

Supplementary Papers for Overview and Scrutiny Board

Date: 6.00pm, Monday, 16 March 2020



6. Scrutiny of Regeneration Related Cabinet Reports

3 - 56

To consider the following regeneration related reports scheduled for Cabinet consideration on 18 March 2020:

- Wessex Fields Site Development Strategy
- Arts and Cultural Development in Bournemouth

The O&S Board is asked to scrutinise the reports and make recommendations to Cabinet as appropriate.

Cabinet members invited to attend for these items: Councillor Mark Howell, Portfolio Holder for Regeneration and Culture and Councillor Andy Hadley, Portfolio Holder for Transport and Infrastructure.

The Cabinet report will be published on Tuesday 10 March 2020 and available to view at the following link:

<https://democracy.bcpCouncil.gov.uk/ieListDocuments.aspx?CId=285&MId=3727&Ver=4>

7. Scrutiny of Finance Related Cabinet Reports

57 - 92

To consider the following finance related reports scheduled for Cabinet consideration on 18 March 2020:

- Capital Investment Strategy (non-treasury) 2020-2025

The O&S Board is asked to scrutinise the reports and make recommendations to Cabinet as appropriate.

Cabinet members invited to attend for this item: Councillor David Brown, Portfolio Holder for Finance and Councillor Mark Howell, Portfolio Holder for Regeneration.

The Cabinet report will be published on Tuesday 10 March 2020 and available to view at the following link:

<https://democracy.bcpCouncil.gov.uk/ieListDocuments.aspx?CId=285&MId=3727&Ver=4>

8. Scrutiny of Leisure and Communities related Cabinet Reports

93 - 100

To consider the following leisure and community related reports scheduled for Cabinet consideration on 18 March 2020:

- Developing a harmonized approach to tackling street based

antisocial behaviour

The O&S Board is asked to scrutinise the reports and make recommendations to Cabinet as appropriate.

Cabinet member invited to attend for this item: Councillor Lewis Allison, Portfolio Holder for Leisure and Communities.

The Cabinet report will be published on Tuesday 10 March and available to view at the following link:

<https://democracy.bcpCouncil.gov.uk/ieListDocuments.aspx?CId=285&MId=3727&Ver=4>

Published: 11 March 2020

Cabinet Report



Report subject	Wessex Fields Site Development Strategy
Meeting date	18 March 2020
Status	Public Report
Executive summary	<p>This report is brought before Cabinet in order to determine the next steps in deciding the use of the land at Wessex Fields. It follows a period of public consultation and a public engagement day held on 7 January 2020 where attendees had the opportunity to suggest uses for the land fitting all the essential criteria of Financially Viable, Environmentally Sustainable and Socially Responsible.</p> <p>The scope of the consultation was specific to the theme of use for the land and not to the existing road scheme. Although this was inevitably discussed at the event the objective was limited to generation of ideas for the land use, not to gauge support for road.</p> <p>This report summarises the public feedback and proposes a course of action that reflects this whilst securing and safeguarding the future use of the site. The feedback preferred development which accommodates health, care, research and education themes as well as seeking to include key worker or affordable housing and realise the vision of the Living Lab.</p> <p>Any future development should incorporate plenty of open access green space to promote wellbeing and wildlife habitats, as well as improved controlled access to the hospital and improved transport links in forms fitting the essential criteria.</p> <p>The challenge of an increasingly ageing society which requires longer term care, additional support and a desire to remain active for as long as possible is clearly evident in Dorset, where the population comprises 28% of over 65s, 10% more than the national average. This challenge is identified in the Government's Industrial Strategy. The "Our Dorset" long term plan also supports this.</p>
Recommendations	<p>It is RECOMMENDED that:</p> <ol style="list-style-type: none"> 1. From the outcome of the consultation, the Cabinet are recommended to progress the three key themes broadly supported by the public: <ul style="list-style-type: none"> • Health, Care, Research and education; • Affordable or Keyworker Housing; • Realising the vision of the Living Lab. 2. Cabinet delegates authority to the Director for Development in consultation with his senior officers to commission soft market testing to develop viable delivery options relating to the preferred use themes. Once completed, this will be reviewed by Cabinet with an estimate of a report in Autumn 2020.

Reason for recommendations	<p>Adopting the recommendation will demonstrate the Cabinet has listened to the public and will ensure the development of the land delivers an environmentally sound and leading-edge solution, carried out in a manner fitting the essential criteria the Council has identified for the project. The recommendation is a good fit with the following corporate priorities:</p> <ul style="list-style-type: none"> a. Sustainable Environment b. Dynamic Places c. Connected Communities d. Fulfilled Lives
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Portfolio Holder(s):	<p>Cllr Vikki Slade, Leader</p> <p>Cllr Mark Howell, Portfolio Holder for Regeneration and Culture</p>
Corporate Director	Bill Cotton, Corporate Director of Regeneration and Economy
Report Authors	Rachel Doe, Project Manager – Wessex Fields
Wards	Not applicable
Classification	For Decision

Background

- Following the decision made by Cabinet to pause the development of the A338 link road through the Wessex Fields employment site, a period of consultation was opened in order to gauge public opinion regarding how the land should or should not be used. The Local Plan review (currently in consultation) would enable the allocation of the land to be changed from employment use if required in order to accommodate a different use in the future, so the timing for this consultation was important.

The consultation

- The consultation format was agreed with Cabinet in early October 2019. The event was to be of a series of workshop style sessions with 30 minutes of presentation time at the beginning to set out the essential criteria any new ideas should meet (to be financially viable, environmentally sustainable and socially responsible) and present the masterplan work that has been done to date. Ideas could be generated and expressed in a number of ways. Feedback forms allowed detailed ideas for the site to be drawn and a post-it wall enabled quick “sound bite” style views to be expressed. The first of the three sessions of the day was filmed and after the event the video was available online to view, with the option to submit ideas and views electronically.

The Royal Bournemouth and Christchurch Hospital (RBCH) were consulted in accordance with the Memorandum of Understanding (MOU) held between RBCH and the Council. The aims of the MOU include reducing congestion, encouraging sustainable transport, enhancing the public amenity of the wider site, and supporting the sustainable expansion of RBCH and the wider health and care provision to the population.

The event was originally scheduled for 19 November 2019 but was delayed due to the timing of the Parliamentary Election and impact of the pre-election purdah period. It was felt important to reschedule as quickly as possible in order to retain the engagement which had been started by publishing the first date. The next available

date to hold the event close to Wessex Fields was 7 January 2020. The consultation was held open for submission of ideas until the end of January 2020.

Event promotion and engagement

3. Utilising a variety of channels, communications activity helped to raise awareness for the Wessex Fields public engagement event and encouraged local residents, community groups and businesses to register their attendance on the 7 January 2020. Communications activities, engagement and reach are detailed in Appendix 1.

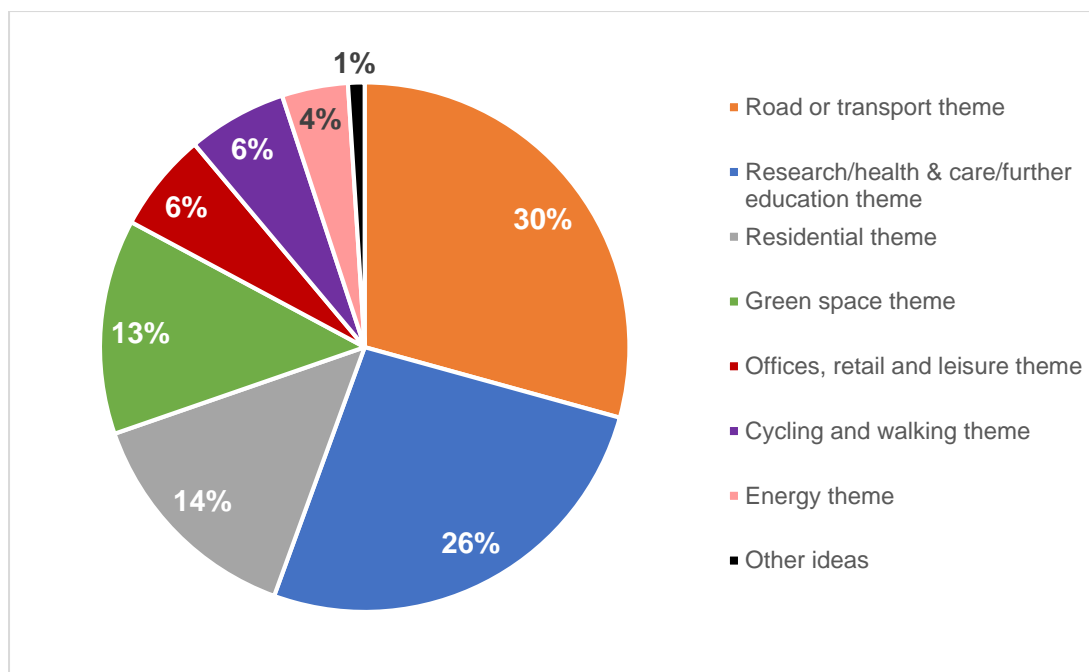
Feedback analysis

4. The feedback came in three formats:
 - a. Feedback forms from the day
 - b. Post-it notes from the day
 - c. Submissions made after the event by email

There were 108 total attendees at the event, over three sessions. These people completed 37 feedback forms and 240 post-it notes. There were also 28 submissions made subsequently before the consultation closed at the end of January. These delivered a number of positive themes - ideas of ways the land should be used, and negative or vetoed themes - ways the land should not be used. Specific topics within these themes have been broken down further. The full breakdown of the analysis can be found in Appendix 2. The feedback submissions are available as a background paper which includes feedback forms as well as the emails and submissions gathered after the event.

The summary is as follows:

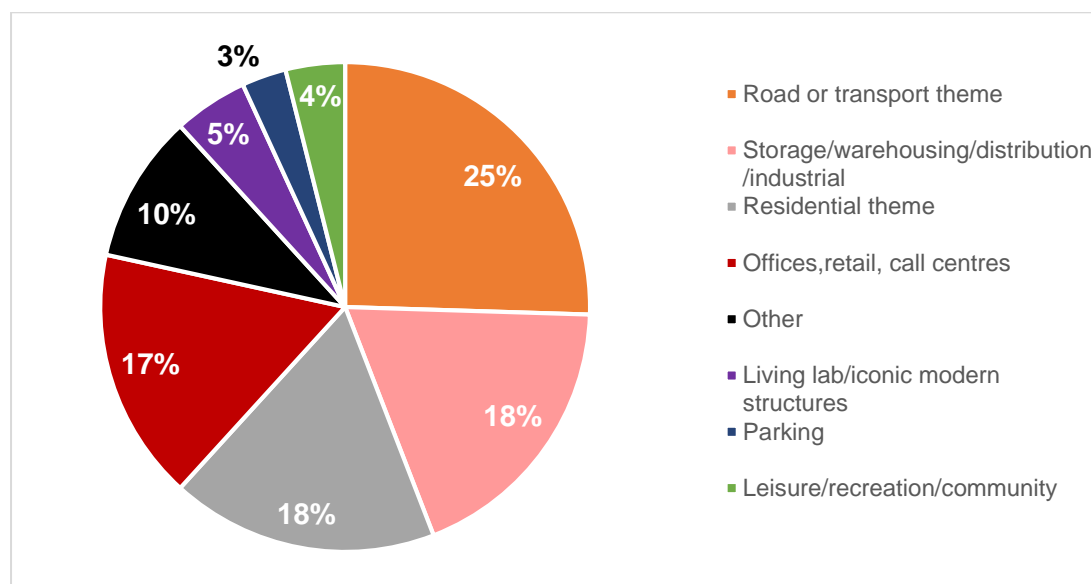
Positive, supported idea themes:



The top three topics within the positive themes were:

- i. Health, care, research & education uses – 15%
- ii. Keyworker or affordable housing – 13%
- iii. The “Living Lab” from the masterplan – 11%

Negative, unsupported idea themes:



The top three topics within the negative themes were:

1. Access to Deansleigh Road or Riverside Avenue – 12%
2. General/private housing – 11%
3. Retail – 8%

The most prevalent topics are discussed in more detail here:

Health, Care and Research: The ideas presented to promote health, care, research and education plus a move towards better caring for the increasing elderly population proved very positive. There were a similar number of people supportive of a large, iconic modern building as there were against, but the activities proposed to take place within the Living Lab were largely supported. The existing Retired Nurses National Home (RNNH) was mentioned in the feedback specifically with ideas to expand, re-site or renew the facilities they provide. This fits with the RNNH's own masterplan and could be followed up with them directly. There was support for a solution which enhances a sense of community, potentially a care home and self-contained apartments with 24 hour on-site care promoting better outcomes for the elderly. There was no feedback which was directly unsupportive of the health, care and research theme, although there was feedback unsupportive of any development at all.

Residential: It was broadly felt that key worker or affordable housing would be a useful element to include, although the increased vehicles were cited as a downside by some. The ability for key workers to walk to work at the hospital could form part of a solution to this concern. Private housing schemes received no support.

Roads and transport: The link road through to Deansleigh Road and the flyover across to the northbound A338 featured strongly in both the supported and not supported suggestions. It should be noted that more representations were made in favour of the road scheme (in some format) than against it. Cabinet, having reviewed the original scheme, decided that a connecting road to Deansleigh Road would not be progressed and remains unfunded.

The Royal Bournemouth and Christchurch Hospital will require a road connection to be built between the A338 slip road and roundabout to their site for hospital and bus use only.

A number of suggestions were made to include a public transport hub (rapid transport was mentioned by some) or a "park and ride" location. One suggestion was that if the flyover was not built then a loop to bypass Cooper Dean roundabout should be created. This would allow traffic to pull off the southbound Cooper Dean slip road on the right, go directly under the existing overpass (but not around the roundabout), and up the northbound slip road onto the A338.

Cycle and walking routes were a topic raised by a significant percentage, including improving the route across the A338 and beyond for cyclists, which will be an essential element of encouraging cycling in the area. Permeability within the broader Wessex Fields campus is currently very poor and this should be addressed in order to encourage walking and cycling.

Retail and offices: There were mixed feelings regarding the use of the land for these purposes. Some support was shown for local shops and café's but generally large-scale retail was not supported and office space was not widely supported as it was felt there was enough in the town centre.

Green space: This covers a variety of ideas including returning the field to crop production, wild habitat, community gardening/allotments, tree planting and nature reserves. It was felt important that if the site undergoes development it must be sympathetic in design and accommodate publicly accessible green open space with planting specifically to encourage bees and other wildlife.

Summary

5. The majority feedback supported health, care and research uses within the development, but ensuring congestion is not made worse and the environmental impact is mitigated by plenty of green spaces and provision of renewable energy.

The following uses were not supported and are therefore not proposed;

- General / private housing
- Large scale retail
- Warehousing / storage

Next steps

6. The recommendation is for Cabinet to proactively support the prevalent themes gathered during the consultation and pursue a development which accommodates a health, care, research and education theme. After consideration of the feedback against the essential criteria, officers consider this to be the correct route to follow. The development should seek to include key worker or affordable housing and the vision of the Living Lab. The development should incorporate plenty of open access green space to promote wellbeing and wildlife habitats, as well as improved controlled access to the hospital and improved transport links in forms fitting the essential criteria. In line with the feedback from the consultation and within the essential criteria, the next step is for Cabinet to agree the development of a programme to take forward this approach.

Cabinet is requested to authorise officers to undertake soft market testing ahead of developing viable delivery options to bring forward the site. This work should align to the recommended use and take into account the existing memorandum of understanding with the Royal Bournemouth and Christchurch Hospital, including the commitment to work together to help ease access issues at the hospital site. Options could include, for example, a joint venture with a preferred partner, sale of individual plots of land, an in-house delivery model or other delivery mechanisms. Further work is required with officers and stakeholders to create a realistic and achievable options appraisal which enables this delivery. This would be brought forward for approval within a timescale to be agreed with Cabinet, anticipated to be summer 2020.

A travel plan for Wessex Fields (with scope to be determined) will be developed as part of the subsequent steps to these immediate actions and a recommendation to carry this out will be included in the same Cabinet report as the results of the soft market testing.

7. The recommendation is a good fit with the following corporate priorities:
 - a. **Sustainable Environment – leading our communities towards a cleaner sustainable future that preserves our outstanding environment for generations to come.** By taking action to control the development on Wessex Fields the Council can ensure the most sustainable building methods

are used and a carbon neutral scheme is brought forward, with attention paid to providing accessible green spaces for communities and habitats for wildlife.

- b. **Dynamic Places – supporting an innovative, successful economy in a great place to live, learn, work and visit.** With innovation and education at the heart of a vision for Wessex Fields the Council can create a development which supports learning and research, creating opportunities for people to flourish.
- c. **Connected Communities – empowering our communities so everyone feels safe, engaged and included.** The provision of a well-designed environment for community accessible spaces and facilities, in a location on the border between Bournemouth and Christchurch.
- d. **Fulfilled Lives – helping people lead active, healthy and independent lives, adding years to life and life to years.** The location adjacent to the Hospital and to open green spaces provides an ideal place to tackle the challenge of an aging society in Dorset, delivering benefits for years to come.

Options Appraisal

8.

Option 1: Recommended

Accept the recommendation to take the next steps for action. Taking this option will demonstrate the Cabinet have listened to the public and will ensure the development of the land delivers an environmentally sound and leading-edge solution, carried out in a manner fitting the essential criteria identified for the project. The disadvantage to this option is that it commits the Council to particular outcome.

Option 2:

Reject the recommendation to take the next steps for action. This may undermine the public engagement undertaken as it dismisses the majority feedback which fits the essential criteria and loses the opportunities the site represents to the conurbation. It does defer the decision regarding the use of the land so could enable a future change of strategy if desired.

Option 3:

Re-adopt the original road infrastructure plans for the land in accordance with the feedback from the consultation which supported this use. This goes against Cabinet's previously stated position, which dismissed the use of the land for a flyover or link road through to Deansleigh Road. This would also not fit the essential criteria which have underpinned the consultation process.

Summary of financial implications

- 9. The support of external property agents will be required to undertake soft market testing with an appropriate level of marketing and exposure. This would be a fixed fee activity and is anticipated to fall into the £10-30k procurement category and will be funded from existing resources. As referred to in the Cabinet report dated 9/11/16, approval was granted for the use of borrowing to acquire approx 12 hectares of land (5.9 hectares employment land and 6.3 hectares greenbelt land) at this site. Pending the proposed soft market testing, any forthcoming options which reflect the preferred land use and the financial offer(s) will need to be considered against the scheduled capital sum repayment obligations.

Summary of legal implications

- 10. The Council has the relevant powers to proceed as recommended, and the consultation undertaken so far in respect of the future options supports the need for sound and robust decision making which considers all options and takes account of public and stakeholder views. There are no specific legal implications arising from the recommended actions contained in this Report.

Summary of human resources implications

11. There is no impact on human resources at this time beyond Business as Usual.

Summary of sustainability impact

12. By proactively utilising the land Cabinet can ensure the essential criteria are upheld for future development, putting sustainability at the forefront. This is vital, in line with the climate emergency and also as the option to do nothing with the land was removed from the table before the consultation because it did not fit the essential criteria of Financially Viable. Deciding on a course of action at this point enables Council control of how the development is delivered over the coming years.

Summary of public health implications

13. Through the adoption of a health, care, research and education themed development the benefits to the local community, the BCP Council area and to the wider Dorset region could be huge. With an aging population in Dorset it is vital to consider how the elderly are treated, to allow them as much time as possible to be healthy in their own homes and make provision for how they can be cared for in the future. Choosing to continue exploring health research will bring benefits to the public health network and to the local economy.

Summary of equality implications

14. The consultation regarding the use of the land was undertaken across a number of channels, including a physical event, online and by post. At the event attendees could feedback in the form of a fully written feedback form, a drawn plan or simple post-it notes, with officers in attendance to assist as well. The event format was developed in conjunction with the BCP Council Insight Manager. This multi-channel approach ensured good accessibility for all, in accordance with Council policy. Any future development would comply with all equality and diversity requirements, and indeed would aim to be an exemplar given its specific focus.

Summary of risk assessment

15. Should the recommended option not be taken forward there is a reputational risk to the Council, as the result of the consultation would be undermined. By adopting a do nothing approach there is the risk that in the future the Council could be forced into making a decision on the use of the land at a time of financial pressure. This could undermine the essential criteria of being environmentally sustainable and socially beneficial. Acting now to do something with the land mitigates that risk by moving towards delivery and having control of the development type.

Background papers

Feedback submissions from the day and made subsequently are available to read – stored in Sharepoint. The name of the author and an indication of any attachments to emails is in the “Notes” column. **To view attachments the file must be downloaded rather than previewed.**

<https://bcpcouncil.sharepoint.com/:f:/s/EconomicDevelopment/ErFifZb4K7pFooGCyqaIFBYBLBu-Wnt-X2J7RPI7r6T8NA?e=s8XWux>

Appendices

Appendix 1 - Event promotion and engagement stats

Web

Wessex Fields web content updated with relevant information and link to event registrations.
www.bcpccouncil.gov.uk/wessexfields

This web content received:

- 1159 page views in November
- 857 page views in December
- 1506 page views in January

Media Relations

A media release inviting the public to help shape future plans and attend the engagement day was issued on the 17 October 2019 on the BCP Council website and social media channels. It was then sent to local media, including online, print, and radio.

Following the General Election announcement and the decision to postpone the event due to the pre-election period an update was issued to local media, resulting in further coverage for the new January date. Local business and stakeholder publications were also targeted. Pre-registered attendees were contacted directly advising them of the date change and the need to re-register.

Social Media

Weekly social media posts (17 in total) promoted registrations for the event on LinkedIn, Twitter and Facebook through November and December 2019. These reached an audience of 216,000 through our channels with 216 clicks through to the Wessex Fields event page.

Post event activity included the promotion of the consultation through January, (six posts in total) this includes a shortened video snapshot from the day issued on 13 January, encouraging people to submit their ideas. These posts have reached an audience of over 109,000 with 202 click throughs to the Wessex Fields page.

A full video of the public engagement event and presentations, including subtitles, was also uploaded to YouTube on the 8 January. This has been viewed 544 times to date.

E-newsletters

Regular features promoting registrations for the event and consultation were included in the BCP Business News e-newsletters (6111 subscribers) and Roads & Travel e-newsletters (4448 subscribers).

Business News:

- Issued on 31 October 2019 with 132 clicks through to registration.
- Issued on 9 December 2019 with 21 clicks through to registration.

Roads & Travel:

- Issued on 11 December 2019 with 69 clicks to the event page.
- Issued on 17 January 2019 with 50 clicks to the webpage with the ongoing consultation and 60 clicks to the event to the presentations video on YouTube.

Town Hall screens

Both internal staff facing and external visitor facing event promotion displayed on Bournemouth Town Hall screens.

Appendix 2 – Feedback analysis

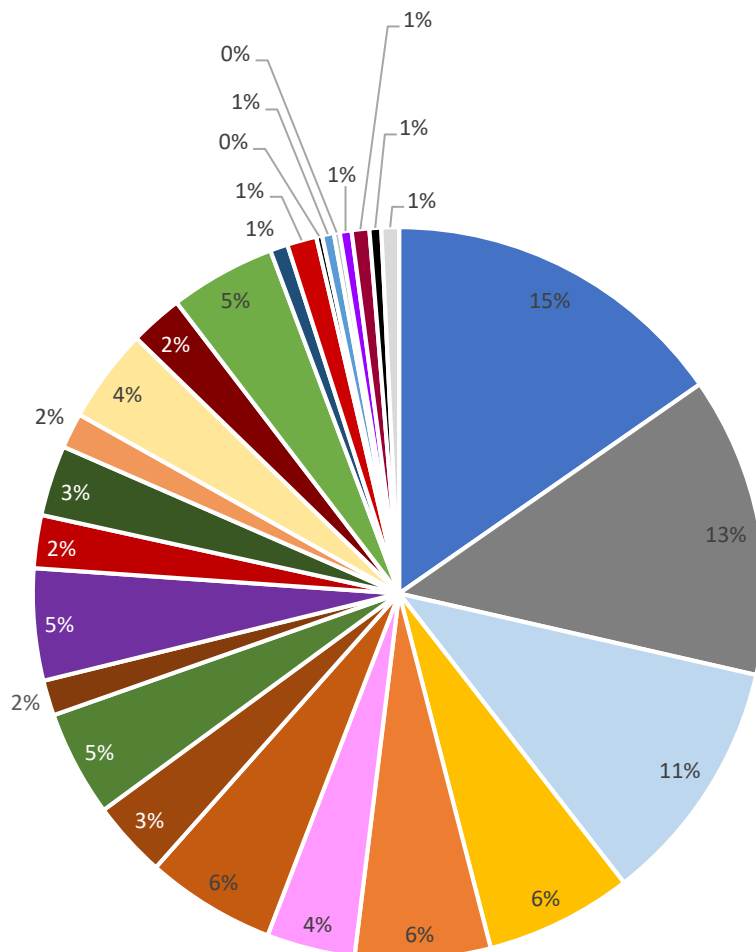
Positive supported ideas

Key:

Blues - research/health & care/further education theme
Greys - residential theme
Orange/yellows/browns - road or transport theme
Pink - energy theme
Greens - green space theme
Purples - cycling and walking theme
Reds - offices, retail and leisure theme
Black - other ideas

Categories - working clockwise

- Health, care, research and education
- Affordable/keyworker housing
- Living Lab
- Road through/around to Deansleigh/Riverside Ave
- Hospital controlled access road
- Solar/green/renewable energy
- Transport hub (inc rapid transport)
- Park and ride
- Trees/ nature reserve/natural habitats
- Widen Riverside Ave
- Cycle connections and footpaths
- Offices inc for startups
- Farmland/crop production/allotments
- Hospital parking/car parking
- Flyover
- Health & leisure (inc outdoor)
- Include green habitat in development
- School
- AFCB stadium
- Distribution centre
- Agricultural research
- Agricultural tied homes
- Large scale bike storage and bike retail
- Local shops/retail/cafes
- Symbolic construction/gateway icon
- Holiday /respite homes for carers



Negative unsupported ideas

Key:

Blues - parking

Greys - residential theme

Orange/yellows/browns - road or transport theme

Pink - Storage/warehousing/distribution/industrial

Greens - Leisure/recreation/community

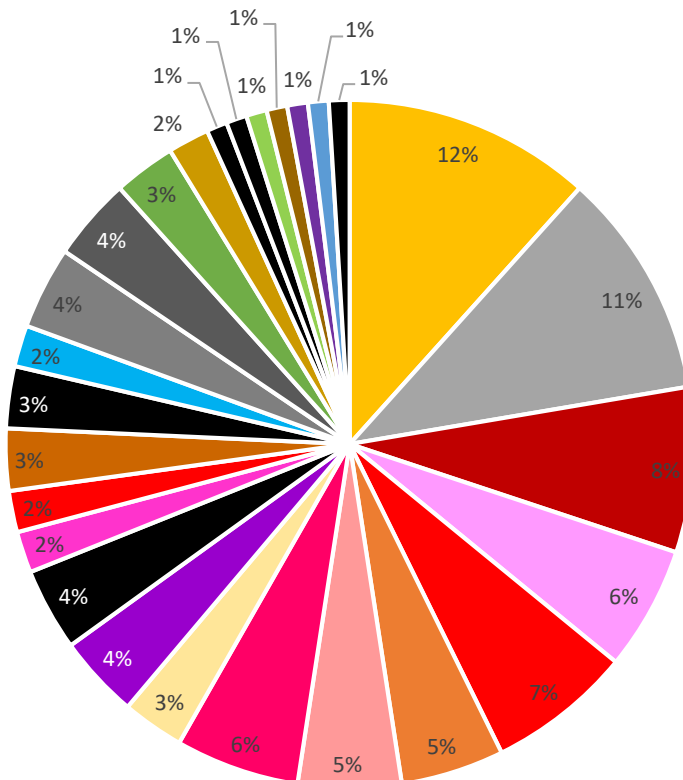
Purples - living lab/iconic modern structures

Reds - offices, retail, call centres

Black - other

Categories - working clockwise

- Access to Deansleigh Road/Riverside Ave
- General/Private housing
- Retail
- Storage/Warehousing
- Offices
- Road schemes
- Buildings
- Industrial
- Flyover
- Iconic/sterile/modern structures
- Increase flood risk
- Distribution centres
- Call Centres
- Traffic (at peak hours)
- Increased pollution
- Car parks
- Any type of housing
- Tower blocks/high rise buildings
- Leisure/recreation
- Fossil fuelled vehicles
- Private sector profit
- Career defining schemes
- Community hub
- Dead end road
- Living lab
- Park and ride
- Encroachment into green belt



CABINET



Report subject	Arts and culture development in BCP Council
Meeting date	18 March 2020
Status	Report
Executive summary	<p>The Cultural Enquiry for Bournemouth, Christchurch and Poole has been published, recommending we “utilise its three themes – talent, infrastructure and quality of place – to mobilise a new era of partnership and co-investment.”</p> <p>In support of the recommendations, and of the development of a Cultural Collective, cultural vision, cultural strategy and implementation plan, the Council has at the recommendation of the Deputy Leader approved an additional investment in arts and culture (generally abbreviated here as culture) of £150k in 2020/21, with an additional budget request of £320k in 2021/22.</p> <p>The £150k will support key actions of the Corporate Strategy, the Local Industrial Strategy, the emerging Local Plan and Destination and Tourism Strategy.</p> <p>BCP Council funds six independent arts and heritage organisations to deliver cultural services for residents and visitors in Bournemouth, Christchurch and Poole. This funding enables them to deliver community-focused activity which supports the Corporate Strategy. A three-year funding settlement, for these organisations, guaranteeing no reduction in funding, would better enable them to plan and to apply for external funding than recent annual settlements have allowed.</p> <p>Arts Council England’s new ten-year strategy “Let’s Create” emphasises the importance of wide community participation in culture and is in tune with our belief it embraces all aspects of creative life, from popular to high culture.</p>
Recommendations	<p>It is RECOMMENDED that:</p> <ul style="list-style-type: none"> (a) Cabinet accepts the findings and recommendations of the Cultural Enquiry and supports their implementation; (b) Cabinet supports the plan to hold “A Cultural Future for Bournemouth, Christchurch and Poole” conference on 23rd March at Lighthouse Poole; (c) Cabinet agrees that a cultural strategy and implementation plan for Bournemouth, Christchurch and Poole should be developed as a joint initiative of BCP Council and the Cultural Collective; (d) Cabinet agrees to openly recruit an independent chair of the Bournemouth, Christchurch and Poole Cultural Collective (Cultural Compact) and form a multi-sector

	board and wider stakeholder group to deliver on the recommendations of the Cultural Enquiry; and (e) Cabinet agrees a three-year standstill settlement (2020-23) for the six funded arts and heritage organisations operating in Bournemouth, Christchurch and Poole.
Reason for recommendations	To enable BCP Council, the Cultural Collective and local arts and heritage organisations to deliver on the recommendations of the Cultural Enquiry and the priorities of the Corporate Strategy.
Portfolio Holder(s):	Cllr Mark Howell, Portfolio Holder for Regeneration and Culture
Corporate Director	Bill Cotton, Corporate Director for Regeneration and Economy
Service Director	Chris Saunders, Director of Destination and Culture
Contributors	Michael Spender, Museum and Arts Manager
Wards	All Wards
Classification	For Decision

Background

1. For the purposes of this report “culture” embraces all aspects of participation in and enjoyment of creativity and heritage.
2. In February Arts Council England published its ten-year strategy, “Let’s Create”, which resonates closely with the BCP Council Corporate Strategy, with an emphasis on cultural democracy, communities, wellbeing, economic impact and climate emergency. The strategy’s vision is that “By 2030, we want England to be a country in which the creativity of each of us is valued and given the chance to flourish, and where every one of us has access to a remarkable range of high-quality cultural experiences.” The objective is that “By 2030, we envisage a country transformed by its culture and at the same time transforming it: a truly creative nation in which every one of us can take part”.
3. The value and potential of culture to tourism, place-making and wellbeing is hard to overstate. Visit England has recognised that culture is a principal driver for tourism. In December 2019 an authoritative article published in the BMJ stated that based on a longitudinal study of a cohort of 6,710 community dwelling adults aged 50 years and older, people who engaged with receptive arts activities on a frequent basis (every few months or more) had a 31% lower risk of dying.
4. The 2019 Bournemouth, Christchurch and Poole Cultural Enquiry, which was the first major BCP external appraisal, identifies three major priorities for ambitious development and investment:
 - 4.1. Culture and talent: embracing creative education, building a creative workforce, championing diverse cultural expressions, and enabling people of all backgrounds to actively participate in the cultural life of their communities and the conurbation.

- 4.2. Cultural infrastructure: with a commitment to building cultural capacity, leveraging the excellence of existing hubs, venues and organisations, and boosting BCP as a place that produces and hosts great art and culture of international significance.
- 4.3. Culture and place: embedding culture as a tool for planning, with a focus on nurturing distinctive neighbourhoods, dynamic town centres, accessible and imaginative public realm, urban mobility, and an attention to social cohesion, health and wellbeing and environmental sustainability.
5. As a result of BCP Council's commitment to the Cultural Enquiry we successfully applied to Arts Council England to set up a Cultural Compact (Cultural Collective is the preferred name). The Compact firmly places Bournemouth, Christchurch and Poole at the forefront of cities and regions acknowledged by government and agencies as leading the way in recognising and using culture as a key force in driving cross-cutting change, development and investment.
6. Compacts were initiated by the 2019 DCMS Cultural Cities report and are supported by Arts Council England, Core Cities UK and the Key Cities Group (of which BCP is a member). They are inclusive cross-sector cultural collectives focusing on place-making and cultural planning, diversity, health and wellbeing, destination and tourism, productivity, local plans and local industrial strategies. They are platforms for government, multi-agency and private investment.
7. The Cultural Collective will be a feature of the conference at Lighthouse Poole on 23rd March, where the outputs of the Cultural Enquiry will be discussed, starting to shape them into a cultural vision, cultural strategy and implementation plan and investment plan which will be delivered by the Collective and BCP Council. An ambition might be to bid to be UK City of Culture in 2033.
8. It is proposed to openly recruit an independent chair of the Cultural Collective, with profile in and potentially beyond Bournemouth, Christchurch and Poole. An agile, diverse and empowered Collective board will be formed, reflecting key stakeholder interests and funding potential. The structure and governance of the Cultural Collective is being considered by the Cultural Enquiry Steering Group on 6th March.
9. The agreed additional culture funding of £150k in 2020/21 will support the Collective board in developing a cultural vision, strategy and plan through recruitment of two officers. The arts and culture team will increase from 2.6 FTE to 4.6 FTE during the year, enabling it to implement key actions of the Corporate Strategy. The aim will also be to leverage in additional external funding in support of culture and cross-cutting objectives.
10. The 2021/22 funding will be stretched thinly, and in order to support a substantive working budget, increased festival support, infrastructure feasibility funding and the community arts engagement, prizes and funding proposed by the Deputy Leader, there will be an additional budget request of £320k in 2021/22.
11. Once the Cultural Collective is fully established and generating enough funds, the aim will be to remove some of the additional funding commitment from the Council. The Arts Council has, however, been clear that investment in the cultural development of Bournemouth, Christchurch and Poole needs to be supported by investment from BCP Council.
12. In 2019/20 investment in BCP Council cultural services (principally museums) was approximately £1.14m, and £1.08m in external arts and heritage organisations to enable them to deliver cultural, learning and participation services for communities, residents and visitors. By comparison Arts Council England invested £18.25m in arts and heritage organisations that operate in Bournemouth, Christchurch and Poole.

13. The £2.22m 2019/20 BCP Council budget (approximately 0.3% of the total budget) represents a spend of £5.79 per resident. This is small in relation to other authorities of the size and ambition of BCP Council. The benchmarking data (which excludes theatres) shows that Manchester spends £18.76 per resident, Leeds £17.33, Hull £16.56, Bristol £14.53, Portsmouth £13.33 and Exeter £11.22. BCP Council comes 56th in the table of local authorities' expenditure on culture, which is a low position for the 12th largest authority in the country.
14. The externally grant-funded Arts and Culture organisations are listed below, with the 2019/20 BCP Council revenue funding allocations, and 2019/20 Arts Council England (ACE) revenue or project grant funding.

Organisation	BCP Council	Arts Council
Lighthouse Poole (Poole Arts Trust)	£431,000	£342,213
Bournemouth Symphony Orchestra (BSO)	£273,720	£2,554,790
Pavilion Dance South West (PDSW)*	£264,000	£386,216
Red House Museum (Hampshire Cultural Trust)	£100,000	
Activate Performing Arts (Inside Out Dorset)	£8,000	£251,422
Audacious (Light Up Poole)	£8,000	£80,000
Total	£1,084,720	£3,614,641

*Includes £150,000 grant to BH Live for operating costs of the PDSW building.

15. In recent years Lighthouse and BSO have received consistent grant reductions from the Borough of Poole. For example, Lighthouse's grant has reduced from £544,000 in 2013/14 to £431,000 in 2019/20. PDSW's direct £114,000 grant presently tapers at a rate of 5% a year to 2021/22, as confirmed in a letter to them of 20th June 2019. The £150,000 grant to BH Live for operating costs of the PDSW building does not taper. It is recommended that the PDSW taper is halted for the next three years. Activate's grant has remained static in recent years and the grant to Audacious was new in 2019/20.
16. Activate and Audacious have been awarded £5,000 additional funding each from the new 2020/21 £150k investment and Folk on the Quay, which otherwise could not have been staged in 2020, has been awarded £3,000.
17. To help these organisations plan better and to give them certainty of Council funding to use as match funding in their National Portfolio Organisation grant applications in 2021 for 2022/33, a three-year standstill funding settlement is recommended. Consistent Service Level Agreements will be arranged with the six organisations, making clear their expected contribution to Corporate Strategy objectives that the Council's grants enable.
18. Arts Council England has written the following to BCP Council
- 18.1. Arts Council recognises the strong and consistent support BCP has given to art and culture in previous years. As well as past investment, BCP has taken an active role exploring economically-sustainable opportunities for the future through the Cultural Enquiry and Cultural Compact. Close partnership work between BCP and Arts Council has been vital to the thriving of culture in the area, evidenced by the strong portfolio of organisations and activity.

- 18.2. Arts Council will keep investing where local authorities continue to invest. What we can't and won't do is step in and increase funding to make up for reductions in local authority funding.
- 18.3. Our current level of investment in Bournemouth, Christchurch and Poole is linked to the investment of BCP Council. We are likely to open our next NPO funding round in autumn 2020. This is when we decide which organisations will be funded in the next investment period, which is likely to run from 2022, for three or four years.
- 18.4. The Cultural Compact, which is the delivery mechanism for the outcomes of the Cultural Enquiry, is envisaged as a step change in Culture for towns and cities.

Summary of financial implications

The MTFP implications are an additional spend of £150k in 2020/21, and an additional budget request of £320k in 2021/22.

Any proposed additional budget allocation in future years will be subject to the 2021/22 budget and Council Tax setting process.

Summary of legal implications

With legal support, new, consistent SLAs with arts and heritage organisations will be agreed, clearly identifying performance measures supporting the Corporate Strategy.

Summary of human resources implications

None, except recruitment.

Summary of environmental impact

Organisations to which grants are made will be required to meet environmental performance measures. The Arts Council's ten-year strategy and the creative sector in general, are committed to addressing the climate emergency.

Summary of public health implications

Increased cultural activity demonstrably leads to a healthier, happier place, and health and wellbeing will be positively impacted. Increased investment will include a wellbeing fund for arts and heritage groups that directly support health and wellbeing. The six funded organisations all deliver activity targeting health and well being and this programming will be enhanced by certainty of funding through a three-year settlement.

Summary of equality implications

Culture embraces not just the "high" arts, but all aspects of participation and enjoyment of creativity and heritage, from cinema to choirs, pop to pantomime, historical walks to hysterical comedy, and the resulting social, community, health and economic benefits.

The Arts Council's strategy makes it clear that the organisation supports the widest possible participation in culture, seeking to address diversity, deprivation, isolation and health agendas. The Cultural Collective will also work to these agendas.

Through the Collective and delivery of a cultural strategy and plan there is an opportunity to better support, connect and promote all aspects of broader culture, bringing more vibrant creative activity to the mass market and people across the equalities spectrum.

Through stable three-year funding of arts and heritage organisations, and related SLAs, the Council will be better able to ensure funded organisations deliver on the Council's equalities priorities.

Summary of risk assessment

There are reputational and financial risks that if additional investment in culture is not made the Council will fail to deliver on the recommendations of the Cultural Enquiry.

The Arts Council has linked its investment in BCP Council and Bournemouth, Christchurch and Poole cultural activity to the level of financial support by BCP Council and there is a risk that this investment will reduce if the Council can not match its aspirations with funding.

If grant-funded Arts and heritage organisations have stable three-year settlements their sustainability will be less at risk.

There is a risk that if in the short term it employs staff the Cultural Collective will become an expensive organisation for the Council to service, so at this stage this is not envisaged.

Background papers

Template responses from funded arts and heritage organisations, making their case for support, and SLAs with organisations, are all available on request.

Appendices

Bournemouth, Christchurch and Poole Cultural Enquiry.

Cultural Enquiry Appendix 1: Benchmark Examples given during the Cultural Enquiry.

Bournemouth Christchurch Poole Cultural Enquiry



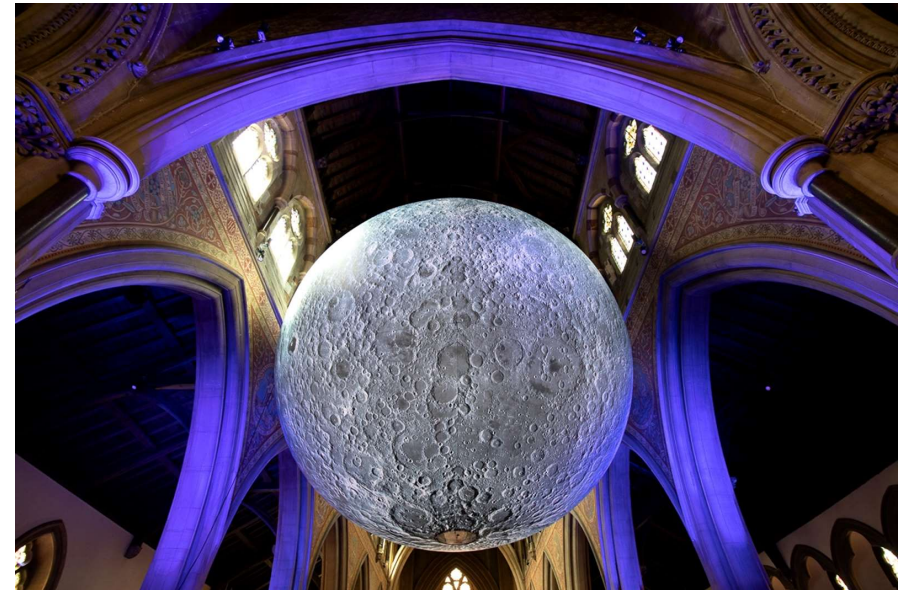
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FOREWORD

By the Partnership



Luke Jerram's Museum of the Moon. This extraordinary installation was presented in St Peter's Church in 2019. It was the headline installation of Dorset Moon – a project produced in consortium by three Dorset festivals - Inside Out Dorset (run by Activate), Arts by the Sea and bSide Festivals. The St Peter's Church event was produced by the Arts by the Sea festival (Sherbourne Abbey by Activate and Nothe Fort by bSide). through the work of Activate Performing Arts and commissioned by the Arts Development Company.

1. Introduction

The Bournemouth, Christchurch and Poole Cultural Enquiry, which took place throughout 2019, is the first ‘whole place’ process of review, engagement and visioning for culture of any new local authority in the UK. The Cultural Enquiry was established at the same time as the UK’s newest city region came into being, recognising the long-term commitment that each of the three councils has made to culture and the realisation that it will be central to the future success of the new unitary authority of Bournemouth, Christchurch and Poole (BCP).

Darren Henley, Chief Executive of Arts Council England, clearly set out the challenge and opportunity for partners across BCP at the launch of the Cultural Enquiry in February 2019:

“Bournemouth, Christchurch and Poole councils have an exceptional track record of investing in art and culture, which can be seen through the superb range of creative work produced in the region. The local government reorganisation presents a unique chance for culture to be put at the heart of this coastal region’s strategy and further develop its sense of place. We’re proud to be supporting this long-term vision for the new unitary authority and we look forward to seeing the recommendations made for the future prosperity of BCP.”

The Cultural Enquiry was founded by an ambitious new consortium of partners – the then three councils (now BCP Council), Arts Council England, Arts University Bournemouth, Bournemouth

University, Bournemouth Symphony Orchestra, The Lighthouse and Dorset Local Enterprise Partnership. These partners were represented at the Board which oversaw the Cultural Enquiry¹. A wider partnership of cultural and education organisations, enterprises and charities, networks and individuals, also contributed to the Enquiry governance model as the Cultural Enquiry advisors.

The Cultural Enquiry was initiated to shape a shared ambition and collective opportunity for BCP as a place of culture. Together, the three main centres – Bournemouth, Christchurch and Poole – have an incredibly rich, diverse, engaging and distinctive cultural offer. With their many neighbourhoods and districts; parks and gardens; heritage assets and contemporary cultural venues, hubs and programmes; and with the beach and coastline that joins them together; the towns of BCP contribute toward a conurbation of culture of a scale comparable to Bristol.

Yet historically, the collective cultural offer has not been coordinated to deliver a ‘whole place’ or conurbation-wide approach to cultural planning, partnership and investment. Arts Council England (ACE) investment in Bristol is 3.6 times more than in BCP (2016-19). This is in the most part due to a relative lack of applications for project and strategic funding from BCP – symptomatic of a capacity issue which is limiting the demand for funding. With the new unitary authority comes a new opportunity: to re-imagine a conurbation-wide cultural offer, to build something bigger and better, to grow capacity and demand, to catalyse new organisations which could one day become national portfolio organisations for ACE, and thus for culture to be impactful across a range of strategic agendas – from health and wellbeing to the economy.

¹ And they commissioned Tom Fleming Creative Consultancy to deliver it: www.tfconsultancy.co.uk

Parameters of the Cultural Enquiry

The Cultural Enquiry does not operate as a standard 'cultural strategy' where a process of baseline mapping is followed by a range of consultation exercises, which form a set of priorities and actions. Rather, the Cultural Enquiry is a programme of active engagement on the role of and values for culture in BCP. It has involved a facilitated journey of events which were set up to provoke discussion on the relative qualities of culture in BCP, the range of distinctive assets, the set of particular challenges, and the aspirations and ideas for culture to play a central role in place-making for the next generation.

Vitaly, the Cultural Enquiry has explored, with over 1,000 people, what culture means for them. Through a programme of events, workshops and interviews; and via social media and formal written submissions; the Cultural Enquiry has solicited a multitude of perspectives on the role of culture in BCP; and it has sought to grasp how partners can ensure culture plays a starring role in the future.

To inspire, provoke and listen, the Cultural Enquiry has brought a portfolio of cultural experts from across Europe to BCP. This has included leading thinkers on the role of culture for cities and some eminent professionals who have successfully led processes of culture-led change and helped fashion new types of partnership, investment and programming in culture. These experts have helped to generate fresh perspectives on the relative qualities of BCP and to build a sense of urgency and collective ambition for culture across the conurbation.

The Cultural Enquiry culminated in an open workshop and reflection event at The Lighthouse Poole, where participants talked of the

journey they have been on and of the absolute imperative now to put culture to the heart of the core strategies which will shape the future of BCP. Notably, these are the Local Plan, the Corporate Plan and the Local Industrial Strategy (of the Dorset LEP).

But perhaps most importantly, participants talked of the collective opportunity: to grow from the energy of the Cultural Enquiry and work together to ensure cultural partnerships strengthen. This is to guarantee, from a conurbation level to the neighbourhoods, that culture defines BCP as a great place in which to live, work, visit and invest.



Above: Arts by the Sea – BCP's flagship festival, which is supported by Arts Council England as an NPO. There are plans to extend it across the conurbation as a major producing festival for the region.

Culture at a time of strategic change

This Cultural Enquiry comes at a time not only of considerable strategic change for BCP and Dorset. The establishment of BCP as a unitary authority or a city region of over 400,000 people, makes it one of the largest places in southern England. At the same time, Dorset as a county has become a unitary authority, with the renewed sense of purpose and direction that it brings.

In BCP, the new **Corporate Strategy** and **Local Plan** can, as an outcome of the Cultural Enquiry, put culture front and centre. This is to ensure BCP is a beacon authority in the following areas:

- **Culture and talent:** embracing creative education, building a creative workforce, championing diverse cultural expressions, and enabling people of all backgrounds to actively participate in the cultural life of their communities and the conurbation as a whole.
- **Cultural infrastructure:** with a commitment to building cultural capacity, leveraging the excellence of existing hubs, venues and organisations, and boosting BCP as a place that produces and hosts great art and culture of international significance
- **Culture and place:** embedding culture as a tool for planning, with a focus on nurturing distinctive neighbourhoods, dynamic town centres, accessible and imaginative public realm, urban mobility, and an attention to social cohesion health and wellbeing and environmental sustainability.

The BCP Local Plan will determine how the city region will develop over the coming decades, including how it will meet identified needs for new infrastructure (such as in education, healthcare, homes and social care), improved transportation, sustainable growth, new jobs and stronger communities.

The BCP Local Plan will chart how best it will respond to the challenges and opportunities that it will face over the coming decades. These include demographic change. Dorset has the UK's oldest population and lowest proportion of under 50s with one person working for every pensioner by 2040. Coping with this will require real innovation in housing, health and social care. It will also require an uplift in the capacity of the cultural sector to make a difference to the quality of people's lives.

Related to this is a significant labour market challenge with predictions that half the current workforce may need to be replaced in the next 15 years. Retaining existing workers and attracting new skilled workers to the area is very much a priority and culture can play a compelling role to influence the locational decisions of the future workforce.

In addition, and most urgently, climate change and the need for a carbon neutral future mean that BCP will need to make some brave and imaginative decisions through its Local Plan: to reduce congestion, encourage more eco-friendly and healthier modes of transport with better connected communities. Culture can also play a role here – because environmental responsibility is in reality a cultural proposition – a set of values which inform a set of customs on how to live responsibly.

These demographic and environmental issues are also central to questions of economic growth, notably how to grow both inclusively and sustainably. The **Dorset Local Enterprise Partnership** (LEP)

BCP Cultural Enquiry

is grappling with these issues and is currently developing its Local Industrial Strategy to be agreed with the Government in 2020. This which will steer the economic future of the County and conurbation. The Government's Industrial Strategy sets out five foundations for future growth, which fit the strengths of Dorset well: people, Infrastructure, business environment and place.

The Dorset Local Industrial Strategy will focus on growing and diversifying the established sectors of financial services, tourism and environmental economy and advanced manufacturing, engineering, creative technology and agritech/aquaculture. Together, these industries will grow as the 'Dorset Collaborative Cluster', with 'creative & culture' vital to their innovation, attractiveness and competitiveness:

“Making Dorset a place of exceptional culture and quality, releasing the potential of the very best creative and cultural businesses, and unlocking innovation and imagination in all that we do.”

BCP is the key aggregator for this collaborative cluster. Creative and cultural sectors are particularly strong here, with nearly 4,000 jobs in digital technology generating £363 million in Gross Value Added for the economy² with strengths in visual effects, animation and cyber security.

The foundations of this are supported by the two universities (Arts University Bournemouth and Bournemouth University) as well as festivals³ and key cultural hubs and venues.

Arts Council England is playing a vital investment and mediation role across these areas of economy, environment and place. Its support for the cultural ecology of BCP is helping talent to flourish, inspiring audiences and enhancing the overall quality of place. Arts Council England currently invests over £18.25 million (2018-21) in 8 National Portfolio Organisations in BCP and environs, each of which is driving innovation and growth across the arts and cultural sector of BCP and delivering a range of social outcomes which are critical to the health, wellbeing, confidence and cohesion of the conurbation.

These shining lights in the cultural ecosystem have also played a starring role in hosting and convening consultations throughout the Cultural Enquiry. They are:

Pavilion Dance South West
Arts by the Sea (via BCP Council)
Bournemouth Symphony Orchestra
Poole Museum Service
The Lighthouse (Poole Arts Trust)
Diverse City
Activate
Artsreach.

² Technation 2018 report

³ Including BFX, the UK's largest visual effects and gaming festival; Silicon South, a European funded project designed to provide support for digital SMEs through accelerator activities, investment and specialist support.

BCP Cultural Enquiry

In addition, Arts Council England is investing in multiple activities and organisations via its project funding and strategic funds. This includes other shining lights such as Bournemouth Emerging Arts Fringe (BEAF) Festival, with its radical and inclusive programming; and The Arts Development Company (based in Dorchester), which plays a hugely enriching role providing support, advice and network development for the arts and cultural sectors across Dorset. Plus, Arts Council England, with the local authority and via national and European funds, has been an important investor in numerous health, wellbeing and cultural education programmes.

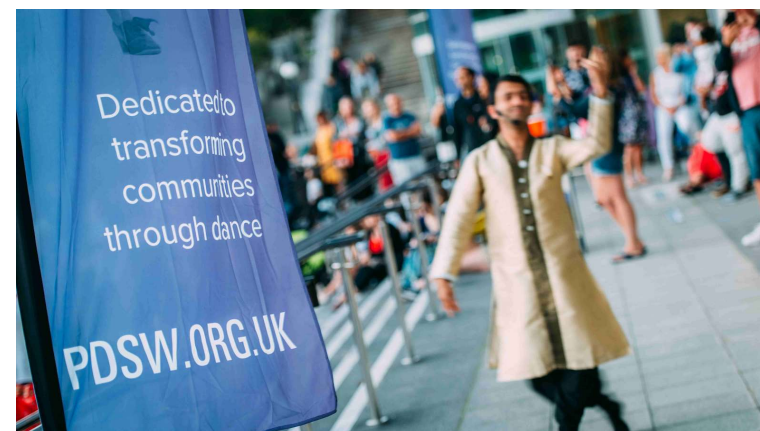
Yet Arts Council England also recognises that BCP can achieve much more through its culture and the scale facilitated by the new unitary authority is a game-changer in terms of the kind of infrastructure, the level of programming, and the social and environmental influence culture can and should have in a city region of this size.

Arts Council England, working closely with partners across BCP, see the Cultural Enquiry as a rallying cry for culture and as an energising process which will help partners in BCP to renew, re-engage and begin 2020 with the launch of the BCP Culture Compact: a new strategic partnership programme that will secure a great cultural future for the conurbation.



The Bournemouth Symphony Orchestra (BSO), is the only professional orchestra outside the UK's big cities. The BSO's ground-breaking work with professional disabled musicians has provided inspiration to hundreds of children in BCP Special schools, including the Victoria Education Centre in Poole.

Pavilion Dance is the dance agency for the South West, and recently hosted the National Dance Showcase, across Bournemouth and Poole.



2. The Cultural Enquiry Journey

The Cultural Enquiry has worked over 10 months across BCP to facilitate animated conversations which enhance networking, convene purposeful dialogue on the key issues and opportunities for culture, and collect evidence to inform a set of strategic themes and priorities for culture in BCP.

Over 1,000 people have actively engaged in over 50 events and platforms. These included:

February: Launch event at Arts University Bournemouth, including introductions from Darren Henley, Chief Executive of Arts Council England, and Professor Stuart Bartholomew, Principal and Vice-Chancellor of Arts University Bournemouth.

March: Technology and the Arts workshop hosted by Pavilion Dance South West, facilitated by Dick Penny of Watershed Bristol.

March: Placemaking and culture open space event, hosted by The Lighthouse, with speakers including Dom Jinks of Exeter Culture, Libby Battaglia from Light up Poole, and Elspeth McBain of The Lighthouse.

April: People and the Arts workshop, hosted by Poole Museum, with a contribution from Oli Rantala of Oulu Municipality, Finland, Colette Bailey of Metal, Southend, Michael Spender of Poole Museums and Phil Hallett of Coda.

May: Health, wellbeing and communities event, hosted by Highcliffe Castle in Christchurch, featuring Val Birchall of Coventry City Council and Ruth Eastgate from Blackpool Grand Theatre.

May: International partnerships and excellence, hosted by the Eco Hub in Poole's Dolphin Centre, with Carlos Martins, ex-Director of Guimarães, European Capital of Culture 2012, and Dougie Scarfe, Chief executive of the BSO.

June: Survey of young people launched – led by Digipigz.

July: Cultural Ecologies and approaches to cultural planning, hosted by Russell-Cotes Art Gallery & Museum with leading international cultural planning expert Professor Franco Bianchini and Director of Coventry, UK City of Culture 2021, Chenine Bhathena.

October: Council member briefing with newly elected BCP councillors, hosted by Pavilion Dance South West.

October: Closing prioritisation workshop, hosted by The Lighthouse, with interventions from a range of key strategic partners.

The process has also included many smaller meetings with local cultural networks and groups, cultural, education and health organisations, plus many individuals. including Power House in Poole and the Bournemouth Emerging Arts Fringe (BEAF) in Boscombe.

The Cultural Enquiry website has provided a platform for dissemination and feedback throughout the process. It also included a Cultural Enquiry Blogspot: www.culturalequiry.co.uk

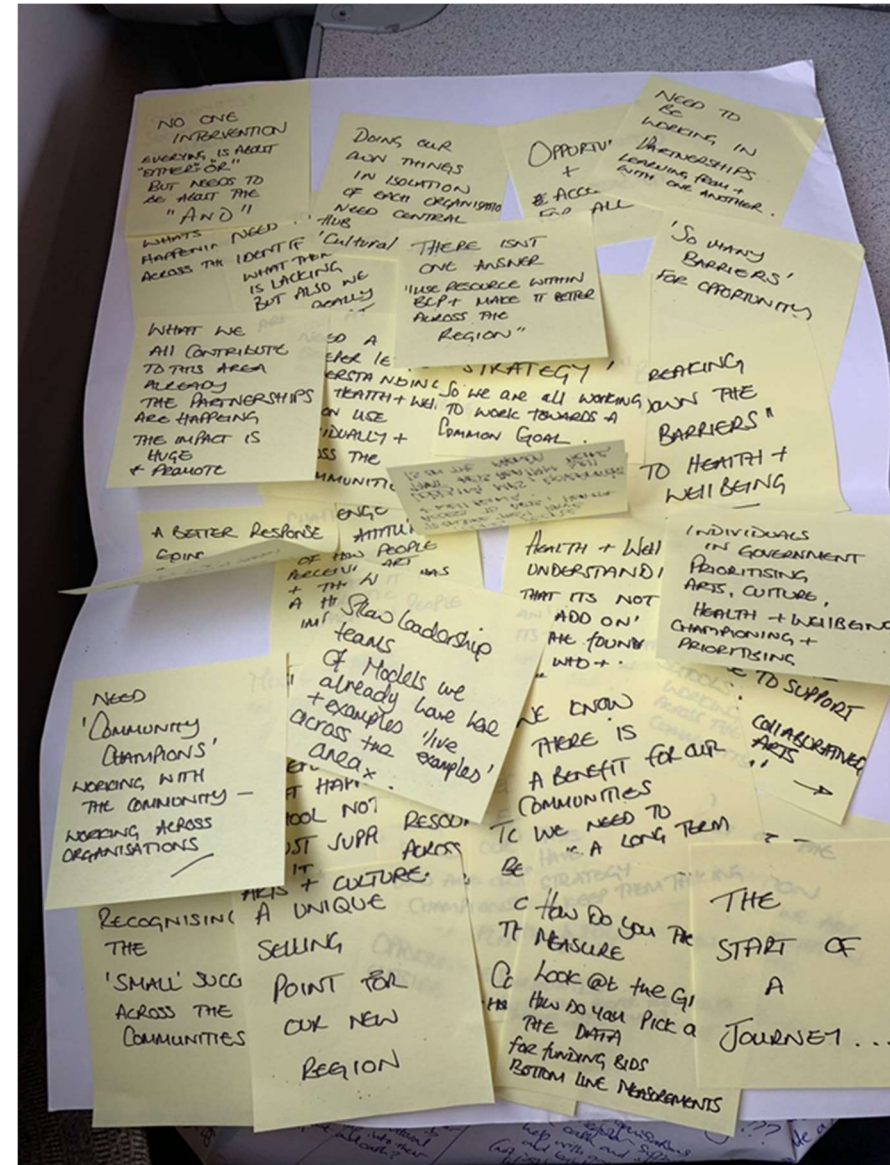
The Cultural Enquiry Twitter platform has generated a rich mix of perspectives: @culturalenquiry

A series of formal 'written submissions' were also provided by individuals and organisations across BCP.

BCP Cultural Enquiry



The Cultural Enquiry involved many events and workshops, including these at Pavilion Dance South West (on art and tech); and at Highcliffe Castle (on culture, health and wellbeing)



Why Culture Matters

Comments from written submissions to the Cultural Enquiry

“Arts and culture increase cultural tourism which is a big driver for economic growth and creation of jobs as well as the positive knock on effect to hotel bookings, meals out and footfall in towns and shopping centres. Arts and culture help shape a place and in particular local identities – supporting BCP to embrace and promote local distinctiveness whilst being able to develop a new brand and offer for local people/visitors, businesses and people moving to the area.”

Sarah James, Arts Development Company Dorset.

“So, what needs to change? Well here I shall speak from my experience as a visual artist. Practically there needs to be better provision of public exhibition space. It needs to be high quality, designed for the purpose and accessible to local artists.... in these confusing and stressful times, we actually need the arts more than ever, for community cohesion, identity, hope and for very sound economic reasons. The future economy of the BCP area relies on bringing high quality employers to the area. High quality employers with well paid employees who need a healthy creative ecology surrounding them. We have the opportunity to create a bright new future so utterly different from anything we've seen here before.”

Rob Hughes (Artist)



Chaplin's Café, Boscombe

BCP Cultural Enquiry

“BCP has a few established publicly funded arts, culture and heritage organisations - not many considering its size. There is a good range of work covered between them and they interact with residents and visitors to the city in different ways. Pitching BCP as a contemporary, progressive city of the future will be helped considerably by galvanising and shouting about the great cultural offer already available and presenting pretty good value for money. Now is the time to consolidate the prior cultural interests of the independent authorities into this new merged city by finding ways to weave the benefit they bring to the area across other priorities (e.g. innovation, talent recruitment, communities, diversity, health, wellbeing).”

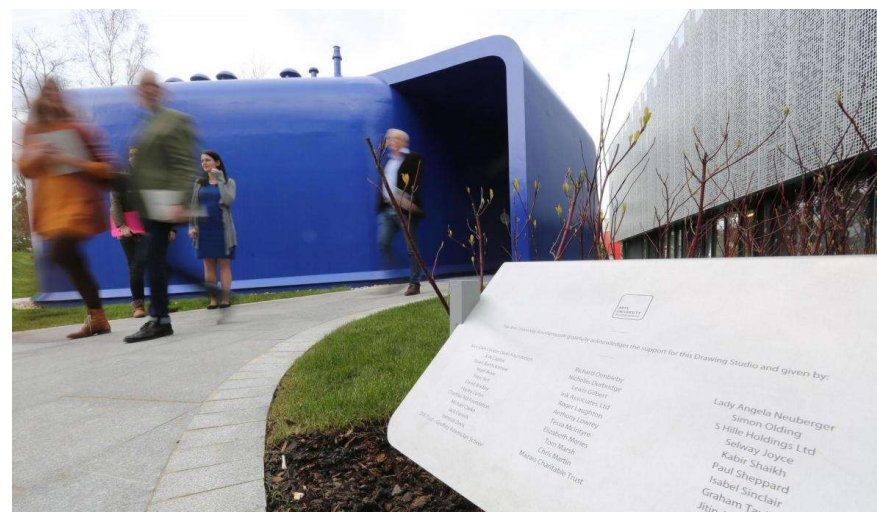
Zannah Doan Artistic Director/Chief Executive, Pavilion Dance South West.

“There is considerable cultural expertise and ability in the BCP area that could be harnessed into delivering a vibrant cultural programme. But that needs to be identified and brought on board. And that hidden capacity will probably need some form of financial investment, support, reward or incentivisation.”

Paul Kelly, Culture Futures and We Write Bids



Above: BEAF – an independent festival of huge potential.
Below: AUB – a hub for creative talent.



3. Culture in Bournemouth Christchurch and Poole

The Cultural Enquiry has brought to life what many already know: that Bournemouth, Christchurch and Poole have some incredible cultural assets, that the range of distinctive places generate a rich mix of cultural qualities, and that when put together, these contribute toward BCP being a great place to live with an enviable quality of life.

Many people have told the Enquiry that culture is integral to what makes the conurbation and its distinctive places unique, and it is culture which will give the conurbation a shared sense of purpose and belonging in the future.

Many people have also told the Enquiry that too few of these strengths and qualities are well known and valued – both locally and outside the conurbation. There is a story to be told and some significant work to do to build capacity and enhance connectivity across the cultural landscape if BCP is to make the most of its fantastic cultural assets.

The Assorted Cultural Qualities of BCP

Noted qualities and strengths in BCP as a place of culture include:

An established cultural infrastructure

BCP has a set of regionally and nationally important cultural institutions, producing diverse work of high quality. They include the world class Bournemouth Symphony Orchestra, the largest arts centre in the UK outside of London, the Lighthouse, and Pavilion Dance South West, which recently hosted the National Dance Showcase. In the Bournemouth International centre (BIC), BCP has an established venue for touring shows, with 4 auditoriums able to take up to 10,000 visitors at a time. Add to this the galleries and conference spaces of the two universities, a fantastic central library in Bournemouth, a Premier League football club (with conference and event facilities), and the built assets of the heritage sector (see below), and BCP has a fabric of cultural infrastructure across its 12 miles of coast and inland to the Dorset heathland.

A strong and varied Heritage offer

The heritage of BCP is incredibly varied and offers a significant resource for the culture and wellbeing of the conurbation. Each of the three major towns has a different heritage journey, from the deep history of Christchurch to Bournemouth's role as a pioneer Victorian resort famed for its clean air and pines. The heritage landscape of BCP is both tangible and intangible. Tangible assets feature the built environment such as Poole Quay, the parks and gardens of Bournemouth or in 18 Grade 1 listed buildings such as castles and houses. These include Christchurch Priory, known as the finest parish church in England and the Gothic revival Highcliffe

Castle, which has been imaginatively renovated as now serves as a unique venue.

Intangible assets include the folk histories of maritime Poole, the literary lives of the many writers who settled or visited the conurbation, and in the identities of residents, including an increasingly diverse and globally connected population.

The museum sector works hard to uncover and communicate the different heritage narratives of BCP. Museums act as hubs for social and civic history and as safe spaces for cultural dialogue. Key museums include:

- Scaplen's Court Museum, which receives over 5,000 school children a year to its education centre.
- Poole Museum, which is about to be transformed by a major Heritage Lottery fund award.
- The Russell-Cotes Art Gallery & Museum, home to a nationally important collection of Pre-Raphaelite art, is an extraordinary art Nouveau building and major visitor attraction.
- Other museums include the Museum of Design in Plastics and Gallery at AUB, and Red House Museum, Christchurch.

Parks, gardens and nature reserves

Linked by a glorious stretch of coast, knitted together with deep gullies or 'chines', woodland, heathland and parks, and bookended by the beauty of Poole Harbour and Hengistbury Head; the natural and green assets of BCP are central to its culture and way of life.

For example, Bournemouth featured in the original Victorian guide to the Spas of England in the mid-19th century, where its natural advantages and attractiveness were highly praised. Parks gardens

and nature reserves are still highly important and a vital contributor the quality of place. They stretch from Alum Chine tropical Gardens in the west, to Mudeford in the East, from Bournemouth Gardens in the South to Millhams Mead Nature reserve in the North. The importance of these parks and open spaces as a cultural resource was endorsed through their selection as part of a national programme as a Future Parks Accelerator, which will test how parks can stimulate sustainable growth, improve health and wellbeing, and encourage biodiversity.

Festivals and events – Driving growth, excellence and inclusion in culture

BCP is becoming a major centre for festivals and events. In part this is a legacy of its tourism offer – presenting cultural experiences to visitors. But festivals and events in BCP have moved far beyond the simple presentation of touring shows. Today they have become hubs for innovative practice, key commissioning agents for new culture, and inspiring platforms for active participation in unique locations.

The annual Arts by The Sea, run by BCP Council, is now established as a major cultural festival, with plans to expand across the region and for longer. Light Up Poole Festival has established itself as important festival for animating the public realm in new ways and is demonstrating that digital light art can be a gateway into the arts for many thousands of residents and visitors.

Activate organise the biennial Inside Out Dorset festival, with events such as the enormously popular Cirque Vost in Poole Park as well as a range of events, including 2019's popular Pollution Pods on Brownsea Island. Bournemouth Emerging Arts Fringe, is an increasingly significant festival championing the grass roots and new talent. It is a particularly vital force in supporting artistic production from 'outsiders' – such as people recovering from

addiction; and for re-imagining and re-purposing different types of space – such as a large part of the Sovereign shopping centre in Boscombe transformed into a performing arts venue (with the support of the Coastal Business Improvement District).

Nurturing future talent

The festivals sector provides critical pathways into culture for local people and are a mobilising force for volunteering and audience development. They work as an important part of a wider talent development system across BCP.

The conurbation is home to leading organisations which are helping to nurture the talent of the future. In addition to leading cultural organisations who all run education and engagement programmes, there are specific support agencies driving this agenda. These include SoundStorm, one of the largest and most respected music education agencies in the country; Coda Music, which offers tuition and classes for diverse groups, from a converted Victorian Dairy which runs creative projects, training and schools' workshops as well as managing the creative Hub. Diverse City is also a major asset to the area – a national leader in championing diversity and equality in the arts.

Universities and further education

BCP is a creative talent hub which every year contributes some of the best creative graduates into the labour market. The universities and college also play a vital role in the production and presentation of culture, and of course in the cultural life of the conurbation with close to 35,000 students calling BCP their home and with an impressive portfolio of cultural activities that connect university and civic life.

Arts University Bournemouth is one of the leading specialist arts universities in the UK. It has over 3,000 undergraduates and a brilliant roster of leading creative professionals on its staff. It has particular strengths in art, design, craft, fashion and textiles. It specialises in industry collaboration and is currently developing a £2.8 million Innovation Studio which will support local businesses in rapid prototyping and design.

Bournemouth University, with 20,000 students, has highly regarded courses in creative fields including journalism, computer animation, film, media and music. It also partners with Bath University in delivering the Centre for Digital Entertainment (CDE), funding doctoral research into games, visual effects and animation.

The Bournemouth and Poole College, the largest further education provider in the area, with over 11,000 students. It offers courses ranging from digital media to theatrical make up.

One of the key distinctive outcomes of the universities' specialisms in the creative industries is the spike of creative and digital enterprises which have set up in BCP over the last 20 years. BCP is recognised as a nationally and internationally significant cluster of animation and visual effects companies, with 3871 jobs in digital technology. This fast-growing sector saw 72 new business start-ups in 2016, is underpinned by the two universities and amplified by the BFX festival. The Local Industrial Strategy currently being developed by Dorset LEP sees a strong cultural offer as part of the essential enabling conditions which help to attract and retain enterprises in these high value creative and digital sectors.

Health and wellbeing

With an ageing population come systemic issues of health, wellbeing and care. BCP faces some particularly significant challenges in, for example, facilitating preventative care, reducing

loneliness and isolation, and encouraging communities toward ageing well. But BCP is also working as a pioneer place in overcoming such challenges and in innovating to deliver positive health and wellbeing outcomes.

For example, organisations across BCP are increasingly collaborating on programmes targeting health and wellbeing challenges. Initiatives range from the Curiosity Café for older people at the Red House Museum to BSO's ground-breaking work with professional disabled musicians and the Big Night Out Disco curated by disabled DJs. Approaches to social and cultural prescribing are emergent, but there is a collective will to develop a cultural system where health and wellbeing are a real strength.

Libraries – hubs for active cultural lives

There are 24 public libraries across the BCP area. They all support cultural activities and provide access to literature and other art forms. All libraries have an important focus on community arts. The main libraries also run and host larger-scale activities and play an important role commissioning new work. But most importantly, libraries offer a safe space for many people: a place to shelter, to meet, reflect, relax, learn, and share. Their role in providing fluencies for modern life and supporting an increasingly diverse population to feel welcome, is particularly important at this time, with a rise in racism and hostility toward cultural difference.

The Cultural Challenges Facing BCP

While the Cultural Enquiry has encouraged a spirit of positivity with regard to the cultural assets of BCP. It is also important to delve into the more challenging aspects of the conurbation's culture. This is with the spirit of opportunity in mind, with the Cultural Enquiry mobilising a new era of better partnership, imaginative development and smarter investment. It is also with an attitude of realism, given that many of the challenges facing culture in BCP are shared by other places in the UK which have struggled with years of austerity, with the pressures of different types of demographic change, and with the tightly drawn political boundaries which make 'whole place' partnership and investment more difficult.

The Cultural Enquiry has sourced many testimonies and perspectives which have focused on the things that hold BCP culture back. Or in other words, the things which either stop us or hinder progress in making more of the conurbation's many cultural qualities. These include:

Geographical realities and challenges

BCP is a poly-centric conurbation which loses 50% of its hinterland and circulation capacity to the sea. With multiple urban centres and this specific physical geography, BCP suffers from traffic congestion, low density sprawl between main hubs, and the lack of a clear civic, retail, leisure and thus cultural centre. Add to this costly taxi services and an under-integrated public transport system with nodes that, far from enhancing the transport experience, are conducive to a sense of danger or at least a lack of aspiration; and the conurbation really struggles for affordable, accessible, equitable and environmentally progressive mobility.

This impacts on cultural practice and audience behaviour. In some ways, it designs-in neighbourhood-based cultural activity over conurbation-wide activities which are 'designed-out'. It also influences who is able to travel and where and when. For example, to participate in a diversity of cultural activities across the conurbation without the use of a car would be expensive, unpleasant and hugely time-consuming. While progress has been made in improving cycling infrastructure and softening the access points to town centres, BCP lacks the density and connectivity required to grow from its current cultural asset base.

Additionally, BCP has never been an 'industrial' city, so it lacks those 'post-industrial' spaces (the warehouses, former factories) and 'zones in transition' which elsewhere in the UK now provide homes for creative activity. Furthermore, the strong local property market and limited public land holdings limit access to affordable space and strategic development land. This makes development-led cultural activities more challenging than in other places, although there are major opportunities to anchor town centre renewal activities with a cultural dimension.

A Cultural Productivity Gap

An aspect of the distinctive spatial characteristics of BCP is the relative lack of spaces and places for cultural production. The NPOs play a vital role in commissioning and developing new work, but the conurbation as a whole suffers from a deficit of artists' studios, affordable creative industries workspace (especially for early stage businesses), and flexible rehearsal, development and events spaces. In recent years, retail spaces have offered a 'meanwhile solution', but BCP does not provide the requisite mix of

permanent facilities which will encourage graduates to stay or for incoming artists and creatives to set up and grow their practice.

The festivals sector is playing an important role in championing and nurturing talent and in producing new content. But there is still a relative imbalance of imported Vs home-grown work and BCP has not yet established the range of support infrastructure that is present in other places, such as Brighton or Bristol.

Talent Retention

Associated with this 'production gap', BCP struggles to retain talent (such as from its graduate base) and to attract brilliant talent from elsewhere. It is not sufficiently 'sticky' to give local cultural producers and creatives confidence they can build a career in the conurbation (i.e. access talent, markets and resources); and it does not radiate a compelling narrative to would-be incoming creative talent. Instead, heads are turned by London, Bristol, Manchester or internationally.

Places with high graduate retention rates have developed strong cultural hubs which connect universities to the cultural life of the city as part of a dynamic ecosystem animated by a range of distinctive spaces to make and experience culture. In turn, this facilitates collaborative practice where ideas spread, projects form and vivid cultural scenes germinate exciting creative enterprises.

In BCP, the core location of the Universities – on a campus outside of the main town centres⁴ – creates a specific design challenge for building a dynamic cultural scene. For example, it makes the creation of 'third spaces' which convene both structured and

⁴ Although Bournemouth University has three campuses overall, including a more central Bournemouth location.

unstructured relationships between people of different walks of life and creative disciplines, much harder to achieve.

The 'invisible city'

BCP, with its elongated urban form and polycentric structure mean the neighbourhood is a disproportionately important unit of scale for cultural development. Add to this the conurbation's unique economic and thus demographic profile – with, for example, an ageing population coupled with a very young and diverse population of students and people working in care and financial services – and BCP can be understood as a particularly complex place to develop and deliver culture.

One participant in the Cultural Enquiry talked of BCP as 'the invisible city', where at different times of the day, many communities are out of sight, invisible (e.g. elderly people lack mobility and care workers are inside looking after the elderly people); or where different neighbourhoods are un-connected to one another, occupying a place in the other's imagination, with very few opportunities or incentives to meet. This 'invisible city' paradigm makes typical approaches to grassroots cultural activity very challenging. Finding shared points of reference, values and ambitions for a place is difficult if communities are invisible to each other.

Culture can of course play a powerful role in tackling this invisibility; but the capacity and resources of the cultural sector are not sufficient to deliver the kind of in-depth and engaging work required to build bridges and make cultural connections. Vital here is the connecting tissue between the NPOs and the community and voluntary sector, with a significant need for community-based hubs and networks, local decision-making in cultural resources, as well as tailored programming which targets intercultural and intergenerational dialogue. Such as aspects should be keenly

engaged as part of the Local Plan, ensuring transport, planning and place embrace culture to reduce the invisible city effect of BCP. of the council.

Young people and diversity undervalued

This invisible city effect means that certain demographic groups find it particularly challenging to find a voice and then have their voice heard in the cultural system of BCP. This is the case for young people and ethnic minorities. Participants in the Cultural Enquiry have talked passionately of the need to open-up the cultural system of BCP, to diversify decision-making, and to support young people and their interests alongside more championing of diversity.

The Cultural Enquiry survey showed that young people want more opportunities to watch live music and performance, more festivals, more international food and a stronger nightlife as well as real improvements in safety and transportation.

Tourism for tomorrow

As a place renowned for its tourism and with its greatest cultural icon being a beach, tourism has featured substantially across the Cultural Enquiry. Although recognised and valued as a major part of the economy, tourism is not widely credited as being a progressive force in the conurbation's contemporary cultural life.

For example, cultural tourism and the positioning of BCP as a creative destination are seen as underdeveloped and undermarketed. BCP's current tourism offer is not widely perceived as positioned to attract the growing market for weekend visitors, looking for new experiences, based on boutique accommodation, food, cultural dynamism, heritage innovation, creativity and the natural environment.

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There have been significant efforts to diversify the tourism offer and narrative – such as through the growth of Arts by the Sea and Light Up Poole as high-quality cultural attractions. But the everyday culture of BCP – from the quality of its hotels to the sense of creative dynamism and buzz – are viewed as challenges rather than assets if tourism is to grow and become higher value.

A Whole Place Approach

While there has been long term commitment to culture from the previous three councils, the lack of a single conurbation-wide vision and approach have been detrimental to cultural provision and development. Without a 'whole place' approach, decision-making and visioning have been too siloed and under-coordinated. This means there are too many 'cold-spots' and areas which lack cultural amenity.

It also means that, both internally and externally, the current creative positioning of BCP is fragmented and not associated with innovation or dynamism. Other places show that positive transformation is possible. Whether it is Margate and is growing recognition as a pioneering town of culture-led regeneration through artistic energy, Turner Contemporary and the revival of Dreamland; or Brighton which has developed an international reputation for its positioning as both a tech and culture centre; or Plymouth which is developing a new reputation for its combination of community arts and new types of cultural infrastructure

The historic lack of a whole place approach has also impacted on the quality and intensity of local partnership – within the cultural sector and with culture as a cross-cutting agenda. A legacy of this means the current cultural ecosystem has not been given a high profile, ambitious civic role which encourages risk taking, exchange and collaboration. While organisations do work together, there is no

overall coordinated strategic approach to growing a cultural ecosystem that can drive innovation and change to the forefront of economic, social and environmental change in BCP.

This, of course, is changing. The Cultural Enquiry and the forthcoming Culture Compact mean that partnership from today will be whole-place, cross-sector, inter-departmental, and have culture to its heart.



Lighthouse – an arts centre of scale and pedigree.

Young People's Survey

As part of the evidence collection process, the Cultural Enquiry commissioned the Poole-based youth marketing experts Digipigz to survey 16-24 year olds with a connection to BCP. The survey received 58 responses and provides a snapshot of young people who had grown up in or lived in the region.

"We want a happy town with proactive global aware citizens. Not materialistic or shallow".

What do young people value?

Food, music and festivals are the three key areas of cultural importance to young people. The current food offering in BCP is felt to be strong, with over 60% of respondents scoring the variety of food and drink outlets as 8/10 or higher.

"I would love to see the coastline being better utilised but available to all".

Opportunities to see live music didn't score as highly, with only a quarter of respondents providing a score of 8/10 or up. When asked what cultural offering was missing in BCP, music was the most mentioned element. A third of respondents have travelled out of the area to enjoy festivals or music events; and would like to see BCP offering a wider variety of music-based cultural offerings.

The current nightlife offering is also a strong aspect of BCP, with only a third of respondents scoring the offering as 5/10 or less.

The BIC, Pavilion Bournemouth and Lighthouse Poole are the most visited cultural destinations, with Bournemouth Gardens rated as the most visited park.

"We need Markets with cool street art and street food"

The beach is felt to be the best part of BCP, with 71% of respondents identifying it as their favourite aspect. However, there were mixed feelings towards the current cultural activity and events which take place on the beach. Although the majority do not think the beaches should become BCPs 'hub' for

culture, they want them to become livelier with more events and pop-ups by the sea.

What can be improved and what is missing?

The worst things about BCP for young people surveyed include transport and cost of parking. Many people noted that transport links across BCP are poor and that parking expensive.

There were numerous comments on the upkeep of the towns. Many commented on very run-down areas and poor public spaces such as the Poole Bus Station, high street shopping areas and facilities such as public toilets. Safety and crime were also recurrent themes, with multiple mentions of drugs and alcohol related issues.

"The worst things are poor transport, lots of bad behaviour and not a lot going on that is current, in comparison to places such as London. Old fashioned."

"What's missing? More events, large scale, detailed and inspirational gallery showings. Something that makes people WANT to come to BCP."

The top three things young people would like to see:

- Events and cultural activity on the beach. These could be pop up food stalls or unique performances from buskers which add an interesting dynamic to the seafront.
- More opportunities to see live music, drama and theatre. Given that the BIC, Lighthouse and Pavilion are already the most popular destinations, these spaces could be utilised to offer a more diverse, extensive musical and theatrical offering which will appeal to this demographic.
- Regular activities and exhibitions which tap into niche interests will add more diversity to the BCP cultural landscape and provide places for likeminded people to meet.

4. A Whole Place Approach: The Strategic Opportunity for BCP

In December 2019, the urban knowledge exchange platform City Metric⁵ published a somewhat frivolous map of the BCP metro. It represents an ideal-type transport system for a conurbation where the transport system is symptomatic of a lack of 'whole place' strategic thinking and investment.

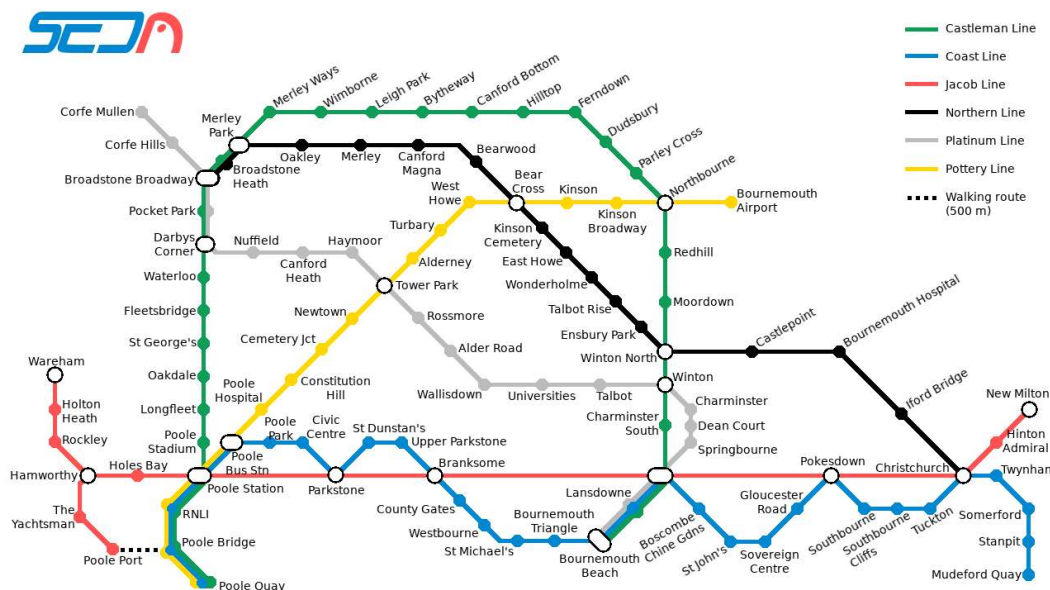
"The South East Dorset (BCP) conurbation, centred on the resort town of Bournemouth and the historic port of Poole, once boasted a tram network. But this was ripped up in the 1930s and today's inhabitants – numbering almost half a million – are forced to rely on cars and buses. The following proposal is quite ridiculous, as the population is too spread out for mass transit of this nature to be viable. But in my fantasy world, here's how the South East Dorset Metro (SEDM) would be rolled out".

Transport is rightly a major priority for the new unitary authority in BCP and by working together at a whole place level, an ambitious proposal to Government will ultimately be submitted, albeit without quite such a fantasy dimension as the SEDM (see diagram).

⁵ <https://www.citymetric.com/transport/here-s-fantasy-metro-network-bournemouth-and-poole-4881>

But the same issues which arise for transport apply to culture in BCP. Its relative fragmentation, lack of connectivity, low levels of audience mobility and the lack of capacity; are all symptomatic of a historic absence of 'whole place planning'. Or in other words, BCP is the size of a city but it is only now that partners are beginning to think like a city and, through their partnerships, also act like one.

This does not require the neglect of the districts and neighbourhoods; rather a more coordinated and ambitious approach which supports each part of a cultural (eco)system.



BCP's new unitary status as the UK's latest city region gives an opportunity to reset how we think about, plan for and invest in culture. It is an opportunity to shape a radical and fresh approach to culture that could play a major role in shaping a more successful, more cohesive, more open and more equal place (or series of connected places) overall.

In terms of tackling the challenges that hold back culture, the Cultural Enquiry has faced a central question which stems from the unique economic, social and geographic past of BCP; and which pivots toward how best it can face the future:

How can we marry a deep sense of localism across the neighbourhoods that make up a conurbation-wide approach with an ambitious proposition of scale and dynamism that can deliver culture-led transformation in the national interest and of international standing?

Two divergent responses to this question are rehearsed below. These are followed by a proposed preferred pathway for culture in BCP: an **ambitious whole-place approach** where the conurbation has the punch of a city with the sensitivity of a series of towns and neighbourhoods.

4.1 If we just concentrate on the neighbourhoods and grassroots

Tackling the barriers and challenges holding back culture in the neighbourhoods and at the 'grassroots' would deliver a range of transformational opportunities. They include:

- More opportunities for career growth and development for artists at all stages via enhanced creative hubs, new programmes of commissions, scaled-up but locally embedded festivals.
- A higher profile for all BCP's distinctive places through coordinated cultural tourism signing and branding activities.
- More opportunities for local artists to work with local cultural organisations and partners in health and wellbeing, increasing their capacity and enabling them to grow sustainable careers.
- Strategic market and audience development which builds active participation through smarter joint working between organisations.
- More networking, profile raising and information sharing leading to a more cohesive and embedded cultural sector
- Existing health and wellbeing strengths scaled up and coordinated across BCP.
- Enhanced town centres with greater connectivity and access to the historic as well as the contemporary.

If we delivered on these opportunities, then potential benefits would include: more artists and creative practitioners establish themselves and are able to develop sustainable socially inclusive and engaged careers; more opportunities for local artists to showcase their work with a much more visible creative presence.

These would also include: stronger intercultural and intergenerational dialogue with health and wellbeing impacts such as lowering levels of isolation; growing local markets and audiences for arts and culture as part of a spirit of 'everyday creativity' which enhances the quality of place; and diversified town and neighbourhood centres invigorated by culture.

4.2 If we just go for scale and culture-led city-making

If we go for more high-profile agenda based on scale, coordination and excellence with national and international impact then a broader set of opportunities emerge. In this scenario we would look to:

- Build capacity and expertise in culture and art development at a strategic unitary authority level
- Focus on major cultural infrastructure projects – such as a revitalised BIC and a new destination venue for visual, digital arts and animation. The most radical and ambitious option for the BIC would be to unlock the site to freshly develop statement cultural infrastructure that can drive growth and innovation for the cultural ecosystem of the conurbation and wider region.

- Build the profile of BCP as a cultural and heritage destination where the area's set of distinctive places is viewed as a primary asset
- Innovate in planning and mobility to connect localities and dramatically enhance the public realm in 'gateway' locations such as the main stations.
- Grow and develop festivals and events as accelerators for international quality cultural production and innovation and as marquee attractions for cultural tourism
- Introduce specialist cultural and creative infrastructure capable of driving growth in cultural production and events – with the likely location for these close to main transport hubs and where there is the potential for critical mass – e.g. central Bournemouth.
- Maximise potential of Higher Education: majoring on talent retention and attraction via targeted hub and cluster interventions in key town centre locations.

If we deliver these types of large-scale anchor and catalyst activities, the benefits for the city region could include: a step change in inward investment in culture; stronger, more inclusive economic growth driven in part by the creative industries, cultural tourism, and knowledge-intensive firms delivering higher productivity and skills attracted by the quality and scale of place.

There could be a transformation in the way BCP is perceived internally and externally based on a new narrative of creativity, innovation and inclusion. A dynamic year-round visitor economy

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based on BCP as a place for experiences, diverse encounters and engaging narratives.

This could lead to cultural organisations which are bigger and better, scaling up and diversifying their offer and generating new 'anchor' infrastructure to drive sector development. There could be an active and high-profile role in the national conversation alongside metropolitan areas and medium sized cities and towns (such as the Core Cities Group, which is putting culture to the heart of cities' approach to trade, investment and 'soft power').

4.3 Bringing the Two Together: A Whole Place Approach to Culture

The Cultural Enquiry has enabled the identification and rehearsal of a 'third way' for BCP. One that marries the importance of micro-scale, locally embedded and community-facing activities; to one which thinks and acts big. The opportunity then for BCP is to converge support for a diverse and productive creative ecology, based on local strengths and delivery across the conurbation with an outward facing programme that supports high quality and excellence, gaining national and international profile. Only by doing the two in a holistic way will we deliver the broad range of outcomes that BCP requires if it is to live up to its cultural potential.

The new **Cultural Compact** will play a leadership role in converging these two approaches and coordinating a whole place approach to culture across BCP. It will bring different sectors, places and strategic agendas together and co-design an ambitious investment programme for culture which both requests investment in culture as a priority sector; and advocates for investment in culture as part of a wider approach to planning, community, health and wellbeing and economic development. This is in tune with the

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Dorset LEP's Local Industrial Strategy, which recognises both the direct and spillover benefits of investing in culture.

The Cultural Enquiry has helped mobilise active participation in the process of shaping a cultural agenda for BCP. It has also helped shape three main themes and some potential priority actions which the Cultural Compact can utilise as a terms of reference when it meets from March 2020 onward.

These themes are: **Talent, Infrastructure and Quality of Place**
These are introduced in brief below.



A. Talent

By talent we mean arts and creative education, support for artists and creative practitioners at all stages of their careers and a step change in cultural provision and 'everyday creativity'. It means supporting everyone to enjoy a creative life. BCP has institutions that are national leaders in delivering creative education and skills; two excellent universities; and a growing cultural production base that can become a major harvesting programme for talent development.

The Cultural Enquiry has asked partners to concentrate on:

Creative practitioners

Creating more and better opportunities to work, collaborate and innovate through the fostering of a local commissioning culture. Ensuring that creative practitioners are better connected to our existing infrastructure and opening up new infrastructure which can support them. This includes building on and complementing the sector support work of the Arts Development Company and enabling larger cultural organisations to develop a creative and cultural workforce development programme. It also means establishing stronger place-based links between the universities and creative practitioners – such as via 'third space' models and platforms for exchange, R&D and professional development (see creative hubs and studios)

Developing festivals

Building on our current festivals to develop greater scale, pushing for higher quality and excellence, greater innovation, more diversity, and improved production capacity. This positions festivals as the breeding ground for talent development and cultural production – offering opportunities for R&D, skills exchange and professional development. Festivals can also more effectively converge key emergent strengths in BCP: outdoor arts and digital technology, with BCP a potential testbed for VR in the public realm and new immersive approaches to culture.

This will ensure that festivals are integrated into a re-booted brand narrative for BCP that delivers a longer tourist season and drives growth and innovation in the creative economy.

Creative hubs and studios

Supporting increased access to spaces for cultural expression and new platforms for production, rehearsal and presentation. This means developing the type of creative spaces that deliver collaboration and innovation, by connecting up business, education, culture and technology. It can also mean developing specialist creative and cultural infrastructure to grow the production base – such as a hub for festival development that converges production, rehearsal and presentation space. Or a specialist animation and special effects studio and R&D platform with a strong arts and cultural core – linking the specialisms of the universities to a wider cultural and creative economy opportunity.

Enriched pathways for young people

The cultural narrative for BCP needs to be more expressive of the perspectives and aspirations of young people. This means supporting schools to be champions in arts and creative learning and co-designing cultural infrastructure and programming with rather than for young people. It also means developing dedicated skills and enterprise programmes which open up the possibility of cultural and creative work. This can build on the work of the creative hub(s) (see above) and existing development agencies including SoundStorm and WAVE. This will connect to the Dorset People and Skills Plan ensuring joined-up approach to providing all our young people with opportunities to into employment, education or training.

Access and Diversity

Ensuring that access for everyone and diversity is a core value and strength within BCP. Helping to tackle inequality and ensuring that all our organisations draw their talent from the widest possible work pool, with paid opportunities for internship. This is to make the 'invisible city' one of the most accessible, open and inclusive in Europe.

B. Infrastructure

Here infrastructure refers to scaled-up, diversified and sustainable cultural organisations, venues and platforms across BCP. It means the alignment of spatial planning, transport and culture. It also means 'softer infrastructure' the tools and processes which can deliver the wider economic and social ambitions of BCP.

Priorities for investment include:

Cultural Planning and Design Strategy

Through the Local Plan and subsequent major planning and development programmes, pitch culture as a key factor from project inception to delivery. This requires culture-proofing major planning applications; the development of neighbourhood-based cultural strategies and plans for developments; and a dedicated approach to co-locating new cultural infrastructure at transport interchanges.

It also requires a strategic review of the role and purpose of town centres across BCP. With the decline of retail, demand for housing-led growth and increased relevance of leisure and culture as indicators of vibrancy, partners in BCP need to be brave and ambitious in re-imagining their town centres. Artists and cultural organisations can play a vital role here – in visioning and engaging. But the arts and culture can also be part of the solution – helping to diversify use and bring life into otherwise obsolescent retail-led models.

Aligning Culture and 'Smart City' models

Cultural organisations and creative businesses can work with technologists and planners to envisage new approaches to mobility, energy consumption, and big data approaches to service provision. They have access to audiences, to ideas and to data. They also

have access to creative thinkers who can connect complex structural systems to social and cultural ones.

Growing and diversifying production and presentation capacity

Building on the approach outlined in Theme A, BCP needs a greater variety and scale of cultural production and presentation capacity. It lacks scale, diversity and specialism (e.g. from wet space to interdisciplinary creative labs). BCP also lacks critical mass – e.g. a cultural district where a range of venues and hubs are co-located. The beginnings of this are apparent in central Bournemouth, but there are currently too many missing pieces or under-leveraged gems. The BIC provides a test-case here, with the potential to become a transformational cross-art-form cultural centre of national significance.

Heritage Innovation

BCP has an enthralling portfolio of heritage assets, but they are under-connected and are not yet playing a dynamic role in the contemporary cultural life of the conurbation. Heritage innovation can involve opening-up heritage to everyone through accessible trails, utilising new and emergent technology and exploring active re-use of heritage assets for contemporary cultural practice. This will build on the work already underway in digitising collections and the National Lottery Heritage Fund project of Poole Museum.

Better connected and networked organisations

Working across BCP in communities, connected nationally and internationally, BCP can become a pioneer for strategic planning and partnership. This can start with knowledge exchange and professional development activities and develop toward shared programming, skills exchanges, coordinated promotion and a collective voice that champions BCP as a critical core to their institutional brands.

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C. Quality of Place

This theme is about how culture and creativity can contribute to the quality of place in BCP – that set of sometimes hard to define things that make places great to live in, work in and visit.

Inward investment.

Quality of place means positioning culture to the heart of the BCP strategic narrative. The whole idea of BCP as a place needs to be articulated through culture. This is what defines and differentiates the conurbation; its heritage and modernity; its changing communities; its natural resources; and its cultural and creative industries. Dorset LEP, through its new Local Industrial Strategy, is putting culture to the heart of its inward investment narrative, recognising that it is the quality of place which gives Dorset a competitive advantage. As a new unitary authority, BCP now has the opportunity to build a unified brand and offer through culture. This, some might say, is the art of place-making.

A beacon for health and wellbeing

With systemic demographic challenges, BCP can either work with a perpetual rear-guard action, struggling to make sense of and respond to the increasingly acute needs of its population. Or BCP can innovate to find new solutions and treat its demographic reality as an opportunity for a set of cultural, social and technological solutions. BCP can become a beacon for the integration of culture into health and care practice linking to the Dorset-wide One Health Accelerator which launched in 2019. This large-scale programme promotes interdisciplinary work across human, animal and environmental health; connecting industry, government and academia.

BCP can also target capacity-building and innovation in its cultural organisation and workforce, piloting social and cultural prescribing, volunteering programmes, arts therapy and other activities focussed on

helping people live longer, healthier and more active lives. This can adapt the approach of Wellbeing Exeter⁶ – a prototype for social and cultural prescribing.

Planning and development

This is to ensure planning for future development is ‘culture proofed’, building in space for culture in new developments and the future of high street as multi-purpose destinations where people visit for multiple reasons beyond shopping. It can involve championing the region’s strengths in design and helping create more human-friendly environments.

Responding to Climate Emergency

In July 2016, BCP Council pledged to make BCP Council and its operations carbon neutral by 2030, and to work with the wider community to look at how the conurbation can be made carbon neutral, ahead of the UK target of 2050. Members also called on Westminster to provide the powers and resources to help make the 2030 target possible. As a low density, largely suburban, car-dependent system, is not yet a model for smart and environmentally progressive city-making. But it needs to be. And fast. One approach is to position the cultural sector as environmental pioneers – equipping them with the resources to affect behavioural change across the conurbation. This is a priority area for Arts Council England in its new 10-year plan.

Another approach is to concentrate cultural infrastructure at neighbourhood level, at transport hubs and as nodes in cycle networks. This can involve utilising new spaces, making more of existing spaces (including libraries) and a ‘re-imagining the town centre’ strategic narrative which connects with the technology-driven the Dorset Smart Place initiative which will see £1 billion invested across the county, ensuring that everyone can benefit and access transformative technology.

⁶ <https://www.wellbeingexeter.co.uk/social-prescribing/>

4. Pilot Interventions

The Cultural Enquiry was not set up to source a range of projects. If so, it would have been inundated with pet projects and become more of a wish list than agenda for change. The new Cultural Compact will need to work with the findings of the Cultural Enquiry and seek investment to test and pilot activities capable of driving step-change in the role and value proposition of culture in this new city or conurbation.

However, somewhat irresistibly, some projects have trended sufficiently often to be noted here. They are not as instructions to the Cultural Compact but as insinuations of what partners might explore. For example:

Talent

A BCP Festival development programme.

- A three-year intervention to build a conurbation-wide festival offer, programme and production team – including a growth plan for Arts by the Sea and Light Up Poole and a converged offer with BXF
- Establishment of BEAF as a key independent / fringe festival for contemporary art and culture in southern England.
- Feasibility work for a new festival centre – for production, development and presentation

A cultural excellence platform for BCP

- Professional development, business mentoring, and a co-investment fund for culture working in partnership with the LEP. This is to grow the scale, quality and profile of culture across BCP as an important attractor of talent and investment that directly contributes to the LEP Investment Plan.

Infrastructure

Position culture as a key theme across the Local Development Plan

- e.g. across town centre redevelopments; imaginative use of design to enhance the public realm; commission across boundaries – toward culture, health and wellbeing infrastructure.

An anchor and catalyst

- Undertake feasibility on establishing a major cross-art-form venue / cluster in central Bournemouth on the BIC site - to generate step-change in the quality and attraction power of culture – e.g. a combined gallery, event and performance space which links to and uplifts existing infrastructure.

Creative and cultural hubs

- A BCP-wide town centre creative hub network – with a progression model from meanwhile use to long-term freehold cultural infrastructure - to spearhead a cultural renewal process where retail has withdrawn.

Quality of Place

Health and wellbeing

- BCP and Dorset as a beacon for integrating culture into health and care

City Region

- Considering a bid as a future City of Culture and / or UNESCO City of Media Arts. Connect with the rural assets - World Heritage status, natural and coastal environment.
- Re-boot the brand narrative via active programming and partnership with core cities and internationally: Acting like a city of culture – irrespective of a bid.

Environment

- Launch a programme of environmental pathfinders which cultural organisations and artists driving behavioural and system change.

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5. Onwards and Upwards. What Happens Next?

In April 2019 BCP Council was created, linking the towns of Bournemouth, Christchurch and Poole and providing an opportunity to create a vision for culture across the whole region - a vision for a cohesive and inclusive city region driven by diverse, high quality cultural infrastructure and programming, working with a wide range of stakeholders and drawn together and overseen by an inclusive Culture Board and stakeholder group.

With Arts Council England support, this Cultural Enquiry was launched in February 2019 to enable development of this vision and articulation of the new city region's aspirations, setting a clear and ambitious direction of travel.

The Cultural Enquiry has helped reflect on and describe the key qualities and challenges of the BCP conurbation. It has set out a values-based approach to culture, incorporating wellbeing, inclusive growth, environmental sustainability, and supporting an ambitious talent-led ecosystem that champions local production and is scalable towards grander transformational interventions.

The Cultural Enquiry has also set out firm strategic links to BCP Council's economic and social priorities around culture: a talent pipeline supporting cultural education, emerging artists and innovative work, which feeds directly into the wealth of creative industries based in the region and adds to a diverse and growing economy.

The Cultural Enquiry has described opportunities for culture to be embedded in placemaking projects, expressing the personality of the conurbation and its town centres and neighbourhoods through cultural activity within new developments and through heritage innovation. It has called for culture to be front and centre of approaches to tackle climate emergency.

The Cultural Enquiry has also set out a plea for inclusion, diversity and access. The cultural life of BCP needs to open to all, with opportunities for people from all backgrounds to experience culture, leading to a deeper sense of community cohesion and wellbeing for all those who live, work and visit the conurbation.

The task now is to act on the advice of the Cultural Enquiry and to utilise its three themes – talent, infrastructure and quality of place – to mobilise a new era of partnership and co-investment. This is where the Cultural Compact **Steps in**.

Arts Council England has confirmed its investment in a Cultural Compact for BCP. As one of the first in England, this demonstrates a commitment to BCP as a place of culture and as a potential exemplar for ambitious cultural leadership and partnership.

The Compact, which will launch in March 2020, will involve a new level of strategic partnership which champions culture through a 'whole place' approach. The current Cultural Enquiry Board will expand to include representatives from the business sector (Town Centre and Coastal BIDS), education sector (Bournemouth & Poole College, Wave & SoundStorm), NPOs (Pavilion Dance South West, Arts by the Sea, Poole Museum, Activate), community and diversity-led organisations (Diverse City, Neighbourhood Forums) and healthcare agencies.

BCP Cultural Enquiry

Played right, the Cultural Compact will play a transformative role for the conurbation and wider region – working to support a joined-up ecosystem that connects culture, education, healthcare, business, transport, planning, the environment and tourism.

The Cultural Compact will change how cultural activity is delivered across the conurbation and wider city region and Dorset LEP area. It will support regional and national relationships and activate international ones post-Brexit.

It will also be a catalyst for investment, creating a cohesive vision and delivery plan for culture that will result in much greater impact across the region. To achieve this will require close alignment with the Dorset LEP Local Industrial Strategy, with culture the heart of a wider 'collaborative cluster'.

It will also require a strategic push for central Government investment and investment from lottery distributors and the private sector: to build cultural infrastructure befitting a place of this size and to volunteer as a pilot authority for initiatives in environmental sustainability and smart cities; in cultural tourism and place-making; and in health and well-being.

But the Culture Compact is just part of the story. The wider story involves over 400,000 people who want to improve the place they live in, to have a better quality of life and rosier future. It is a story of hope, of change and of identity. It is a story of Bournemouth, Christchurch and Poole. It is a story of culture.



The Boscombe Dachshund – BEAF 2019.

**Thank you to all who contributed to the BCP
Cultural Enquiry**

Continue the conversation:

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Appendix 1. Benchmark Examples given during the Cultural Enquiry

Talent Inspirations

Blackburn Festival of Making

Part of the Festival of Making, Art in manufacturing Art in Manufacturing pairs artists and makers with manufacturers and domestic artisans; giving artists access to specialist machinery and heritage craft techniques to create work together that now appears across Blackburn.

The work and companies involved are hugely diverse and ranged this year from repurposing a wallpaper machine into a sculpture to recreating a 1980s living room as a celebration of British Asian Culture.

Lesson for BCP: The success of the project leaves a legacy of artworks across the town as well as raising awareness of local businesses and building innovative new partnerships

MIL Lisbon

An annual event which combines live performance by new artists, with talks and events on the creative economy with a particular focus on new international markets.

Run by a committed young team the event is partnered with five other music conventions to launch JUMP, the European Music Market Accelerator. Co-funded by the European Commission, this provides a framework for music professionals to develop innovative business models. It aims to help the music sector adapt to recent transformations of the market while encouraging it to work on a transnational level. For nine months, 10 to 20 participants from all over Europe will have the opportunity to develop their ideas and to benefit in parallel from extensive training and tutorship.

Lesson for BCP: What makes MIL so successful is that it connects internationally while also supporting local people to develop their careers.

Tesbeds, Luton

Testbeds, funded by Arts Council England, run by University of Bedfordshire and partners is an innovative scheme which offers incubation to starting artists, a 12 month collaborative research laboratory for mid-career artists, an elevator programme to help take organisations to a new level of impact and a flexible programme of events to develop enterprise skills.

In 12 months it has boosted successful arts council applications, increased participation in events and greatly improved perceptions among artists of Luton as a place to be based.

Lesson for BCP: A sustainable university-led scheme that is actively helping to create a welcoming and nurturing environment for creative practitioners.

Metal, Southend

Metal, a cultural development company with a base in Southend, shared with us how it has developed the Alt Art School. This gives local young people a practical guide to careers in the creative

industries, talking them through the opportunities that exist in local businesses and organisations. From opportunities to learn from local crafts people through to apprenticeships at established cultural organisations the guide demystifies the sector and is aimed as much at parents and schools as young people. Metal also run Alt Art School Events and training sessions.

What makes Alt Art School successful is that it pulls together a wide range of local voices and opportunities into one place in a sector that can feel very fragmented and hard to understand.

Lesson for BCP: Working with the grass roots and communities as full partners, can bring about greater ownership and engagement.

Infrastructure Inspirations

Second floor Studios Southeast England

This community Interest company develops studios in locations above shops and other unusual locations. In Sevenoaks (shown here) council invited it to open in a council owned building. It now has 18 artists studios and hosts many events open to the public such as an art market in November.

The success of the model (and there are many similar across UK) is that it utilises space which would otherwise become residential while bringing life and diversity to the high street while providing much needed affordable space for artists

Lesson for BCP: Models like this are vital in BC which lacks traditional post-industrial spaces and could play a part in the reimagining of the high street.

The Powerhouse (Poole)

A community-led groups seeking to develop a new hub on derelict land. The plans are still in development but it would provide a facility for Hamworthy (and Poole) including potentially a gallery, café, music and rehearsal spaces. Their recent survey of 97 local artists and creative professional showed support for a regionally significant gallery, workshop and studio space. The group are in discussion with property developers and housing associations. While they try and secure the land they will develop a programme of community focussed activity.

Lesson for BCP: Working with community groups to deliver in areas currently lacking cultural infrastructure will be vital.

St Helen's Libraries (St Helens)

The UK's most significant 'arts in libraries' project, now an Arts Council England NPO which enlivens St. Helens' network of 13 Libraries with performances, plays, gigs, workshops, courses, exhibitions and great art events funded by the National Lottery and distributed through Arts Council England. Recently crowned best arts project at The National Lottery Awards2016.

Activities range from a music tech hub every week for young people wanting to learn about digital music, through to *Northern Powerhouse: Last Towns Standing* a new online text adventure game created by Re-Dock, with young people from across the North. The Northern Powerhouse touring exhibition explores the future by showcasing imaginative and innovative objects - artefacts - featured in the game bringing the online world of 2065 into the physical.

Lesson for BCP: Opportunity to build on the excellent work already underway across BCP's libraries into a larger programme that gains national significance.

BOM Birmingham

BOM is a centre for art, technology and science dedicated to creative innovation with purpose.

Located in central Birmingham, the gallery is free to enter and presents cutting edge digital artworks and exhibitions that spark debate about technology and scientific progress while the café provides revenue and meeting space. BOM is dedicated to positive social impact. Its exhibitions and events explore topical issues in digital culture and science which impact on human lives. BOM also offers fellowships and a residency programme.

BOM Success is to build on Hacker culture and draw connections across sectors and between formal and informal learning

Lesson for BCP: The kind of third space that BOM offers provides active encouragement and support for collaboration and wider engagement.

Fusebox (Brighton)

The FuseBox is a hub in Brighton for digital innovators, tech visionaries and creative technologists. It is run by and is home to independent membership organisation Wired Sussex

It provides innovators with access to spaces, facilities, opportunities and expertise. It currently house the Brighton Immersive Lab and a 5G testbed.

Wired Sussex helped power Brighton's success as a creative-tech cluster through its job boards. The Fusebox brings together

research, start-ups, investors and innovators in a way that touches the whole creative economy

Lesson for BCP: The Fusebox helped put Brighton the map as a centre for innovation, encouraging firms to relocate and invest.

The Folkestone Triennial

The Folkestone triennial sees new artworks commissioned every three years, many of which remain around the town building an outdoor gallery of leading contemporary artwork. It is a key part of the physical renewal of the seaside town, that has also focussed on independent stores, food and drink.

The project is funded largely by Creative Folkestone which is also behind the Quarterhouse and Creative Quarter

The success of the Triennial is that its opens and accessible nature, it not only puts the town on the cultural map every three years, but ensures people come every year. Residents also benefit hugely from the socially engaged work.

Lesson for BCP: the triennial is a great example of how focussing on quality and legacy alongside an exciting festival programme can deliver long-term benefits.

Quality of Place Inspiration

Cultural planning and Hull 2017

Franco Bianchini, from the University of Hull, talked about the importance of a cultural planning process which engages the community, is critical, questioning and not afraid of being controversial. He emphasised that the success of Hull 2017 lies in the twin outputs of sustaining cultural participation and strengthening the appeal of the city as an international cultural tourism destination

Cultural planning is vital in shaping successful creative places – it relies on local knowledge, working across sectors, defining and mapping local cultural assets, as well as understanding the local ‘image bank’ (which ranges from media coverage through to local stereotypes and ‘conventional wisdom.

Lesson for BCP: Changing perception is not easy and requires risk taking, but must build up from the grassroots

Place Attractiveness Oulu, Finland

Olli Rantala, from the city of Oulu Government, shared the visionary approach of Oulu, a medium sized city in Finland, that has adopted an holistic approach to place attractiveness which is successfully attracting young people to stay, shaping a more liveable and dynamic city that celebrates its quirks (‘the world air guitar championships’) and places high value on design of even the most humble street furniture.

Oulu’s approach is fascinating because it could be any non major city in Europe facing the challenges that lack of scale and prominence bring. It’s approach is refreshing because it takes

things we often ignore – like fun and attractiveness – and places them in the centre of its strategy.

Lesson for BCP: The ‘small’ stuff matters along with the large projects when it comes to making

Plymouth Culture

Dom Jinks shared with the enquiry the inspiring story of Plymouth Culture. Through focussing on four linked themes – Nurturing talent, Community engagement, major projects and international projects – Plymouth has been on a journey which is starting to change the way it is seen internally and externally. The erection of Messenger – the UK’s largest statue of a woman – in 2019 received huge publicity and showed a town with a new sense of confidence. The success of Plymouth has been in bringing together often divergent voices to create a unified approach behind a strategic approach to cultural development that connects community engagement with international profile raising.

Lesson for BCP: Focussing on both local activity and headline grabbing initiatives can deliver real change.

Building Connectivity (Aveiro/Guimaraes)

Carlos Martins shared how the innovative approach adopted in Northern Portugal has seen a once declining former industrial area reposition itself through culture and creativity as a growing economy. The approach focussed on Hardware (Business incubation, art creation spaces) and Software (Showcasing, international events, cultural tourism). In Guimaraes The City of Culture bid which came at a time of recession, was transformative and embraced to the extent that the town changed its logo to the symbol of the year.

The success of Northern Portugal shows how closely linking culture with economic and social renewal through a large scale and long-term programme can deliver lasting change.

Lesson for BCP: Integrating culture into wider regeneration and economic planning is key to transformation.

BCP Future Parks Accelerator

Funded by the National Lottery Heritage Fund & National Trust, the Future Parks Accelerator (FPA) will see parks becoming “the backdrop for stimulating sustainable growth, improving health and wellbeing, biodiversity, reconnecting people with nature and are a driving force in bringing diverse communities together in positive activity.” The FPA will result in a green infrastructure strategy and business plan to create a sustainable model for 21st century parks. This will create a model for the UK’s parks services that can be replicated across other local authorities, especially merging authorities.

Lesson for BCP: the opportunity to ensure that culture is a key part of the sustainable future for our open spaces.

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CABINET



Report subject	Capital Investment Strategy (Non-Treasury) 2020-2025
Meeting date	18 March 2020
Status	Public Report
Executive summary	<p>The Bournemouth, Christchurch & Poole Capital Investment Strategy (Non -Treasury) 2019-2022 (CIS) was approved by the Shadow Authority Executive Committee on 12 February 2019 prior to the creation of BCP Council on 1 April 2019.</p> <p>The revised strategy has been updated to reflect the new Corporate Strategy and investment ambition of Bournemouth Christchurch and Poole (BCP) Council.</p> <p>The strategy sets out the basis by which the Council wishes to assemble and hold a portfolio of investments assets that reflect its values and priorities in order to;</p> <ul style="list-style-type: none"> • promote the financial health of the organisation by generating a target return across the portfolio; • make a positive contribution to the current or future delivery of services, in terms of scope, quality or cost; • contribute towards a Sustainable Environment; • deliver socio-economic benefits to the town; and/or • create Dynamic Places through strategic regeneration or redevelopment opportunities. <p>It provides a means of developing alternative sources of income to offset cuts to Council spending arising as a consequence of the Government's austerity programme and to provide a degree of protection to frontline services.</p> <p>The CIS approved by the Shadow Authority referenced not only investment assets but other legacy authority assets which generated an income such as finance leases and ground rents, however these will fall within the business as usual estate management remit of the Council and will be managed in accordance with the BCP Council Corporate Asset Management Plan.</p> <p>The investment portfolio has therefore been realigned to consist of only the key assets acquired or held solely for investment purposes</p>

	<p>and includes legacy Bournemouth, Christchurch & Poole assets and it is appropriate to provide an updated financial projection.</p> <p>A financial appraisal attached in Appendix B focuses on the current position in relation to the two largest multi-tenanted investments within the portfolio, Mallard Road Retail Park and Wessex Trade Centre.</p>
Recommendations	<p>That Cabinet:</p> <p>Approves the Capital Investment Strategy (Non-Treasury) 2020-2025 attached to this Report at Appendix A.</p>
Reason for recommendations	<p>The purchase of investment assets assists with the management of sound finances and increases the Council asset base, providing a legacy for future generations.</p> <p>It is appropriate that this Strategy is refreshed to ensure it aligns with the new BCP Council Corporate Strategy and reflects the current investment ambitions of the organisation.</p>
Portfolio Holder(s):	Cllr Mark Howell, Deputy Leader and Portfolio Holder for Regeneration and Culture and Cllr David Brown, Finance
Corporate Director	Bill Cotton, Corporate Director of Regeneration and Economy
Report Authors	Sarah Longthorpe, Strategic Projects and Investment Manager
Wards	Council-wide
Classification	For Decision

Background

1. Bournemouth Borough Council and Borough of Poole Council had separate Investment Strategies as part of their Corporate Asset Management plans. Christchurch Borough Council had neither an Investment Strategy nor Corporate Asset Management Plan.
2. Pending Local Government Reorganisation (LGR) a BCP Capital Investment Strategy 2019-2022 (Non-Treasury) known as the CIS, was drafted to align the legacy authorities investment criteria and ambition. This was approved by the Shadow Executive Committee on 12 February 2019 as part of the approval for the Shadow Authority's MTFP 2019-2021 and Budget 2019/20.

3. This strategy has now been revised to reflect BCP Council's investment ambition and the objectives of the Corporate Strategy and is intended to cover the period from 2020 -2025.
4. A copy of the proposed revised Capital Investment Strategy (Non-Treasury) 2020-2025 is attached at Appendix A.
5. This strategy should be viewed in the context of the Council's Corporate existing fixed asset base, which had a combined value of £794.2 million as at 31 March 2019, this includes legacy Council investment assets. The new BCP Corporate Asset Management Plan will provide the framework for the management of the Corporate Estate with decisions taken in accordance with the Councils financial regulations.
6. The CIS focuses on investment assets only, not the wider Corporate Estate portfolio and builds on the effective asset management arrangements that have been embedded by the legacy Councils through the adoption of the Corporate Property Strategy and Asset Management Plans, and follows the guidance provided by both Chartered Institute of Public Finance and Accountancy (CIPFA) and the Royal Institution of Chartered Surveyors (RICS).
7. The previous CIS approved by the Shadow Authority referenced other legacy authority assets which generated an income such as finance leases and ground rents. Each legacy authority viewed what constituted an investment asset slightly differently and for consistency purposes these will now fall within the business as usual estate management remit of the Council and will be managed in accordance with the BCP Council Corporate Asset Management Plan.
8. As a result the Investment Portfolio has been realigned to consist of only the key assets acquired or held solely for investment purposes and includes legacy Bournemouth, Christchurch & Poole assets. Assets within the portfolio will be reviewed regularly to determine the suitability of their inclusion. The current investment portfolio is detailed by value and sector in Appendix 1 of the CIS.
9. There are two sections to the CIS;
Section 1 – Property Investment (Commercial & Residential)
Section 2 – Property Development
10. Section 1 deals with commercial and residential property investment as an integral part of the Council's asset management function and is aligned with the medium term financial planning of the Council which requires the Council to diversify the revenue base by securing alternative sources of income to better support the budget position. The financial objectives are only part of the rationale for acquiring investment property assets. An acquisition should also support other key corporate plan objectives such as economic development or regeneration.
11. Section 1 also supports the early delivery of the Council's strategic housing ambitions through the acquisition of a portfolio of private rented sector residential properties. The Strategy will only apply to the Council's General Fund, with the Housing Revenue Account (HRA) assets being managed separately.
12. Section 2 covers circumstances where the Council purchases investment development opportunities which give the Council ownership of land or buildings in support of the delivery of the Council's strategic aims and objectives.

13. Both sections of the CIS share a commonality of purpose but the principles and risk profile under which they each operate are different and will be explored separately under each section.
14. An Investment Panel acting in an advisory capacity only will consider investment opportunities in accordance with this strategy. It is proposed the panel consist of the Chief Executive, Section 151 Officer, Monitoring Officer, Corporate Property Officer (currently the Chief Executive), Director for Regeneration and Economy, Director Development and be attended by the Leader of the Council, Deputy Leader of the Council and the Cabinet Members with the responsibility for Corporate Estates and Finance, or their nominated substitutes. Other officers may attend at the invitation of the Chair.
15. The Investment Panel will be chaired by the Chief Executive.
16. When considering investment or disposal opportunities, the Investment Panel will adopt a triple bottom line evaluation approach to consider the economic, social and environmental impacts. These impacts will be considered as part of the overall business case to ensure opportunities contribute towards a sustainable environment and deliver socio-economic benefits to the conurbation. This evaluation method will also assist the Council to identify any human resources, equality, sustainability and public health implications.
17. This evaluation will form part of the overall business case presented for consideration when the necessary approvals are sought.
18. The Investment Panel was consulted on this Strategy at their meeting on 7th February 2020 and approved its content.

Options Appraisal

19. To not approve the Strategy. The Council could continue to rely on the use of the existing strategy approved by the Shadow Authority, however this would not align with the objectives of the new Corporate Strategy and does not match the ambitions and aspirations of the new council.

Summary of financial implications

20. The principle of investment in all types of property assets is to ensure investment is undertaken prudently at all times. Each acquisition including the funding strategy will be considered on a case by case basis and will be subject to separate Corporate Property Offer, Cabinet or Council approvals in accordance with the Financial Regulations.
21. As per item 14, opportunities for acquisition or disposal will be recommended by the Investment Panel based on consideration of the economic impacts such as the projected income costs and resulting contributions to the MTFP, the debt profile and the risk profile as well as the social and environmental impact.
22. All decisions to acquire or dispose of investment assets will be made in accordance with the Financial Regulations of the Council.
23. The existing CIS included appropriate provision for voids and bad debts. The amendments to this strategy leave these arrangements unchanged. The Investment Panel is responsible for making recommendations on the level of this provision.

24. The CIS is consistent with the Council's ambitions. However, it should be acknowledged that innovative and enterprising approaches are not without risk. These risks will need to be fully appraised via the due diligence process outlined in the CIS before any transactions are concluded.
25. The CIS is fully compliant with 2018 Ministry of Housing, Communities and Local Government (MHCLG) Investment guidance, including investment indicators and the CIPFA Prudential Code as outlined in Appendix 5 Financial Overview and Indicators of the CIS.
26. It is recognised that each legacy Council reported on the performance of their individual Investment portfolios, focusing on their individual high value multi-tenanted investments and it is therefore now appropriate to provide an update in relation to the realigned BCP Investment portfolio. The two key multi tenanted investments within the Portfolio are Mallard Road Retail Park and Wessex Trade Centre. A financial appraisal in Appendix B outlines the position as at 31 December 2019 in relation to these assets.

Summary of legal implications

27. Various statutory powers exist which enable a local authority to acquire property, or interests in property, including for the purposes of investment. These powers include specific treasury management powers relating to investment, for which specific Guidance exists, and wider powers to invest for the purposes of regeneration and creation of economic growth for example. In addition, the Localism Act 2011 provides a general power of competence enabling local authorities to undertake activities for which a specific power may not have previously existed.
28. Specific legal advice will be considered in respect of each proposed investment as the legal implications of each proposal will be different. The proposed governance structure ensures that legal officers will be engaged in the process and that decision making will be in accordance with the legal and constitutional requirements.

Summary of human resources implications

29. There are no human resource implications associated with the approval of this strategy.
30. The Investment Panel governance structure outlined in section 4 of the CIS remains unchanged.

Summary of sustainability impact

31. The Council has signed up to the climate change emergency and as such it is critical that decision makers consider the sustainability and environmental impact of their decision. An Environmental Impact Assessment will be completed for each investment proposal and reported on a case by case basis.

Summary of public health implications

32. The public health implications of each investment proposal will be considered and reported on a case by case basis.

Summary of equality implications

33. An Equality Impact Needs Screening Tool has been completed and this shows that there is no direct impact in terms of equalities in updating the CIS. Indirectly,

however, it is likely to have a positive effect as income from investment assets will be used to underpin essential services, often provided to the most vulnerable in the BCP area. There may also be a positive impact if future investments deliver non-financial, socio economic benefits. An equality assessment will be undertaken for each investment opportunity and any such benefits will be detailed in future Cabinet reports considering such investment proposals.

Summary of risk assessment

34. An initial risk assessment has been completed and shows the principles set out in the CIS to be high risk. This is principally due to the large sums of money involved with implementing the strategy and the risk of adverse media coverage. The specific risks associated with investing in property are documented within Appendix 4 of the CIS, along with the arrangements to monitor and manage that risk.
35. The strategy envisages a degree of flexibility in the Council's appetite for risk to enable the Investment Panel to consider assets with a higher risk/reward profile where these are balanced by secure income flows elsewhere in the portfolio. At all times the Panel will need to ensure that the blended risk profile over the portfolio falls within prudent limits.
36. It should be noted that there is the potential for considerable reputational risk if investments under-perform. In an extreme case, an individual asset could produce a shortfall of income compared to the Council's borrowing costs and be a financial drain on the council's revenue budgets. There is also a financial risk since this could impact on the Council's credit rating, meaning that future borrowing becomes more expensive. Whilst the Investment Panel will need to ensure full financial due diligence is completed on individual investment proposals and be as certain as it can be about the merits of its recommendations, it is not possible to eliminate these risks entirely. However, the risk is mitigated through a larger portfolio, where any under-performing assets will generally be balanced against those performing well, so that the overall returns from the portfolio make a positive contribution to the council's Medium Term Financial Plan (MTFP).
37. There is a risk of adverse media coverage since there may be a perception that the Council is diverting financial resources away from direct service provision. However, using prudential borrowing to support asset investments does not affect the Council's ability to progress other projects so long as these asset investments are, overall, entirely self-financing. It will also have a positive impact on the MTFP. This risk will be mitigated by press releases explaining the strategy of the Council and the resulting benefits of the investment.
38. The investment portfolio will need to be managed effectively in a commercial environment by reacting quickly to secure opportunities and deliver services that meet the expectations of tenants. Dedicated staff with commercial experience are critical to mitigating this risk.

Background papers

MTFP 2019-2021 and Budget 2019/20 which includes the Capital Investment Strategy 2019-2022 approved by the Shadow Executive Committee.

<https://democracy.bcpccouncil.gov.uk/mgAi.aspx?ID=478#mgDocuments>

Appendices

Appendix A - Capital Investment Strategy (Non-Treasury) 2020-2025

Appendix B - Investment Portfolio Summary Financial Appraisal

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Capital Investment Strategy (Non -Treasury) 2020-2025

Author: Sarah Longthorpe
Version: V0.5
Date: 04/03/20

1. Introduction

- 1.1 In April 2019 Bournemouth Christchurch and Poole Council (BCP Council) was created, becoming the 12th largest unitary Local Authority in England with an urban population of nearly 400,000 residents and a strong commercial and tourist economy.
- 1.2 The Council wishes to hold a portfolio of investment assets that reflect the Values and Priorities of the Councils Corporate Strategy including the following:
- promote the financial health of the organisation by generating a target return across the portfolio;
 - make a positive contribution to the current or future delivery of services, in terms of scope, quality or cost;
 - contribute towards a Sustainable Environment;
 - deliver socio-economic benefits to the town; and/or
 - create Dynamic Places through strategic regeneration or redevelopment opportunities.
- 1.3 This strategy should be viewed in the context of the Council's Corporate existing fixed asset base, which had a combined value of £794.2 million as at 31 March 2019. The new BCP Council Corporate Asset Management Plan will provide the framework for the management of the Corporate Estate with decisions taken in accordance with the Councils financial regulations.
- 1.4 The investment portfolio is included within this figure, with property investment assets valued at £121.9 million. This strategy focuses on investment assets only, not the wider Corporate Estate and builds on the effective asset management arrangements that have been embedded by the Council through the adoption of the Corporate Asset Management Plan, and follows the guidance provided by both Chartered Institute of Public Finance and Accountancy (CIPFA) and the Royal Institution of Chartered Surveyors (RICS).
- 1.5 This strategy will be implemented predominately through an Investment panel, acting in an advisory capacity with all decisions taken in accordance with the Councils financial regulations.
- 1.6 There are two sections to the Council's Capital Investment Strategy (Non – Treasury) known as the CIS.

Section 1 – Property Investment

- Commercial property, investment acquisition and disposal
- Acquisition of a portfolio of private rented sector residential properties

Section 2 –Property Development

- Commercial development opportunities

- 1.7 Section 1 deals with commercial and residential property investment as an integral part of the Council's asset management function and is aligned with the medium term financial planning of the Council which requires the Council to diversify the revenue base by securing alternative sources of income to better support the budget position. The financial objectives are only part of the rationale for acquiring commercial property assets as an acquisition should also support other key corporate plan objectives such as economic development or regeneration.
- 1.8 Section 1 also supports the early delivery of the Council's strategic housing ambitions through the acquisition of a portfolio of private rented sector residential properties. The Strategy will only apply to the Council's General Fund.
- 1.9 Section 2 considers the scenario where the Council purchases commercial development opportunities which give the Council ownership of land or buildings in support of the delivery of the Council's strategic aims and objectives.
- 1.10 Both sections of the CIS share a commonality of purpose but the principles and risk profile under which they each operate are different and will be explored separately under each section.

2. SECTION 1 – PROPERTY INVESTMENT

2.1 Principles and approach - Commercial Investments

The Council will take the following approach to acquisition, holding and disposing of commercial investment assets by adopting the following principles:

- 2.1.1 Investment will be in assets with a net revenue stream from tenants of good covenant strength (Multi – let investments may have an overall good covenant profile but individual tenants may fall below this standard), capable of contributing a positive sum to the MTFP for a sustained period, but for a minimum of 5 years. Investments will show good prospects for capital growth over an initial ten-year period.
- 2.1.2 The Council will aim to invest in a diverse portfolio across the traditional commercial sectors of offices, industrial, retail and leisure. The opportunity to diversify into hotels and hospitality, medical facilities, care homes, and car parks will not be ruled out. It is the aim of the Council to limit the investment in any particular sector to no more than 25% by value. This may not be possible to achieve until such time that the Council has acquired a larger portfolio of properties. The current spread by sector of the investments held by the Council is shown at Appendix 1.
- 2.1.3 The Council will be advised in the acquisition, disposal and performance management of investment assets, not only from its own in - house team of property professionals but from the external advice that it deploys. External advisors will be skilled in commercial investment property acquisition and will provide assurance to the Council that they are acting in accordance with the governance and code of conduct of their respective professional bodies.
- 2.1.4 Investments will be located in the Bournemouth, Christchurch and Poole conurbation. Investments outside of this geographic area will be considered in exceptional circumstances, particularly in relation to investing in sustainable and carbon offsetting initiatives.
- 2.1.5 Where appropriate the Council will move to a common procurement of its commercial managing agency services in order that it might take advantage of economies of scale.
- 2.1.6 The principle of investment in all types of property assets is to ensure it is done prudently at all times. The funding strategy for an acquisition will be considered on a case by case basis.
- 2.1.7 The Investment Panel will recommend an acquisition or disposal based on a triple bottom line evaluation approach considering the following impacts): -

- Economic
- Social
- Environmental

2.1.8 All decisions to acquire or dispose of investments will be made in accordance with the Financial Regulations of the Council and the financial thresholds it contains in determining the approval process required.

2.2 Principles and approach - Residential Investments

The Council will take the following approach to acquisition, holding and disposing of residential investment assets by adopting the following principles:

- 2.2.1 The Council will consider strategic acquisitions where the reason for purchase is to contribute to Council objectives through the acquisition of a portfolio of private rented sector residential properties with the aim of supporting the Council's statutory housing functions and improving choice in the housing market.
- 2.2.2 As with commercial property investment, the principle of investment in residential assets is to ensure that it is undertaken prudently at all times.
- 2.2.3 The Council will aim to utilise its wholly owned trading subsidiary Seascope Homes and Property Limited for the letting and management of the residential investments that it holds.
- 2.2.4 Residential development and refurbishment works may be undertaken when works will result in enhanced incomes, more energy efficient/sustainable homes or market homes for sale.

2.3 Acquisition – Commercial Investment

- 2.3.1 For commercial acquisitions, detailed investment criteria are attached at Appendix 2. There are some circumstances when all the criteria will not be met but the acquisition should still be progressed. The rationale for departing from the adopted criteria will be captured in the business case for acquisition.
- 2.3.2 Each investment acquisition will be assessed on its own merits and in the context of its contribution towards a sustainable environment and the delivery of socio-economic benefits as well as the wider portfolio's financial position.

Assessed on a case by case basis; it will be subject to a rigorous financial appraisal which will identify: -

- Income from the investment

- Costs of purchase
- Costs of servicing the debt and managing the investment
- Cost of improving the efficiency of investment
- Resultant contribution to the MTFP

- 2.3.3 In making an investment decision, the Council will take a balanced portfolio approach. This means that it may acquire or develop assets that deliver lower financial returns, or even make a loss, if the overall benefits of individual investments, including the socio-economic factors, justify this approach. Such acquisitions will be subject to sufficient uncommitted financial cover being available within the portfolio. Alternatively, the Council may acquire high-risk, high-reward investments provided that the blended risk across the whole portfolio is considered prudent.
- 2.3.4 Some assets, such as care homes, are traded by selling the shares or in the use of Special Purchase Vehicles (SPV). They are typically sold as a “going concern” and will transfer the goodwill of the business, staff and other assets. However, they also transfer with the debts and liabilities of the company and therefore require additional due diligence.
- 2.3.5 The business case for the purchase of existing SPVs or “going concerns” will need to consider whether the purchase is made by the Council in its name, or whether there is a more advantageous ownership structure for which specialist advice will be sought.

2.4 Acquisition – Residential Investment

- 2.4.1 The same assessment principles of acquiring commercial investment properties outlined in 2.3 apply to the acquisition of residential property acquisition for investment purposes. The detailed guidelines and criteria are attached at Appendix 3.
- 2.4.2 The Council has established Seascope Homes and Property Limited (SHP) as a wholly-owned subsidiary of Seascope Group Limited (SGL). Unlike the Council, SHP can grant Assured Shorthold Tenancies which is the most appropriate form of tenure for the private rented sector market.
- 2.4.3 The establishment of SHP has the added benefit of improving the quality of the offer in the private rented sector and improving the range of housing choices of people who would not qualify for traditional Council housing.

2.5 Disposal of BOTH Commercial and Residential Investment Assets

- 2.5.1 Although the Council aspires to take a long-term view to its investment and development assets, it will consider the disposal of assets:

- to achieve a balanced portfolio
- to proactively manage risk
- to refocus investment activity on different market sectors and where they are under-performing against the criteria identified in Appendix 2 or for residential property Appendix 3
- to generate capital receipts to reduce debt exposure (gearing) or for reinvestment in Council priorities
- to contribute towards a sustainable environment
- deliver socio-economic benefits to the conurbation

2.5.2 Any disposals will be undertaken in accordance with the Council's Financial Regulations.

2.6 Financing and Funding of BOTH Commercial and Residential Property Investment Assets

- 2.6.1 It is intended that a new investment will be funded primarily through prudential borrowing.
- 2.6.2 Wherever possible (and prudent to do so) the Council will undertake to make an early repayment of the principal sum which will assist in reducing the debt to value ratio. In any event, loans from the Public Works Loan Board are conditional on a payback policy being implemented which is known as the Minimum Repayment Policy or MRP.
- 2.6.3 The Council may be in a position to make acquisitions without the need for borrowing. The opportunity cost of such purchasing and funding decisions needs to be fully understood in advance of a purchase.
- 2.6.4 In all purchases, the "exit strategy" should be considered as part of the business case for the acquisition. Whether this is higher alternative use, owner occupation or sale.
- 2.6.5 The Council will act prudently, and its investment activity will be affordable for future administrations. This means that the Council will be taking a progressive approach to investment and new borrowing will only be undertaken if the resultant investment portfolio is forecast to generate positive financial returns. The Financial Overview and Indicators in Appendix 5 expand on these principles.

2.7 Holding BOTH Commercial and Residential Investment Assets

- 2.7.1 Investment assets will be held if: -
- they continue to meet the Investment Criteria attached at Appendix 2 or Appendix 3 for residential investments.

- they continue to enhance the performance of the strategic aims and objectives of the Council.

2.7.2 Actions to be taken in support of the management of the existing portfolio will include: -

- undertaking an annual valuation (RICS Valuation and Professional Standards or “Red Book”)
- the assessment of performance of the investment portfolio will be undertaken at least on an annual basis.
- reporting annually to the democratic entity with responsibility for oversight (e.g. an overview and scrutiny committee) with advice from internal or external investment advisors on:
 - the mix of assets within the portfolio
 - the rate of return on individual properties and across the whole portfolio
 - the risk profile and whether there is a heavy reliance on income that is derived from a single tenant or market sector
 - proposed acquisition and disposal plan to achieve a balanced portfolio
 - the adequacy of the provision for voids and bad debts, held as a reserve against future liabilities

3. SECTION 2 –PROPERTY DEVELOPMENT

3.1 The Development Property Strategy identifies opportunities for the Council to assemble a portfolio of developable assets which meet the fundamental criteria of:

- delivering socio-economic benefits to the conurbation.
- enhancing future strategic regeneration or redevelopment opportunities in pursuit of the council's corporate strategic objectives.
- and/or contributing to cost avoidance in relation to the provision of services.

3.2 Development Property: Principles and Approach

3.2.1 All decisions to acquire or dispose of development opportunities will be undertaken in accordance with the Financial Regulations of the Council and the financial thresholds it contains in determining whether delegated or Member Decisions are required.

3.2.2 The Council will engage in construction activity on existing or newly acquired development assets only when fully supported by a viable business case.

3.3 Acquisition and Disposal of Development Property

3.3.1 Strategic developable properties lend themselves to a detailed, “one – off” business case analysis and set criteria cannot be identified for both the acquisition and future disposal or strategic hold.

3.4 Financing and Funding of Development Property Assets

3.4.1 As a rule, assets purchased for development do not produce an income with which to service debt therefore it is more usual for the Council to find alternative means of funding in lieu of debt financing from the Public Works Loan Board.

4. SECTION 3 - LINKS TO OTHER EXISTING STRATEGIES

4.1. There are other Strategies and Plans with which this Capital Investment Strategy are aligned. These are: -

4.1.1 The Corporate Property Strategy and Plan – this is the overarching Strategy for all corporate property and asset management decisions and monitoring of which this Strategy forms part.

4.1.2 Medium Term Financial Plan - the Council is responding to the reduction in central government funding for local authorities by strengthening its funding base. The acquisition and management of investment portfolios to provide a commercial return will give the Council greater flexibility in its medium-term financial planning. This portfolio will provide additional revenue and capital income to underpin service provision, so long as the returns continue to exceed the cost of borrowing.

4.2. In addition, the CIS is linked to the new Council's emerging:

- Corporate Plan
- Corporate Asset Management Strategy
- Treasury Management Strategy
- Economic Development Strategy
- Housing Strategy
- Climate Emergency Agenda

5. SECTION 4 - GOVERNANCE

5.1. The Investment Panel will act in an advisory capacity only, any decisions in relation to investment assets will be made in accordance with the Councils Financial Regulations and approval sought accordingly.

5.2 The Investment Panel will be chaired the Chief Executive/Corporate Property Officer a statutory post in accordance with the scheme of delegation. Other attendees will include the Section 151 Officer, Monitoring Officer, Corporate Property Officer, Director for Regeneration and Economy, Director Development and will be attended by the Leader of the Council, Deputy Leader of the Council and the Cabinet Members with responsibility for Corporate Estates and Finance, or their nominated substitutes. The panel will oversee the implementation of this Strategy. Other officers may attend at the invitation of the Chair.

5.2 The Investment Panel will;

- be guided by the terms of this Strategy and any changes will need to be approved by Cabinet.

- meet at not less than quarterly intervals to consider new opportunities, monitor progress on the delivery of approved projects/investments, and review performance of the whole portfolio in accordance with this Strategy.
 - consider recommendations for disposal of existing assets and consider the effectiveness of its property management arrangements. Appendices 2 and 3 of this Strategy contain detailed investment criteria to guide the Investment Panel in assembling and managing an investment property portfolio.
 - review acquisitions purchased for development, as they arise, on a case by case basis.
- 5.3 Appendix 4 of this Strategy sets out the risks that the Panel should consider when recommending decisions to acquire, hold or dispose of non - treasury investments or development assets.
- 5.4 Any properties considered suitable for purchase by the Council will be considered first by the Investment Panel. The Investment Panel will determine whether an offer should be submitted. Any offers will be submitted by the Corporate Property Officer on a conditional basis.

Offers will be subject to contract and: -

- all necessary surveys
 - an assessment of necessary capital works
 - a formal “Red Book” valuation
 - benchmarking with comparable transactions
 - an agreed “exit strategy”
 - legal due diligence
 - financial due diligence including credit information for all tenants
 - the requisite Council approvals
- 5.5 This means that the Council will not be legally committed to proceeding with the transaction by submitting an offer however, to be at pace with the market, the Council should use its best endeavours to complete necessary due diligence following acceptance of an offer and before proceeding to completion of a contract.
- 5.6. The Investment Panel will make recommendations on any amounts to be set aside as a provision for voids and bad debts, which will be a first call on the income after the Council, has met its borrowing costs. In making its recommendations, the Panel will review the monies set aside from previous years and, if appropriate, recommend the release of any over-provision. These monies will then be available for distribution via the MTFP and reported in annual performance management of the strategy by the relevant committee with democratic powers of oversight.
- 5.7 All decisions to acquire or dispose of property assets are recommended by the Investment Panel but they are to be taken in accordance with the Council Financial Regulations.

Appendix 1 - Analysis of current Investment Portfolio

The Investment portfolio has been realigned to consist of only the key assets acquired or held solely for investment purposes and includes legacy Bournemouth, Christchurch & Poole assets.

Assets which are considered to fall under the remit of this strategy will be reviewed regularly to determine the suitability of their inclusion.

The previous CIS approved by the Shadow Authority referenced other legacy authority assets which generated an income such as finance leases and ground rents. These fall into the business as usual estate management remit and will be managed in accordance with the Corporate Asset Management Plan.

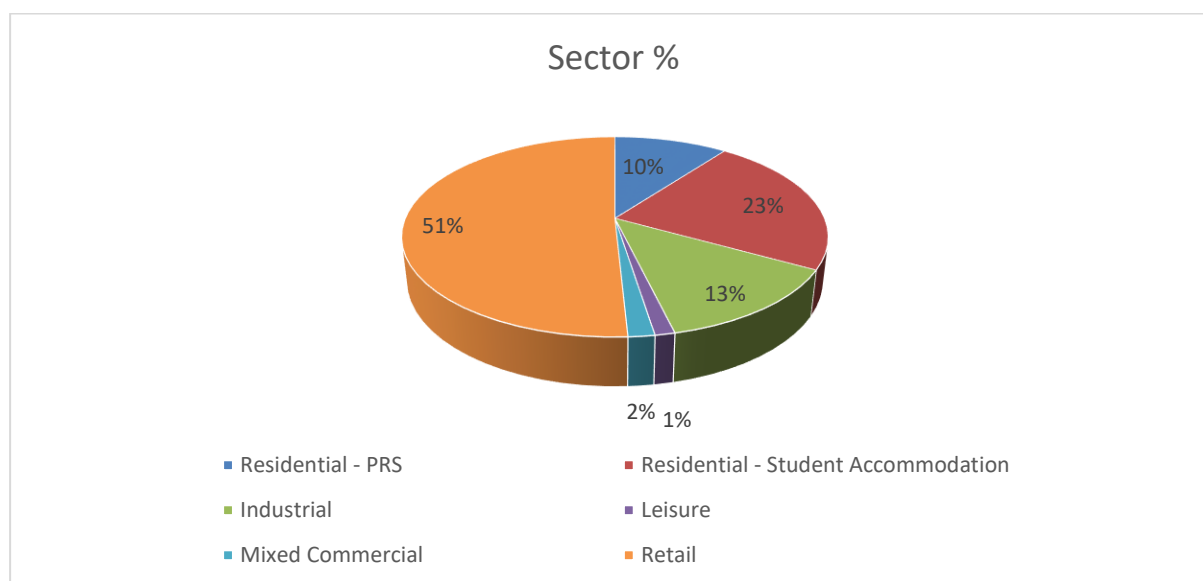
Portfolio Analysis – Value £m as at 30/09/2019

SECTOR	£m	%
Residential - PRS	£12,083,000	10%
Residential - Student Accommodation	£27,000,000	23%
Industrial	£15,475,000	13%
Leisure	£1,500,000	1%
Mixed Commercial	£1,995,986	2%
Retail	£59,955,000	51%
	<u>£118,008,986</u>	<u>100%</u>

The Residential Sector which totals 33% contains a commitment to a residential sector private rent scheme acquisition at St Stephens Road* which is under construction and due for completion in October 2020.

It should be noted this total differs from Table 2 in Appendix 5 which is as at 31/3/19 and does not include the St Stephens Road PRS scheme.

Sector Analysis as % of Portfolio



Appendix 2

GUIDELINE INVESTMENT CRITERIA FOR COMMERCIAL PROPERTY PORTFOLIO	
Performance	<ul style="list-style-type: none"> To achieve a NET return on assets of circa 1.5% or more per annum (net of the costs of borrowing) in the first five-year period of ownership.
Income yield	<ul style="list-style-type: none"> Maintain the portfolio income NET yield of at least 1.5% per annum over the costs of borrowing in the first five years of ownership. To focus on maintaining a low void rate and a resilient income yield. Ensure held properties / new acquisitions have reasonable capital growth prospects.
Property type	<ul style="list-style-type: none"> Target core property holdings in primary or good secondary sectors with a balanced proportion of exposure to properties that will allow active management to generate improved performance.
Geographic allocation	<ul style="list-style-type: none"> Within BCP Council area. Investments outside of this geographic area will be considered in exceptional circumstances, particularly in relation to investing in sustainable and carbon offsetting initiatives
Sector allocation	<ul style="list-style-type: none"> To spread investment across a range of commercial sectors. No more than 25% by value will be held in any one sector, once the investment portfolio has been assembled.
Investment size	<ul style="list-style-type: none"> Ideally, no single asset will comprise more than 20% of the value of the investment portfolio. However, it is recognised that this will not be the case whilst the portfolio is being assembled.
Tenants	<ul style="list-style-type: none"> In a mature portfolio, to ensure that the rent from any single tenant is 10% or less of rental exposure at point of decision. It is acknowledged that in assembling an investment portfolio, this will be exceeded temporarily. The Council will endeavour to target assets where the cost of borrowing is covered by tenants with a minimum financial/credit rating of "good" dependant utilising the Council's financial credit rating tool and risk analysis as well as an analysis of the tenant company's financial statements.

Lease length portfolio	<ul style="list-style-type: none"> • Target new assets where the lease expiry profile fits with the existing profile of the investment portfolio. • Seek to maintain lease expiries in any one year below 10% of the fund's lease income.
Development to enhance income	<ul style="list-style-type: none"> • Development may be undertaken where the major risks can be mitigated, and the risk/reward profile is sufficient to justify it.
Debt	<ul style="list-style-type: none"> • Up to 100% debt funded. • This will improve year on year as repayments reduce the underlying debt (see MRP policy Appendix 5). • Other sources of funding may be utilised, where possible. E.g. Income strips. • Structure of debt to be based on Bournemouth, Christchurch and Poole Council's Treasury Management strategy.
Triple Bottom Line Evaluation Economic, Environmental and Social Governance	<ul style="list-style-type: none"> • Assets that deliver wider socio-economic benefits will be targeted, either in terms of capacity to deliver new jobs or to drive redevelopment, either now or in the future. • The Council will seek to promote energy efficiency and sustainability in its portfolio to contribute towards a sustainable environment. In particular, it will invest to improve Energy Performance Certificate ratings where it is financially viable.

Appendix 3

GUIDELINE INVESTMENT CRITERIA FOR RESIDENTIAL PROPERTY PORTFOLIO	
Performance	<ul style="list-style-type: none"> To achieve a return on assets that fully covers the costs of borrowing in the first five-year period of ownership. Income growth at greater than inflation.
Income yield	<ul style="list-style-type: none"> To focus on maintaining a low void rate and a resilient income yield. Ensure held properties / new acquisitions have strong capital growth prospects
Property type	<ul style="list-style-type: none"> Target core property holdings in sustainable locations To prioritise acquisition of freehold and long leasehold studio, 1, 2 and 3 bedroom flats; 2, 3 4 and 5 bedroom houses and HMO's/hostels
Geographic allocation	<ul style="list-style-type: none"> Within BCP Council area, any deviation from this can only be done with a decision substantiated with a business case.
Sector allocation	<ul style="list-style-type: none"> Sector to not exceed 25%, once the investment portfolio has been assembled.
Investment size	<ul style="list-style-type: none"> Ideally, no single asset will comprise more than 20% of the value of the investment portfolio. However, it is recognised that this will not be the case whilst the portfolio is being assembled.
Tenants	<ul style="list-style-type: none"> Mix of tenant types proposed, from tenants reliant on housing benefit to private rental sector which is unsupported. Homeless clients will be accommodated within properties acquired specifically for the Homeless Housing programme in order to assist the Council to discharge its statutory homeless duty; this is separate to this investment strategy for the residential portfolio.
Lease length/terms	<ul style="list-style-type: none"> New leases/subleases to be granted to Seascope Homes and Property Limited, typically for periods of 25 years. SHP to grant Assured Shorthold Tenancies. The Council will retain FRI responsibilities for these leases.
Development to enhance income	<ul style="list-style-type: none"> Development may be undertaken where the major risks can be mitigated, and the risk/reward profile is sufficient to justify it.
Debt	<ul style="list-style-type: none"> Up to 100% debt funded

	<ul style="list-style-type: none"> • This will improve year on year as repayments reduce the underlying debt (see MRP policy in Appendix 5) • Other sources of funding will be utilised, where possible • Structure of debt based on Bournemouth, Christchurch and Poole Council's Treasury Management strategy
<p>Triple Bottom Line Evaluation</p> <p>Economic, Environmental and Social Governance</p>	<ul style="list-style-type: none"> • Assets that deliver wider socio -economic benefits will be targeted, either in terms of capacity to deliver new jobs or to drive redevelopment, either now or in the future. • The Council will seek to promote energy efficiency and sustainability in its portfolio to contribute towards a sustainable environment. In particular, it will invest to improve Energy Performance Certificate ratings where it is financially viable.

Appendix 4 - Commentary on Investment Property - Risk and Returns

1. At its simplest, property is an investment in a piece of land or a building giving the investor a return as rental income and/or capital value growth. Capital growth may come through time either by holding the asset and/or be driven by asset management initiatives and development.
 2. Risks and returns in property investment come both at a market level and from individual asset choice. The choice of location and the choice of property sector influence the risks and returns associated with the investment. At an individual asset level, there are asset specific risks and opportunities. The owner has the opportunity to add value through initiatives to improve buildings and manage the tenant roster. Asset specific events, such as the loss of an important tenant, illustrate the risks at an asset level.
 3. The rental income returns from property have, historically, shown little volatility. Over the last 25 years the rental growth has never exceeded 10% in any one year nor has fallen by more than 5%. (Source: IPD1 UK monthly index)
 4. However, this is the position at the macro level and this can mask a degree of volatility at a local level. In a rising economy, most market sectors tend to perform well with rent increases matching or outpacing inflation. However, in recession the adverse effects are most keenly felt in secondary locations. As leases come to an end, either by effluxion of time or as a result of tenant business failure, liability for business rates and other costs associated with empty property drives landlords of investments with little tenant demand to re-let them at whatever price they can achieve in order to defray these costs. This not only drives down rental income but also has an adverse effect on the investment yields used to capitalise these rental flows.
 5. It is this link between rents and yields, the latter being driven by market confidence and returns available elsewhere that mean the capital growth component of property returns is variable. Real property prices do not show the rapid price fluctuations of quoted equities but on a longer time scale, price movements can be just as significant. Long term UK capital growth component hides years of significant fluctuations, both up and down, and a policy of a long-term hold should mean that the investments will be less affected by fluctuations in the general property market as the assets can be held to meet a rising market.
 6. Effective asset management can help smooth out these peaks and troughs. However, they cannot be eradicated completely, and any property investment involves an acceptance of the risks attached to such activities.
 7. Capital values of commercial property are very dependent upon the covenant strength of the tenant and the unexpired term of the lease. An asset with a financially secure tenant occupying under a significant unexpired term with no
-

break options will command strong values, even in a difficult market. However, poorer quality tenants and/or shorter leases will detrimentally affect the asset value.

8. The value of an investment can fall as much as 30% if a tenant decides not to renew a lease. Correspondingly, it will rise again if a new long-term tenant is signed up. An effective business model aim should be to deliver short-term capital growth. An established private equity property strategy is to seek out buildings that are vacant or with short leases, to refurbish some parts, re-let and re-gear the leases, then sell realising the capital appreciation arising from the new longer leases. However, a typical first-time investor would seek to acquire more stability than this with strong covenants and long leases in place.
9. In practice, property investment can be structured to create a range of different risk/reward profiles from stable annual income performance to volatile, high risk/reward development returns. They can also be structured to ensure that any foreseeable lease renewals or voids across the entire portfolio are evenly spaced so avoid a significant impact in any one financial year.

10. Acquisition Risks:

- 10.1 The current low yields from traditional investments, such as bonds, mean that there is strong competition in the property market for investment opportunities. It follows that it is highly likely that there will be several bidders for any good-quality asset. One factor that is increasingly emerging is competition amongst local authorities looking to invest on a nationwide basis. This increased competition means it is inevitable that some bidders will be unsuccessful and it also raises the possibility of local authorities distorting the investment market, driving up prices fuelled by the availability of low-cost borrowing.
- 10.2 Due to the nature of the property market, decisions may need to be taken quickly in order to put offers forward. Of course, offers can be subject to conditions and due diligence before exchange of contracts.

11. Cost Risks:

- 11.1. Abortive costs, including legal costs, survey fees, professional adviser's fees, and officer time, may be incurred in connection with initial feasibility investigations and unsuccessful bids. It is also possible that issues will be identified during due diligence that will prevent a transaction from progressing.

12. Property Market Risks:

- 12.1 Property has a different risk profile from other investments because of its physical characteristics, which need to be managed and maintained. Whilst most property sectors have historically demonstrated good long-term returns, particularly in relation to underlying capital growth, fluctuations in the market or local economy and tenant/property-specific issues can affect short-term returns. The property

market is not a certain market and the Council may not always achieve its target returns.

- 12.2. Many investment transactions happen without being offered for sale in the market. These are known as off-market transactions. Information is key and getting to know about properties for sale is important and as it becomes known that a purchaser is active in the investment market, many such opportunities are presented by agents seeking a finder's fee, usually a maximum of 1% of the purchase price. Alternatively, the investor can be proactive by contacting property owners and agents directly. Consideration can also be given to engaging a specialist investment agent to act on the investor's behalf.
- 12.3. Lack of suitable sites/buildings – the local property market is restricted and is dominated by secondary or tertiary assets that may not be of the quality the Council would acquire. There may therefore be a shortage of suitable stock in the conurbation.
- 12.4. **Liquidity:** Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice and can take a considerable period to sell in certain market conditions. The investments made to date are either historic properties held by the Council for a number of years or are new investments with a view to retention for the foreseeable future. Although liquidity is important, no investments made to date affect the ongoing liquidity of the organisation.

13. Capacity, Skills and Culture

- 13.1 **Statutory officers and Elected members:** The Investment panel consists of statutory officers and is attended by elected members. Their role will be to look at potential investments as well as manage the current portfolio. The board will make recommendations to Cabinet and Council for any future investments.
- 13.2 **Commercial deals:** Specialist staff are employed by the Council to ensure the knowledge and skills are held in house when dealing with significant commercial deals. The Council also consults with specialist firms for further independent advice. At all-times officers from the Council ensure that all commercial deals follow the principles of the prudential framework and of the regulatory regime within which Local Authorities operate.

- 14. **Corporate governance:** This has been covered in Section 4.

Appendix 5 – Financial Overview and Indicators

This appendix has been developed to cover the requirements of the 2018 Ministry of Housing, Communities and Local Government (MHCLG) Investment guidance, including investment indicators. It also has regards to recent guidance issued by in CIPFA's Prudential Property Investment.

Introduction

The Authority invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
- to support local public services by lending to or buying shares in other organisations (**service investments**), and
- to earn investment income and generate other benefits such as employment and regeneration to the local area (known as **commercial investments** where this is the main purpose).

This appendix will focus on the second and third of these categories.

Treasury Management Investments

The Authority typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of Central Government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy.

Contribution: The contribution that these investments make to the objectives of the Authority is to support effective treasury management activities.

Further details: Full details of the Authority's policies and its plan for 2019/20 for treasury management investments are covered in a separate document, the treasury management strategy.

Service Investments: Loans

Contribution: The Council lends money to its subsidiaries, local business and residents to support local public services and stimulate local economic growth.

The most significant loan is to the Bournemouth Development Company LLP of £3.4m which was a loan to purchase a building situated on the proposed Winter Gardens development. The other partner in the partnership has also provided a matched £3.4m loan to the

partnership. The loan supports the Council's long-term ambitions within the Bournemouth Town Centre Vision.

Security: The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Authority, upper limits on the outstanding loans to each category of borrower have been set as follows:

Should the Council want to increase the approved limits in the table below, relevant reports detailing the value and reason for these loans would go through the appropriate Cabinet and Council democratic process which in turn and following approval would adjust these limits accordingly.

Table 1: Loans for service purposes

Category of borrower	31/03/18 actual			31/03/19 actual			2020/21
	Balance owing £'000	Loss allowance £'000	Net figure in accounts £'000	Balance owing £'000	Loss allowance £'000	Net figure in accounts £'000	Approved Limit £'000
Bournemouth Development Company LLP	3,400	0	3,400	3,400	0	3,400	3,400
Wholly owned Council Companies	550	0	550	425	0	425	1,000
Local Business	105	(46)	59	63	(46)	17	63
Local charities and trusts	220	0	220	100	0	0	100
Housing associations	42	0	42	40	0	40	40
TOTAL	4,317	(46)	4,271	3,928	(46)	3,882	4,603

Accounting standards require the Authority to set aside a loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Authority's statement of accounts from 2018/19 onwards will be shown net of this loss allowance. However, the Authority makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

Risk assessment: The Authority assesses the risk of loss before entering into and whilst holding service loans.

The loans made to the Council's wholly owned subsidiaries were to ensure that the working capital for the companies can be maintained. The loans are given at a rate that is compliant with EU regulations in respect of State Aid and reflect the level of risk involved. These working capital loans are being reduced year on year as the companies establish themselves. As the companies are wholly owned and managed by the Council an assessment of risk is carried out as part of its normal financial processes.

The following bullet points cover the further areas the Council would consider as part of its risk assessment:

- State Aid considerations to establish the minimum interest rate and compliance with State Aid criteria.
- Assessment of cash flow forecasts and relevant income streams – if available
- Consideration of the company structure. Any limitations which may affect the distribution of assets, company control and distribution of surpluses from the entity
- A review of the company accounts, business plan and cash flows to assess the risks of the company's key sources of income (including volatility and consistency of any forecast income).
- An appraisal of the loan terms to determine if the implicit rate in the agreement is at a commercial/market rate to ensure there are no state aid issues associated with the arrangement
- A full assessment of the ability of the entity to service the finance agreement and their underlying credit quality and risk of default.
- Assessment of the collateral which is provided as security for the loans.
- Assessment as to whether the Market Operator Principle can be applied to the loans proposed
- A review of the relevant credit references, existing charges and debt obligations.
- Advice on the level and/or value of the relevant loan covenants and an explanation for the levels and associated risk.
- The identification of any relevant matters of a legal or accounting nature which may have implications for the manner in which it is proposed to make the loan.
- The identification of alternative powers that may be relied upon by the Authority to support the making of the loan, together with a detailed explanation of factors that would enable an alternative power to be considered and adopted by the Authority.

The Council would also look to consult with its external Treasury Management advisors to help support the items above.

Commercial Investments: Property

MHCLG defines property to be an investment if it is held primarily or partially to generate a profit.

Contribution: The Council invests in local commercial and residential property with the intention of making a profit that will be spent on local public services.

The most significant property investment to date was in the Mallard Retail Park in Bournemouth at a cost of circa £49m. This property investment was driven by not only providing a sound investment for the Council but also ensuring the safeguarding of a key

employment and economic site within Bournemouth. It is projected to provide an extra £400k (net of borrowing and other costs) a year towards helping to safeguard existing services for residents and businesses.

Table 2: Property held for investment purposes

Property	Actual Purchase cost £'000	31/03/19 actual	
		Gains or (losses) £'000	Value in accounts £'000
Mallard Road Retail Park	49,065	(2,190)	46,875
Madeira Road Student Accommodation	18,734	8,266	27,000
Citrus Building, ground floor Turtle Bay	1,338	162	1,500
Wessex Trade Centre	9,960	940	10,900
Parkway House	1,996	0	1,996
Dolphin Centre	Historic	0	11,690
Saxon Square	Historic	0	1,380
Airfield Industrial Park	Historic	0	4,575
TOTAL	81,093	7,178	105,916

Security:

In accordance with government guidance, the Authority considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.

A fair value assessment of the Authority's investment property portfolio has been made within the past twelve months, and the underlying assets provide security for capital investment. Should the 2019/20-year end accounts preparation and audit process value the portfolio of properties below the total portfolio purchase cost, then an updated investment strategy will be presented to full council detailing the impact of the loss on the security of investments and any revenue consequences arising therefrom. (For information the Mallard Road total purchase cost also included Stamp Duty Land Tax and other due diligence fees which are over and above what is taken into account for valuation purposes and show as a downward loss until the asset is revalued in future years based on rent receivable.)

Risk assessment:

The Authority assesses the risk of loss before entering into and whilst holding property investments by identifying the key risks associated with these type of investments:

Acquisition Risks:

The current low yields from traditional investments, such as bonds, mean that there is strong competition in the property market for investment opportunities. It follows that it is highly likely

that there will be several bidders for any good-quality asset. One factor that is increasingly emerging is competition amongst local authorities looking to invest on a nationwide basis. This increased competition means it is inevitable that some bidders will be unsuccessful and it also raises the possibility of local authorities distorting the investment market, driving up prices fuelled by the availability of low-cost borrowing.

Due to the nature of the property market, decisions may need to be taken quickly in order to put offers forward. Of course, offers can be subject to conditions and due diligence before exchange of contracts.

Cost Risks:

Abortive costs, including legal costs, survey fees, professional adviser's fees, and officer time, may be incurred in connection with initial feasibility investigations and unsuccessful bids. It is also possible that issues will be identified during due diligence that will prevent a transaction from progressing.

Property Market Risks:

Property has a different risk profile from other investments because of its physical characteristics, which need to be managed and maintained. Whilst most property sectors have historically demonstrated good long-term returns, particularly in relation to underlying capital growth, fluctuations in the market or local economy and tenant/property-specific issues can affect short-term returns. The property market is not a certain market and the Council may not always achieve its target returns.

Many investment transactions happen without being offered for sale in the market. These are known as off-market transactions. Information is key and getting to know about properties for sale is important and as it becomes known that a purchaser is active in the investment market, many such opportunities are presented by agents seeking a finder's fee, usually a maximum of 1% of the purchase price. Alternatively, the investor can be proactive by contacting property owners and agents directly. Consideration can also be given to engaging a specialist investment agent to act on the investor's behalf.

Lack of suitable sites/buildings – the local property market is restricted and is dominated by secondary or tertiary assets that may not be of the quality the council would acquire. There may therefore be a shortage of suitable stock in the conurbation.

Liquidity:

Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice, and can take a considerable period to sell in certain market conditions. The investments made to date are either historic properties held by the Council for a number of years or are new investments with a view to retain for the

foreseeable future. Although liquidity is important, no investments made to date effect the ongoing liquidity of the organisation.

Capacity, Skills and Culture

Elected members and statutory officers: The Council operates an Asset Investment board which consists of elected members and statutory officers. Their role will be to look at potential investments as well as manage the current portfolio. The board will make recommendations to Cabinet and Council for any future investments.

Commercial deals: Specialist staff are employed by the Council to ensure the knowledge and skills are held in house when dealing with significant commercial deals. The Council also consults with specialist firms for further independent advice. At all-times officers from the Council ensure that all commercial deals follow the principles of the prudential framework and of the regulatory regime within which Local Authorities operate.

Corporate governance: This has been covered in the preceding Asset Investment Strategy.

Investment Indicators

The Authority has set the following quantitative indicators to allow elected members and the public to assess the Authority's total risk exposure as a result of its investment decisions.

Total risk exposure: The first indicator shows the Authority's total exposure to potential investment losses. This includes amounts the Authority is contractually committed to lend but have yet to be drawn down and guarantees the Authority has issued over third party loans.

Table 3: Total investment exposure

Total investment exposure	31/03/18 Actual £'000	31/03/19 Actual £'000	31/03/20 Forecast £'000
Treasury management investments	68,997	51,356	65,000
Service investments: Loans	4,271	3,982	3,600
Commercial investments: Property	79,097	83,049	83,049
TOTAL INVESTMENTS	152,365	138,387	151,649
Commitments to lend	0	0	0
Guarantees issued on loans	0	0	0
TOTAL EXPOSURE	152,365	138,387	151,649

How investments are funded: Government guidance is that these indicators should include how investments are funded. Since the Authority does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by

borrowing. The remainder of the Authority's investments are funded by usable reserves and income received in advance of expenditure.

Table 4: Investments funded by borrowing

Investments funded by borrowing	31/03/18 Actual £'000	31/03/19 Actual £'000	31/03/20 Forecast £'000
Treasury management investments	0	0	0
Service investments: Loans	0	0	0
Commercial investments: Property	73,710	75,375	75,375
TOTAL FUNDED BY BORROWING	73,710	75,375	75,375

Table 5: Other investment indicators

Indicator	2019/20 Forecast	2020/21 Forecast
Debt to net service expenditure ratio	36%	34%
Commercial income to net service expenditure ratio*	1%	1%

**Commercial Income is only in relation to properties which have required borrowing to fund initial purchase.*

Appendix B

Mallard Road

Financial summary up to 31 December 2019

	Business Plan as approved 19/07/17	Actual Performance	Variance
	£	£	£
Income	(5,856,027)	(4,760,926)	1,095,101
Capital repayments	1,165,122	847,855	(317,267)
Interest costs	2,806,089	1,986,594	(819,495)
	<u>3,971,211</u>	<u>2,834,449</u>	<u>(1,136,762)</u>
Void costs*	-	292,529	292,529
Other costs	58,560	37,010	(21,550)
Total costs	4,029,771	3,163,988	(865,783)
Net position (Surplus) / Deficit	(1,826,256)	(1,596,938)	229,318

Wessex Trade Centre

Financial summary up to 31 December 2019

	Business Plan as approved 27/09/16	Actual Performance	Variance
	£	£	£
Income	(2,109,936)	(1,996,231)	113,705
Capital repayments	354,060	322,826	(31,234)
Interest costs	731,508	388,431	(343,077)
	<u>1,085,568</u>	<u>711,257</u>	<u>(374,311)</u>
Other costs	337,590	308,288	(29,302)
Total costs	1,423,158	1,019,545	(403,613)
Net position (Surplus) / Deficit	(686,778)	(976,685)	(289,907)

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CABINET



Report subject	Tackling street-based anti-social behaviour
Meeting date	18 March 2020
Status	Public Report
Executive summary	<p>Street-based anti-social behaviour, such as begging, street drinking and discarded needles, has a visible impact on the appearance of, and feelings of safety in, our Town Centres. To date, there have been slightly different approaches to tackling these issues across the preceeding authorities.</p> <p>With the introduction of Community Safety Accredited Officers into Poole Town Centre there is an opportunity to harmonise our approach based on a balance of enforcement and support. Using legal tools and powers where necessary but also through better engagement, ensuring there are referral pathways into support organisations. In order to seek such a harmonised approach, it is proposed to review the Public Spaces Protection Order which applies to Poole Town Centre and Holes Bay area, and specifically to consult the public, businesses and partners on varying the conditions applied.</p>
Recommendations	<p>It is RECOMMENDED that:</p> <ol style="list-style-type: none"> 1. BCP Council adopts a consistent approach to tackling street-based anti-social behaviour as detailed within paragraphs 16 – 24 of this Report; 2. The Director of Communities is authorised to undertake consultation on varying the Public Spaces Protection Order covering Poole Town Centre as set out in paragraphs 25-26 of this Report; 3. Cabinet considers the outcome of the consultation at a future meeting with a view to making recommendations in respect of the Public Spaces Protection Order in light of the consultation process.
Reason for recommendations	To implement a balanced approach which is fit for purpose for the whole of BCP, applying effective solutions to a complex issue which seeks a reduction of harmful behaviours that impact negatively on

	the wider community, whilst placing the needs of vulnerable people at its heart.
Portfolio Holder(s):	Councillor Lewis Allison – Tourism, Leisure & Communities
Corporate Director	Kate Ryan, Corporate Director Environment & Community
Report Authors	Andrew Williams, Head of Safer Communities
Wards	All Wards in particular Poole Town
Classification	For Decision

Background

1. Street-based anti-social behaviour by adults, such as begging, street drinking and discarded needles, has seen a visible increase in our town centres over several years. Across the preceding councils, different approaches to tackling street-based anti-social behaviour have been developed in response.
2. Across BCP, in particular in Bournemouth and Poole where these issues are most prevalent, there has been a clear and long standing commitment to adopting balanced approaches where both enforcement and support are at the heart of the models applied.
3. In Bournemouth, there has been a mix of enforcement and support, with the Anti-Social Behaviour team working closely with the Rough Sleeper team and other support/treatment agencies. Individuals who are identified as causing anti-social behaviour are challenged, through the use of Community Protection Notices and Anti-social Behaviour Injunctions. Often these require the individual concerned to engage in positive interventions such as addiction assessments alongside requirements to stop negative behaviours.
4. In March 2018, the Community Safety Accreditation Scheme (CSAS) was introduced into Bournemouth Town Centre, after proving successful in Boscombe. This provides 2 dedicated, uniformed patrol officers, with delegated powers from the Chief Constable. The powers accredited to the individuals through both BCP Council and CSAS accreditation are;
 - The power to require name and address for those acting anti-socially
 - The power to require name and address for those who are begging
 - The power to remove alcohol from those under 18
 - The power to confiscate alcohol from those acting anti-socially
 - The power to require name and address for a qualifying offence
5. Alongside the enforcement powers that they have, CSAS Officers are able to engage with individuals who are rough sleeping, or whose addiction issues are causing anti-social behaviour, to sign-post and make appropriate referrals to support agencies. They work closely with our services commissioned to tackle rough sleeping and substance misuse.

6. The CSAS approach in Bournemouth is a multi-agency partnership approach with all relevant agencies, with an emphasis on full commitment from Dorset Police and BCP Council, including co-located staff, joint briefings and open communication using Airwave radio.
7. In Poole, the same mix of enforcement and support has been carefully adopted alongside the use of Injunctions and Community Protection Notices. In addition, a Public Spaces Protection Order (PSPO) was introduced by the former Borough of Poole Council in April 2018, in an attempt to address street-based ASB in the town centre and Holes Bay area. This PSPO restricted the following:
 - a. Drinking alcohol in public, whilst behaving in an anti-social manner
 - b. Begging
 - c. Sitting or loitering in a public place with a receptacle used to contain monies from the public
 - d. Leaving unattended personal belongings such as bedding or bags
 - e. Causing an obstruction in shop doorways, or car park or public area such as hallways, stair wells etc
 - f. Possession, supply or use of intoxicating substances
 - g. Behaviour which causes harassment, alarm or distress.
8. Individuals behaving in such a manner can be asked to leave the designated area for up to 48 hours. Failure to do so, may result in a fine or Fixed Penalty Notice.
9. The measures in the PSPO were adopted following careful consideration by the legacy council and with the aim to prevent and tackle any identified and reported issues. They do not target any specific group but the behaviours that impacts negatively upon others. Any enforcement of the PSPO is allied to support, particularly regarding the street community and vulnerable people. In real terms the application of the PSPO has been limited with the emphasis to the approach being concentrated on the other measures.
10. Subsequently in response to high profile anti-social behaviour incidents relating to Poole Bus Station, in particular, a proposal to introduce CSAS Offices in Poole Town Centre has been agreed, with regular patrols due to start in April 2020
11. In Christchurch the levels of anti-social behaviour are much lower, however there are still issues relating to begging and street drinking. The approach taken is much the same as in Bournemouth; to target those individuals with Injunctions or appropriate legislation, whilst also sign-posting to support agencies.

Review of current approaches to tackling street-based anti-social behaviour

12. The Cabinet Portfolio Holder for Communities, Tourism and Leisure committed at full Council in July 2019, to a review of the approach to tackling street based anti-social behaviour across BCP in order that a harmonised approach is adopted and applied. This review has been undertaken, looking at the evidence of engagement and enforcement activities in the two town centre areas and the levels of reported anti-social behaviour in the areas. National research into tackling begging and street based anti-social behaviour was also assessed.

13. The review has concluded that there is evidence that the Poole PSPO and associated interventions into tackling street-based ASB have had an impact in the area. However, in Bournemouth using patrolling CSAS Officers, there is a much greater engagement with those who are causing anti-social behaviour, which in turn leads to larger numbers being referred into support services. Ultimately it is through addressing the underlying causes of the anti-social behaviour, such as addiction, that we will see change.
14. It is clear that with the introduction of CSAS Officers in the Poole Town Centre, there is an opportunity to harmonise our approaches to tackling street-based ASB and have a bigger impact on this issue.
15. The proposals being made continue to ensure that the balanced approach remains and that the benefit of collaborative partnership working to tackle these complex issues, is maximised.

Proposals to implement a harmonised approach to tackling street-based anti-social behaviour

16. With the imminent introduction of CSAS officers in Poole town centre there is an opportunity to harmonise the policies and procedures for tackling street-based ASB.
17. It is proposed that the approach adopted focuses on targeting individuals who cause the most problems, using CSAS Officers to gather evidence that can be dealt with swiftly by the ASB Team, through formal action such as ASB Injunctions or Community Protection Notices where necessary.
18. CSAS Officers will also make appropriate referrals into support agencies for homelessness, mental health outreach and addiction support and conduct joint visits to engage those seen regularly in the town centres.
19. The uniformed presence both deters behaviours and allows officers to collate evidence for formal anti-social behaviour actions. Officers are also able to issue formal anti-social behaviour warnings where behaviour is persistent and detrimental. The approach of being assertive, persistent and consistent in challenging behaviours, whilst supporting individuals is seen as key to the progress being made.
20. In addition, the Homelessness Reduction Board for BCP has recently established the Reducing Begging & Street ASB Action Group which will oversee work to tackle these issues in a more co-ordinated way. An improved tactical response to street ASB will be based upon a balance of enforcement and support, early intervention, more co-ordinated resources and a plan of communication and engagement.
21. The Group, which includes Police, voluntary and business sector partners, are looking into implementing a more integrated enforcement and intervention strategy for dealing with individuals who are persistently begging. The Group is also looking at the introduction of contactless giving, as a means of the public donating to homelessness charities.

22. As part of the establishment of the BCP Community Safety Partnership a new Partnership Co-ordinating Group has been formed. This is the operational multi-agency arm of the Community Safety Partnership, which co-ordinates activities against repeat victims, offenders and locations. It is overseeing the work around Poole Bus Station, West Hill and the Lower Gardens in Bournemouth.
23. There is also an initial discussion taking place with the Police & Crime Commissioner and other current and potential CSAS funders to develop a wider CSAS strategy for BCP in order that the partnership approach to CSAS can be maximised to achieve its full potential. This includes consideration of broadening the key partner cohort, ensuring that funding is sustainable, resources are sufficient and workforce planning is addressed to ensure the positive recruitment and retention of staff in these challenging roles.
24. It should be noted that there is an option for additional CSAS schemes to be applied within BCP, where evidence to justify them exists. The need for additional schemes will therefore be kept under review and considered as required. At present, the focus remains on the three schemes currently in place and ensuring that these are as effective as possible.
25. It is further proposed that consultation is authorised so that the Public Spaces Protection Order in Poole Town Centre can be varied to remove a number of the restrictions, which would no longer be needed with the introduction of the CSAS scheme. It is proposed that specifically, consultation is undertaken with a view to removing clauses b) to e), but that clauses a), f) & g) would remain in force.
26. The consultation will last 28 days and will entail a mix of online engagement and direct contact with ward Councillors, local residents, businesses and other stakeholders in the area currently covered by the Poole PSPO.

Summary of financial implications

27. There is a net nil impact on the budget as a result of the introduction of CSAS Officers in Poole as the costs are being jointly funded by BCP Council, Poole BID, the Office of the Police and Crime Commissioner, More Buses and the Dolphin Centre.

CSAS Scheme	CSAS Officer Resource	Cost	Funding
Poole Town Centre	3 FTE's – recruitment in progress	£34,574 Salary plus on-cost Uniform/Equip £500 Total £105,000	£25,000 PCC £68,000 Poole BID/ Dolphin Centre £14,000 More Bus

28. The current funding position for the Bournemouth & Boscombe CSAS scheme is:

CSAS Scheme	CSAS Officer Resource	Cost	Funding
Boscombe Precinct	2 FTE in post	£70,000	£20,000 Dorset Police & PCC £20,000 Coastal BID £30,000 base budget
Bournemouth Town Centre	2 FTE in post 1 additional FTE being recruited following approval of Fixed Penalty Notice pilot	£105,000	£70,000 base budget £35,000 income expectation from FPN pilot

Summary of legal implications

29. The Anti-social Behaviour, Crime and Policing Act 2014 introduced Public Spaces Protection Orders (PSPOs) to tackle a wide range of anti-social behaviour issues. The Act gives councils the authority to draft and implement PSPOs in response to the particular issues affecting their communities, provided certain criteria and legal tests are met. Under the legislation, PSPOs need to be reviewed every three years, meaning the Poole Town Centre Order would need to be reviewed before April 2021 in any occasion.
30. Before introducing, extending, varying or discharging a PSPO, local authorities are obliged to consult with the local chief officer of police; the Police and Crime Commissioner; owners or occupiers of land within the affected area where reasonably practicable, and appropriate community representatives.
31. The Council has been challenged by way of Judicial Review in respect of a number of the conditions set out in the Public Spaces Protection Order. Whilst the Council is able to respond to this challenge, a stay in proceedings has been agreed with the Applicant in order to avoid wasting public money and Court time should there be a change in approach taken which would negate the purpose of the challenge in any event.
32. CSAS schemes can only be established where there is an evidence base to support their need and this needs to be agreed with the Chief Constable. Any further

development of CSAS across BCP will need to be an evidence based response to need.

Summary of human resources implications

33. There are no human resources implications

Summary of sustainability impact

34. The CSAS Officers in Bournemouth Town centre are soon to be piloting a litter enforcement role, with an additional Officer being recruited. If successful, this will have environmental benefits which could be extended to other areas of BCP.

Summary of public health implications

35. What is clear from national research and local engagement is that those who cause street-based antisocial behaviour or beg are some of our most vulnerable individuals. They often have a range of complex needs and experience severe and multiple deprivation. Through better engagement and support into existing services, this proposal aims to help tackle these complex needs.

Summary of equality implications

36. Those engaged in street-based anti-social behaviour often have multiple and complex needs, such as addiction and mental health issues. Their vulnerability needs to be addressed in any programme aimed at tackling the wider harm that may be caused to the community through begging, street drinking or associated ASB. Having patrolling Officers who are able to engage and signpost to support organisations is a more effective mechanism to achieving real change. Enforcement action will only be taken where it is appropriate and proportionate to the behaviour causing harm. These proposals apply to adults only, as different approaches would be taken for working with children and young people.

Summary of risk assessment

37. The implementation of the CSAS scheme in Poole will entail a rigorous risk assessment aimed at keeping staff safe and ensuring that any risks are mitigated.

Background papers

None

Appendices

There are no appendices to this report.

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