes will include – subject to the review but will take action if not as would like*

### Question 2 - submitted by Cllr K Wheller

Wooland Gardens in Wyke Regis would appear to be a quiet cul de sac with very little traffic. Very narrow, leafy with a narrow pavement to only one side. In fact, it leads via a small footpath to and from A Church, three schools, a Medical Centre, Dental Practice, library, shops, clubs and the main bus route.

This route is used by a huge number of residents throughout the day and into the night, all ages and mobility.

As well as moderate traffic generated by residents it is subject to frequent delivery vans and cars parked on the pavement because of the lack of off street parking in adjoining roads.

Last year an elderly resident, a lady of over 90 years of age who despite being sight impaired lived alone and independently was run over ( a van reversed over her) and killed in the most horrendous manner.

Following the 'accident' I contacted the Cabinet member for Highways Cllr Ray Bryan and asked that safety measures could be put in place. He assured me that after road safety investigations were complete he would sanction this.

Subsequently, the police and our own road safety officers have stated that whilst this was a dreadful incident, agreeing that the road is narrow and parked cars are a

hazard, the death was the result of an accident and no recommendation to improve safety would be made.

I contacted Cllr Bryan on behalf of residents; of which I am one; to ask if 'SLOW' signs and 'Pedestrians in road' could be provided. I have also contacted the Highways team. I have received no response.

My residents have asked me to pursue this. It is difficult not to walk in the road when the only pavement is blocked, it is difficult to contain children walking in groups to and from the schools or parents with buggies.

We know that double yellow lines are impossible, we know that 'no parking on pavements' cannot be enforced. We simply ask for some warning signs alerting drivers unfamiliar with the Cul de Sac to improve the safety.

I am sorry to waste valuable council time on this issue but when one receives no answer to letters what can one do?

### **Response by Cllr R Bryan**

Thank you for your question Cllr Wheller about the tragedy at Wooland Gardens.

I would like to be able to answer the question in full and also to address what I consider to be unfair criticisms of the highways team and of me. However, while a criminal case against the driver of a vehicle is under consideration it would be entirely wrong for me to comment.

## BUDGET

I present the Budget and Medium Term Financial Plan strategy report for your attention.

The budget proposals follow significant consultation with Cllrs, indeed we have seen the most extensive level of meetings, discussions, task and finish groups and of course both scrutiny committees. I thank all those involved and Cllrs Taylor and Bartlett for the scrutiny process.

The headline is of course the increase in annual council tax which will be just under 3%. In addition this council will take the Social Care Precept of just under 2% to ensure the funding of Social Care. The actual figure of uplift is 4.996%. In financial terms it is £1.82 per week on a band D property. Set out in 11.4 you will see that we are anticipating significant growth in business rates and 5% increase in fees and charges with 3.2% for inflation and recent figures support that assumption as inflation comes under control and falls from the heights of 10+% to the most recent 4% for the 12 months to December 2023.

There has been much made of Govt announcements which appear to indicate significant additional funding giving our core spending power a uplift of 6.5% however, despite the press, in fact to achieve this we have to take the maximum in council tax increase and this equates to 66% of the up lift, so perhaps not quite the saviour of local Govt, more of save yourself.

Many councils are funding via Revenue Support Grant from local Govt, many councils receiving millions of pounds, not the case for Dorset we are to receive the grand sum of £698,000 this year an enormous up lift of £43,000. For the benefit of members we have produced a graph at 13.14, you will see Leicester receiving £35.6M and you probably just see us as a tiny red bar, hence the arrow, almost at the bottom. This is why the Leader spends so much lobbying for fairer funding, its not a myth as you can see it is out there.

Section 16 of the strategy sets out the process that has been taken with regard to the MTFP and how we have progressed over the last few months. The original gap was identified at £13.815M, however, this escalated to the point in November 2023 when I reported an increased position of £23M.

Over the last few months we have worked with all directorates to consider how a balanced budget can be achieved and in the report we present our criteria that will enable us to do that.

We include substantial increases in budgets for all directors as set out in and in particular place were we have seen the most pressure over the last year. It is very exposed to inflation and it is important that it is funded adequately to maintain and protect services.

But lets talk about the one thing that appears to have had more attention than anything else and that is the element of the budget attributed to Our Future Council **£12,040,831**.

This is work that it would have been a natural progression for this council, I would have liked to start this work at least a year earlier, maybe even 2, but there was something called Covid that delayed much of what would have been a normal work stream. The point of LGR was to protect the services provided by Dorset Councils to the community, it was not an option to continue in the format pre LGR, there was too much financial pressure particularly on the old County structure to allow it to continue. The business plan of LGR was to enable a stable structure of local Govt moving forward but with the understanding that this had to be underpinned by substantial savings, Our Future Council is an extension of that work.

Some tell me they are worried about the level of money included in this budget, but I refer to this administrations track record, savings of over £96M to ensure that the principle of LGR protected Dorset enabling support and continuation of all services, in year budgets closely adhering to their projected outcomes. Not a reduction in reserves but a solid increase in the General Fund throughout the period to maintain this councils 10% reserve of Council Tax, that is correct not a reduction in reserves. You have to consider that each year has an element of money for reserves when the budget falls short in year that element is reduced.

The work on Our Future Councils is part of the councils invest to save policy, we have included the original figure of £12M which as per the addendum to the budget is now just above the £8M figure as a prudent assessment of what we would hope to save, not a target, if we want to use targets we can use £20M+ because our aim with this work is to address the longer term requirements of this councils MTFP. I have stressed throughout the time that I have been in this position that we are dealing with the long term financial security of Dorset not in year shortages and this work is part of that aim.

At the half year stage in 2024 the Section 151 officer to review the work and assess at that time if it is on target, if not I give an assurance that we would re structure the budget, however, I do not believe that this will be necessary and this work would not be in the budget if any doubt existed.

I propose the budget papers to this meeting.

## Group Leaders Budget Speeches

Cllr Nick Ireland

Back in late 2022 we were in the process of producing the budget for this financial year i.e. 23/24 and the papers published then identified a budget gap for the next year (that is the budget before us now) of around £13m.

Fast forward to this year's budget process and one thing that's bugged me, and other members I'm sure, is that we were told repeatedly that the One Future Council programme will save us £12m for 24/25 but no detail was provided as to what that would entail. All we were told that it would be underwritten from reserves.

Back in November '23 Cllr Beddow sent out an email to all members with a link to the OFC intranet site. In fact it was sent out twice as the first link didn't work. I looked at the site then and it was clear that it had existed since at least July '23 as there was a comment from a staff member to the effect that 'this means job cuts then'.

The site then contained no details of the programme in how the savings would be achieved. It appears to have a rapid refresh from this January, but still no details or specifics of how the £12m of savings will materialise.

It's not clear to me how you can state a nice, (and in the context of this budget, conveniently dovetailing) figure of £12m savings, when the details aren't known.

Now in the last weeks we've had a nice 'Brucie bonus' from government. £3.9 million of savings that were in the original "balanced budget" have disappeared into the ether (from where they had never actually emerged) and we have a different balanced budget.

This leads to three possibilities.

#1 - The forecast was accurate but this council, despite having over a year to do so, has been unable to specifically identify the savings that can be made, so we're filling the gap from reserves without explicitly saying so.

#2 - The forecasting was flawed (which in itself is worrying for future years), and was out by a factor of over 100% - £30m now required. Of that £18m is identified, but we're £12m short, or rather we were but now just £8.1m apparently, so we're filling the gap from reserves without explicitly saying so.

#3 - The means of achieving the stated £12m via OFC is actually known but the details are so unpalatable, especially with elections coming up in May, that the current leadership of this council is unwilling to divulge the details for fear of the consequences.

So I have one question? Which of the three is it?

Cllr Clare Sutton

Whilst 'safe and legal', we think our last 4 budgets lacked ambition, but we voted for them. I have 3 main points on this one.

First, on avoiding 'cuts in services', we haven't seen whole Council services practically disappear - as happened when Dorset County Council removed almost all support for Youth Clubs in 2016 - but we have seen an ongoing erosion of the services we provide. Planning enforcement is just one example, and I'm particularly concerned about implicit cuts which affect the most vulnerable, especially the higher eligibility requirements for adult social care.

The root cause is that successive governments have slashed funding to Dorset by half since 2010. In addition, as we know, the funding formula does not recognise that we have far more older residents than the average - about 30% are aged 65 or over compared to 20% nationally. I hope our next government, of whatever complexion, will restore responsible funding for local councils, and treat adult social care as a national service, like the NHS. Given where we are though, regrettably, we feel we've little choice but to support the proposed 5% Council Tax rise.

Second, Dorset Council has used almost £40 million of reserves to fund unplanned overspends since 2019. In this budget, the £8 million gap will ostensibly be filled by savings identified through the 'Our Future Council' programme BUT, despite repeated questioning by Cllr Heatley, Cllr Gray, and others, we still have no detail about how this will be achieved. Brian and I will address this in our proposed amendment.

On 'ambition':

1. We have a major housing crisis. And, we also have lots of surplus Council land and buildings. How are we going to keep young people in our county and attract, for example, the care workers who many of our residents rely on? Surely we must bring the two together, and start building social housing.
2. We have a public transport crisis, especially in our rural areas. Rather than continue to subsidise bus companies, we **MUST** work out how we can deliver this ourselves, aligned with the school and hospital transport we already provide.
3. We know that good quality, accessible Youth Clubs mean happier young people, better mental health, and less anti-social behaviour. We've just had a £4m 'present' from the government, but we heard about it too late to include in our amendment. Some of us – you know who you are! – have been talking about a cost of living fund for our youth clubs for some time and I hope that what we agreed will soon be implemented.

Cllr Rob Hughes

“Good evening, Chair, Members and Officers of the Council.

Cllr Rob Hughes for the Isle and Royal Manor of Portland and vice chair of the Independent Group.

We accept the proposed setting of this budget for the coming financial year ahead 2024/25

In these challenging times, when costs, inflation and interest rates have been changing every month it cannot have been an easy task to undertake, I’m sure.

I would personally like to pass on our thanks to all the officers and members of the council involved in the process as well as the members of the scrutiny committees for their careful consideration of all the planned costings proposed within this budget.

Keeping all our services running smoothly across Dorset for all our communities and residents within budget is key to the success not only of this council but also the next council after the local elections in May.”

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# Appendix

Leader's response to Cllr B Heatley's amendment to Budget.

I normally have much respect for the diligence and constructive challenge which Brian Heatley brings to a debate, but this is not one of those occasions.

The amendment is to use £8.1m of reserves, rather than the same amount from efficiency savings from the first phase of OUR FUTURE COUNCIL transformation. The amount identified in the budget is only a part of a possible £15/20m potential for such savings; to be achieved through a review of structures and processes. This approach will help to safeguard future years from the need for service cuts to balance budgets.

As a member of the Place and Resources Scrutiny Committee, it is disappointing that he did not take the opportunity to have his suggested amendment included in the recommendations from that committee. In mentioning scrutiny, it would be remiss of me not to give credit to Cllrs Gill Taylor and Shane Bartlett for the diligence and rigor that they and their respective committees have once again brought to the budget setting process this year.

This amendment goes against the amazing success this Council has achieved by embracing transformation, rather than service cuts to balance budgets. £100.0m saved to date, projected to be circa £120.0m by the end of this term.

We have never used reserves to achieve a balanced budget and we should not be starting now. Other Councils, some of whom are our immediate neighbour's, who have not embraced transformation in the way Dorset Council has, are now faced with the consequences of having to make cuts to services to achieve balanced budgets.

The use of one-off money compared with long term reductions in revenue expenditure must never be seen as a long-term solution Chairman. I therefore can't support this amendment this evening and urge other members in this chamber not to do so either.

Thank you Chairman

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## **Budgets 2024/25 – Seconder response**

### **Fact Over Fiction**

Firstly, can I congratulate Cabinet Member – Gary Suttle and other members of the Cabinet, as well as senior officers Aidan Dunn, Sean Cremer and his team in finance, along with other Service Directors and all those involved, for the excellent work that has been carried out in the preparation of the 2024/25 budget we have before us this evening. This is without doubt Chairman, a well-presented budget; a budget which takes full account of the additional services demand pressures. A soundly based Budget which has enabled members of this council to get a good understanding of the challenges and opportunities we will face in the coming months and years ahead.

Can I echo the remarks made by Gary Suttle regarding the key role that the two cross-party Budget Cafes and the two Scrutiny Committees have played again this year, in what has been a very challenging process. Ensuring we are, once again, able to achieve a balanced budget without the need for reductions in services and with a combined Council Tax and Social Care Precept coming in below the prevailing referendum limit of 5%.

At the January Cabinet meeting Cllr Gary Suttle was able to announce that far from being out of control the in-year overspend had reduced further to £3.5m [1%] of budget with the prospect of break even at the end of the fourth quarter. This improvement is an excellent achievement adding to the confidence members can have in the budget before this evening. The situation we are in does not come by accident nor good fortune and contrasts with neighbouring councils and

across the country who are announcing severe services cuts with increases in council tax and depleting reserves.

One of the members from Weymouth remarked at the recent Cabinet meeting that in his view we had relied upon the intervention and influence of the Lone Ranger chairman.

Well, I am old enough to remember this character with weekly Western films on TV. From what I recall the Lone Ranger was a force for good so maybe his comments were well founded Chairman

However, we must do the right thing. We must look after those who need our help. The young people in care and those with age related health and mobility issues, continue to need our support so they can cope. Without the ongoing benefits of transformation and increases in Council Tax we would have been faced with the prospect of reductions in discretionary services to balance budgets. Thankfully, we continue to avoid such a situation.

So, Chairman I will conclude by confirming my full support for this budget, as per the recommendations set out in the report before us tonight. This will be a budget that enables this Council to offer the best outcomes overall for the communities we serve. Helping to establish a basis on which to take this council forward in a strong, financially sound and structured way; enabling us to fulfil our ambitions to serve the communities

of Dorset well, through transformation of council structures and investments in our front-line services. This fits well with the promises made to the people of Dorset when

Local Government Reorganisation was first proposed and subsequently approved by the Government.

Yes, we remain bold and ambitious, and this is demonstrated by the second phases of transformation with the launching of the Our Future Council initiative which will be review structures and processes during the next two to three years, aimed at maintaining strong, structured, and stable finances that Dorset Council is renowned. This is the bedrock for being able to achieve our key priorities as set out in the Dorset Plan and the Cabinet Commitments. In other words, doing the boring bit well in a cost-effective way will always pay dividends.

There are many good reasons to vote in favour of this budget this evening members, and none for voting against. To vote against this budget would be a slap in the face for the people of Dorset because the alternative would be service cuts. I was certainly not election to support services cuts. I am assuming nobody in the chamber this evening was either.

In the financial desert, that is local government currently Chairman, Dorset remains an oasis of stability, confidence, hope and ambition. This is surely the foundation on which we can build for the present and the future for Dorset Council and for the people of Dorset who we all serve.

Support the budget this evening members and show the people of Dorset that you are on their side.

Thank you, Chairman