

APPENDIX 1

PRINCIPLES TO GUIDE THE WAY THE LOCAL AUTHORITIES IN POOLE, BOURNEMOUTH AND DORSET WORK TOGETHER ON OPTIONS FOR LOCAL GOVERNMENT IN DORSET

Our aim in working together is

To research and develop options for the future of local government in Dorset that enable decisions to be made by all Councils and the Secretary of State.

We are working on this in the best interests of residents and businesses in the long term.

We understand that this is a challenging piece of work that will test us all.

Our expectations of each other as we pursue this aim are

- We treat each other as equal partners
- We are open & honest with each other
- We respect each other for the knowledge and skills we have and the contribution we make
- We build trust by building our relationships with each other
- We share information about our work with others and what we learn
- We challenge and support each other
- We make decisions together about the work we do on this
- We hold each other to account for what we do that affects our aim
- We will make this work a priority

Our expectations of each other's organisations are

- We will lead our teams/organisations to understand the options
- We will contribute resources to support the development of the business case for each option

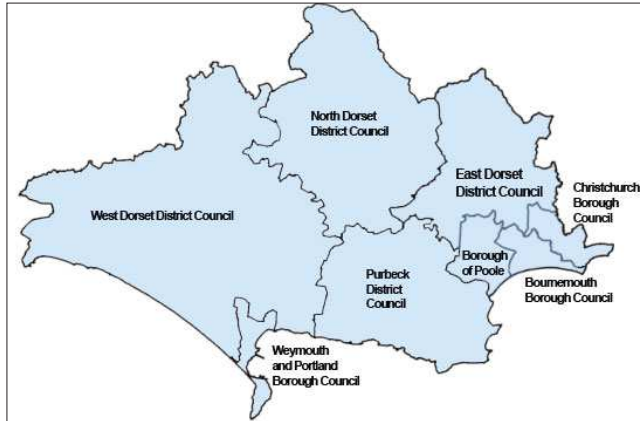
For us success looks like

- Political agreement on the future shape of local government in Dorset, Bournemouth and Poole and the commitment to deliver it together
- Clear, well informed decisions by our Councils about the options
- Public support/acceptance of whatever decisions are made
- Good relationships between our authorities at the end of this work
- Support from our MPs for any proposals made
- Support from the Secretary for State for any proposals made
- The Combined Authority (for ED) proposals are not disrupted
- Our Councils remain viable with high levels of employee motivation and service standards during the period of decision making and implementation

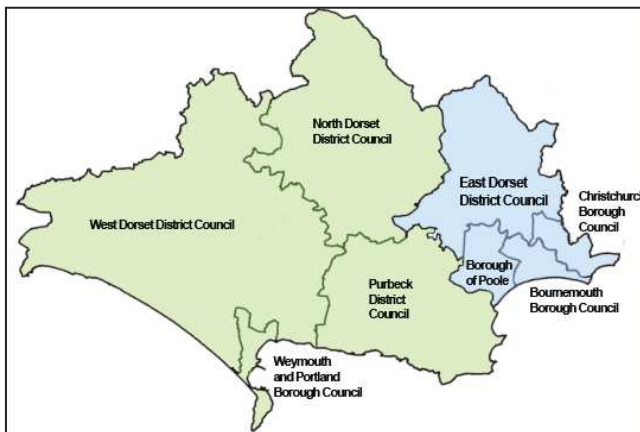
APPENDIX 2

Maps

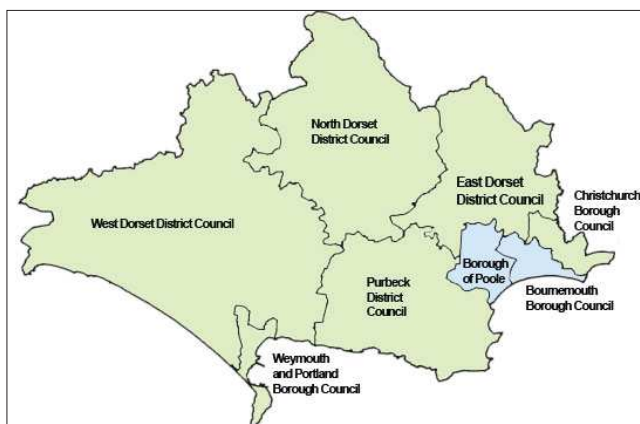
Option 1 Pan-Dorset unitary authority



Option 2 South East unitary authority and new arrangement in rest of Dorset



Option 3 No change



APPENDIX 3

BRIEF FOR A FINANCIAL IMPACT STUDY ON POTENTIAL OPTIONS FOR RECONFIGURATION OF LOCAL AUTHORITIES IN DORSET

Overview

This work is undertaken on behalf of all the nine principal local authorities in the county of Dorset, comprising; the two –tier area of Dorset County Council (Christchurch District Council, East Dorset District Council, North Dorset District Council, Purbeck District Council, West Dorset District Council and Weymouth & Portland District Council) and the two adjacent unitaries of Bournemouth Borough Council and Poole Borough Council.

Local Government in Dorset, in common with the rest of the country, faces the combined challenges of increased demand for services coupled with further downward pressure on funding. It is widely accepted that, in addition to taking steps to make services more efficient, services will need to be transformed and redesigned around a new model. Furthermore, the Government has announced that by 2020, local authorities will be entirely dependent upon increasing the income from local taxation (business rates and council tax) for its core funding.

The Dorset authorities therefore wish to ensure that service delivery and governance is configured to take the best advantage of these changes through measures to promote efficiency and effectiveness and working with local partners, to manage increased risks in the new environment and to enable them to be fully enterprising in their activities.

The principal authorities are currently organised around three distinct areas; the adjacent unitary authorities of Bournemouth and Poole created in 1997 and, across the rest of the county, the traditional two-tier structure comprising six district councils and the County council.

While not pre-judging the outcome, the Dorset authorities wish to consider whether reconfiguration of the authorities within the existing boundaries would bring benefits sufficient to justify change. The purpose of the financial impact study is to inform rather than determine the outcome of the decision-making process, related to the options below.

A key principle of this work is that a solution is sought which provides a viable future for all parts of the pan-Dorset area.

Options to be considered in this study

There are clearly many options that could be considered and having considered a range of these, the authorities wish to test the financial implications of three options and compare these with a 'no change' scenario.

These are not listed in order of any preference.

1. Full unitarisation to create a single county unitary across the pan-Dorset area and incorporating the two existing unitaries.
2. The creation of a unitary in 'South-East Dorset' (comprising Bournemouth, Poole, Christchurch and East Dorset) together with either;

- a. The existing two-tier structure across the rest of the county area or;
- b. a 'West Dorset' unitary (comprising the remaining area and functions of Dorset County Council together with North Dorset, Purbeck, West Dorset and Weymouth & Portland)

Scope of this study

This study is limited to the financial implications of the proposed options.

1. Establish a baseline using current (2015/16) levels of spending and existing levels of service.
2. Establish for comparison a 'do nothing' scenario for the period 2015-2025, modelling the impact of change on the pan-Dorset area as it is currently configured.
3. Establish for each of the four options;
 - Forecast future spending, modelling the financial opportunities and impact for the historic county as a whole and where possible for each unit
 - Impact on income, in particular from local taxation (Council Tax/Business Rates) for each unit and the county as a whole.
 - Costs of implementation.

Full exposition of the assumptions made and broad scenario modelling to expose the sensitivity of the assumptions.

4. Implications for financial risk-taking at local and pan-Dorset level.

The scope will take account of existing joint-arrangements and collaborations and any impact of the options tested on these arrangements.

The study will use a combination of published data and official forecasts and information provided by the nine authorities themselves.

Not within scope

At this stage, non-financial implications of the options will not be considered, although insights that emerge during the modelling work will be listed in an appendix.

The impact on partner organisations or on non-local government boundaries will not be considered except in so far as they have a clear, significant financial impact.

Timescales

The timescale for this initial piece of work is 3-4 months, which will enable information arising from it to be available to all nine authorities before the end of the 2015/16 financial year.

Appendix 4

Summary of Local Partnerships' method statement

The Local Partnerships work would be undertaken in three phases;

* Phase 1 (6-8 weeks) will establish a baseline for analysis and, through a workshop with council staff, the detailed approach to be followed. The main part of the work will involve collecting and collating data to give a complete picture of the nine authorities. This phase will end with an officer workshop that will agree criteria for the next stage.

* Phase 2 (3-4 weeks) will focus on assessing the implications of the three options and evaluate them financially, using the data collected in Phase 1 to model the impact of each of the options.

* Phase 3 (3-4 weeks) will develop the final report including consideration of key assumptions.

There will be full engagement throughout. At the beginning and end of each phase a meeting will be held with the Programme Direction Group comprising the Chief Executives of all authorities to report on progress and to receive the Group's steer on the next phase. Section 151 officer sign off will be sought at key stages within each phase.

The work will be undertaken by an experienced team of three, two of whom have conducted similar work in other parts of the country. In total will take 16-20 weeks. To accomplish this, work will need to start before all councils have agreed to commission the work, but work undertaken in the initial phase this does not commit the authorities concerned.

Work will be overseen throughout by Alan Finch, Principal Adviser (Finance) at the LGA and Andy Bates, Principal Adviser for the South-West for the LGA.