

BOURNEMOUTH, CHRISTCHURCH AND POOLE COUNCIL
OVERVIEW AND SCRUTINY BOARD

Minutes of the Meeting held on 01 February 2021 at 2.00 pm

Present:-

Cllr S Bartlett – Chairman

Cllr T O'Neill – Vice-Chairman

Present: Cllr L Allison, Cllr D Borthwick, Cllr D Brown, Cllr M Cox,
Cllr L Dedman, Cllr B Dion, Cllr J Edwards, Cllr D Farr, Cllr L Fear,
Cllr A Filer, Cllr M Howell, Cllr C Rigby and Cllr V Slade

Also in Cllr R Burton
attendance: Cllr G Farquhar

135. Apologies

Apologies were received from Cllrs M Earl and D Kelsey

136. Substitute Members

Cllr D Brown substituted for Cllr M Earl and Cllr A Filer Substituted for Cllr D Kelsey

137. Declarations of Interests

There were no declarations of interest

138. Confirmation of Minutes

The Minutes of the meetings held on 4 January 2021 were agreed as a correct record.

139. Action Sheet

The Board's latest action sheet was noted following an update from the Chairman.

140. Public Speaking

There were no public statements, questions or petitions submitted for this meeting.

141. Budget Scrutiny 2020/21

The Leader of the Council, the Portfolio Holder for Housing and the Portfolio Holder for Covid Resilience, Schools and Skills presented a series of reports, copies of which had been circulated to each Member and copies of which appear as Appendices 'A-C' to these Minutes in the Minute Book.

Budget and MTFP

A number of issues were raised by the Board in the subsequent discussion, including:

- A Board Member queried the additional £13M to be added to the adult social care budget, particularly when the majority of it was to be spend on the minimum wage increase? He further queried why the decision had been made to not take advantage of the option of a precept increase this year as allowed by the Government and if it would be pursued as an option for next year. The Leader of the Council stated that he would ask the S151 Officer to cover the detail relating to the additional £13M before explaining that it had been identified that the council, helped by the transformation programme, had no need to increase the adult social care precept this financial year. He added that whilst there was the opportunity to increase the precept by a full 3% next year, this was not the ambition it was hoped that this would not be necessary and would therefore allow residents to be better off for it. The S151 Officer highlighted that Section 42 of the report set out the reasons for why £13m extra investment was needed for adult social care.
- A Board Member agreed with the importance of keeping money in the pockets of residents, but it did appear to him that this meant the council was borrowing more and also selling off more of its assets. He stated that it was important that vital services were funded, and it seemed odd that the Leader was not taking advantage of the offer from central government to increase the adult social care precept. The Leader of the Council highlighted that the council retained the option to take advantage of this allowance in 2022/23, but aspired to not have to do this in full unless absolutely necessary. He added that 41% of conservative-led councils were taking advantage of precept offer, as 82% of labour-led councils, which was proof that BCP Council were being more efficient and £44M of these efficiencies were from the transformation plan.
- A Board Member commented that the use of flexible capital receipts needed to be done responsibly and felt that the current method was “on steroids” and queried why utilising capital receipts had been “turbo charged”? The Leader disagreed with this analogy and indeed the comments raised. He added that the Council should be retaining assets and not selling them selling off, what was being done was allowing the Council to maximise offers from the government. The S151 Officer referred to figure 11 and section 65 of report, which set out the capital receipts/assets which had been used for this budget and stated that the majority of the assets listed were now sold subject to planning permission being granted, at which point the receipts would be provided.
- A Board Member commented that he saw “huge gaps” between this budget and the reset paper that had been referred to and that it didn’t seem to cover the investment gains or income from community mutual bonds that had been discussed in the reset paper. He commented that the budget seemed to take the principles that the

previous administration had set out and built on it. He added that it appeared that there would be a high level of borrowing to fund the expenditure. The S151 Officer highlighted that councils were not permitted to borrow in order to finance expenditure and this budget was not doing so, what the council was allowed to do was use receipts from disposed assets to finance transformation expenditure, to do this the council had to submit various returns to the government as detailed within the transformation section of this report. The Leader of the Council explained that community mutual bonds were not an MTFP item, but had been included as part of the treasury management reports that had been through the Audit and Governance Committee. He further detailed that this budget funded the priorities that had been set out by the administration. The S151 Officer directed the Board to S180 of the report, which made the commitment to exploring the use of community bonds in the future to support the council's climate change and ecological emergency.

- A Board Member commented that she felt that other precepts paid as part of council tax needed to be explained for residents' benefit. The Leader of the Council explained that as well as the basic Council tax, there was also a precept levied by the police and fire authorities, which were separate to council tax, as were the precepts for the charter trustees and town/parish council. Further to this point, the S151 Officer highlighted that all precepts would be detailed in the final report to Council as not all precepts had been set at the time of the publication of this report.
- The Chairman of the Children and Young People's O&S Committee was invited to comment on aspects of the budget that related to Children's Services and he stated that the baseline budget for children's services appeared to be adequate and was well monitored. He added that there were some good news stories, particularly the £10m capital sufficiency for school places. He queried where the new monies were coming from and what they would be spent on? The Leader of the Council explained that historically there had been a problem in the high needs block due to insufficient places "in area", meaning that high cost placements were often needed. He detailed that the £10m fund would unlock extra places and bring long term savings and ultimately, better outcomes for children. He commented that children were struggling at present due to the pandemic, and there was a responsibility to take action to remedy – therefore £1m would be coming from general fund to invest in priority areas and £10m from prudential borrowing. Match funding from DfE needed to be identified.
- A Board Member queried as to when the big plan had been finalised and how much additional money had gone into the budget as a result of plan? He also queried figures in relation to transformation, in particular, employment staff cuts and whether or not the administration was comfortable that the quoted figure will be achieved? He also questioned if the grant from Homes England that would provide substantial funding for the Turlin Moor Housing Development had been lost and, if not, if it was worth investing that money? He further queried where the funding for the build costs

money would be coming from? The Leader of the Council explained that £2.25M was going into the big plan, and that it would create an opportunity to create a world class city region through investment. He added that he disagreed with the Board Member's comments made about transformation and that it was not in trouble as had been suggested. Turlin Moor consultation was vital and would be best executed if undertaken on a face-to-face basis, which was the plan. He added that there was a desire to carry on with a planning application at the appropriate time. The S151 Officer reminded Board Members that it was a specific responsibility and indeed legal requirement of his role to ensure that budgets were legal and further referring to the appendices to demonstrate that this was the case, also explaining that the Council and its predecessors had a strong track record of financial management. This budget was seeking to retain unearmarked reserves at £15.4m, increasing unearmarked resiliency reserves from £10m to £25m and increasing its contingencies from £1.2M to £3.6M.

- A Board Member stated that he welcomed extra investment in regeneration and queried the total sum of extra funding from big plan and also whether the cost of replacing and refurbishing the Turlin Moor playing fields were included in the budget. The Leader of the Council explained that difficult to answer first question as the big plan was inclusive of everything. He added that there was no detail in the big plan relating to specifically to playing fields.
- The Chairman stated that he felt it to be regrettable to have lost £3.8M of grant funding for the Turlin Moor development project and queried whether an extension could be sought? He also queried why the surveying fees had exceeded what was originally budgeted for by three times? The Leader of the council explained that he had taken part in a detailed conversation with Homes England and felt content that the big plan will provide an avenue to reapply for a further grant at the appropriate time. He added that he felt it to be fundamental to the scheme's success that local people had the proper opportunity to engage with through proper consultation at an early stage.
- A Board Member highlighted that the Unity Alliance Administration did not cancel its priorities during the Covid-19 outbreak and that the administration had merely paused them to focus on the delivery of essential services. He queried the level of investment in service, referring to appendix 2b, particularly relating to adult social care and environment and community? He also queried the Council Tax average increase figure, stating that "the devil was in the detail", and that across a two-year window the figures looked less flattering. The Leader of the Council explained that he would not be bringing forward a 7% increase to council tax increase next year as suggested and that he believed money should be kept in peoples' pockets. The Council would be working efficiently and that's where savings would be made to ensure that such increases to rates would not be required.
- A Board Member queried if the figures in the report were correct? The Leader of the Council explained that it was prudent to keep the

option of utilising a 3% precept in the following financial year in play, but had not aspiration to use this as he felt confident that through correct financial management, this would not be necessary. The S151 Officer added that he did not feel comfortable with the use of the word “cuts” when referring to appendix 2b and considered this to be inappropriate as it would send out the wrong message.

- A Board Member queried if the Leader was confident that this budget was deliverable. The Leader of the Council confirmed that he was completely confident and was pleased that he and his team had been able to include some bold and well thought out ideas, whilst setting out a series of strong priorities.
- A Board Member stated that she was disappointed at some of the comments made during the discussion and felt it prudent to highlight some key facts, in particular; that it was prudent to pause funding on long term strategies due to uncertainty from pandemic and that she felt there had been some misrepresentations during the discussion. She added that the MTFP was a three-year plan, that needed to set out income and expenditure over the course of this period. She queried what would be cut from budget over the next year? The Leader of the Council disagreed with comments made by the board member and stated that the MTFP needed to be flexible and was constantly reviewed throughout the year and that he had ambitions to keep money in council taxpayer's pockets.
- A Board Member queried the planning assumptions that had been detailed and what would the size of the deficit be the option to take the precept increase if not taken. The S151 Officer reminded Board Members that this budget set the level of council tax for 2021/22 only and that whilst it was prudent to forward plan, assumptions could change over time and the budget was continually monitored as a result, meaning that as the time came to put forward the 2022/23 budget the figures would be updated accordingly and any requirements to increase council tax or raise precepts would be considered at this point. He added that Council Tax base calculation was done annually, every January, including working out the impact on cost of the Local Council Tax Support Scheme (LCTSS). He also referred to Section A of Appendix 3b, which identified resiliency reserves that would receive extra investment.
- A Board Member queried the children's covid recovery fund and sought clarity as to how it would be used and if there could be a guarantee that children's centres and youth clubs would be protected in this budget? She further queried if it was appropriate to be investing in events that would bring people together, which did not seem logical? Finally, she queried if there was going to be an impact on the pricing for care placements? The Leader of the Council explained that whilst the majority of schools within the area were no longer the direct responsibility of the council in terms of their day to day operation, all children living within the conurbation were and this meant that they would benefit from the covid recovery fund, particularly those who had been significantly disadvantaged by the pandemic and listed a number of ways that the fund could be spent. He added that children's centres and youth clubs would be

protected. He explained that the council had a world-class resort and that it was wise to promote it with a bounce-back festival. The S151 Officer drew Board Members' attention to Section 42 of report, which centred around investment into ASC and the contingency funds that would be drawn upon if necessary from the government's allocated grant

- The Chairman queried costs relating to redundancy as a result of the transformation programme and queried the number of staff that this could affect. The Leader of the Council detailed that he was expecting costs to increase over time and that at present there could be somewhere in the region of 600 staff being made redundant although it would be about bringing the right savings going forward and this process would involve the council's Strategic Implementation Partner.
- The Chairman queried investment restrictions as detailed in Section 181 of the report and whether or not this had any impact on existing schemes such as the Winter Gardens site? The Leader of the council explained that these restrictions were for investment, but did not cover regeneration projects, which could be funded by PWLB borrowing. In the future, the council would be looking at long term property investment.
- The Chairman sought additional clarification on what was meant by "work to enable communities take more responsibilities for their needs" on page 52, Section 63 of the report? The Leader of the Council explained that this meant there was a desire to empower communities to be able to do more in their area.
- The Chairman queried that a significant sum of money would be raised by fees and charges, would be increased or from new fees? The Leader of the Council explained that these would be recoveries from the pandemic.
- A Board Member queried why the unallocated reserves were so low and why the opportunity hadn't been taken to increase them? He further queried why the Turlin Moor consultations had not been undertaken as planned? He also queried the purpose of the proposed Encampments Manager i.e. what role they would undertake? The Leader of the Council explained that the Encampments Manager was already funded from last year's budget. In respect of the Turlin Moor development he explained that there was a great need to listen to ward councillors and planned to undertake the already mentioned consultation on face to face basis.
- A Board Member commented that he felt it strange that this council was not taking advantage of the ASC precept option that was open to it. The Leader of the Council stated that he had no intention to take advantage of people and had subsequently put forward a strong budget that made best use of resources.
- A Board Member queried the funding surrounding transformation and indeed the saving of the outlined £44M? The Leader of the Council explained that the council could invest in services through transformation savings.

- A Board Member queried if the Council had the people power to meet the carbon neutral target by 2030? The Leader of the Council highlighted that he remained remains fully committed to this target, plus there was also the opportunity to take advantage of community bonds to assist with this objective.
- A Board Member referred to Section 37 of the report and queried why there was a reduction in earmarked reserves by March 2022 detailed in appendix 3. The Leader of the Council explained that he had been clear that an extra £25m was going into reserves this upcoming financial year. He added that earmarked reserves being referred to, would be claimed against what was already due to be spent and explained that reserves were fluid. The S151 Officer referred to Appendix 3b and set out the current position and the forecast for March 2022, plus movements.
- A Board Member queried if match funding for certain projects would be included within the budget, in particular referring to the Tuckton Bridge Project? The S151 Officer explained that there was no consistent principle applied in relation to match funding as it would often depend on the grant conditions as to what approach was taken. He would look into the arrangements for the named project and advise the Board Member offline.
- A Board Member advised that she was aware of how long it took to put a budget together and queried if the departure of one of the corporate directors would be reflected in any of the specifics when investing in the planning team as this was a significant area within the council that needed fundamental changes. The Leader of the Council advised that this was a big budget in terms of regeneration plus extra funding was also being committed to investing into the planning teams, this would allow the council to properly consider the organisational structure.
- At the invitation of the Chairman, a non-Board Member raised a query in relation to the long overdue proposals for disabled access at Pokesdown Station, in particular where in the budget was this detailed? The Leader of the Council explained that he and his Cabinet Team were absolutely committed to the regeneration of Boscombe, including the pursuit of disability access at Pokesdown Station, however there was due process to be followed and at this nothing had gone through the formal process to date and as such there was no funding specifically earmarked for this project. He added that what the budget did include was the futures fund, which could assist with financing any proposals that came forward and reassured Members that he was committed to seeing the appropriate access come to fruition.
- The Non-Board Member queried if any formal process had been started as he was conscious that the funding from South Western Railways was time limited and without the Council's commitment could be lost easily and pressed to obtain commitment from the Leader. The Leader of the Council explained that the Council was not in a position to commit to anything at this point on this matter as doing so would circumvent due process.

- The Chairman noted that the investment programme referred to within the budget did not include investment in Bournemouth Development Company (BDC) projects and queried how members would be able to see what the investments were and how this was reflected in the capital investment programme within the budget? The S151 Officer explained that as a general rule, any investments made by BDC were not included as part of the budget, however, if the council chose to invest in a BDC project, this would be included in the capital investment programme.

HRA Budget Setting

A Board Member queried how much money had been put aside to resolve issues with unsafe cladding? The Portfolio Holder for Housing explained that no further funding had been put aside in addition to what had already agreed for the recladding of Sterte Court in Poole. He added that the Council had also made a decision to not recharge leaseholders for the recladding. It was expected that the Government would be reimbursing the Council for the majority of expenditure encountered in relation to this project.

DSG and Early Years Formulae

Before this item was discussed the Portfolio Holder for Covid Resilience, Schools and Skills responded to an earlier question relating to match funding from the Department for Education (DfE) raised during the budget item by the Chairman of the Children and Young People's O&S Committee. She explained that negotiations with the DfE were ongoing in relation to match funding arrangements and the matter was not yet concluded so would provide an update once this was available.

No comments or queries were raised in relation to this item.

The Chairman thanked Members for their contributions in the discussions for the three items discussed so far. He added that there appeared to be no recommendations to change the budget at this point, although this would not stop an alternative budget from being put forward to Council at its Meeting on 23 February 2021.

142. Scrutiny of the Corporate Strategy Delivery Plans Refresh 2021/22

The Leader of the Council presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'D' to these Minutes in the Minute Book.

A number of issues were raised by the Board in the subsequent discussion, including:

- The Chairman referred to Page 259 of the report, and raised a query relating to connectivity improvements and if big changes and improvements could be expected? The Leader of the Council explained that there was a big opportunity to do something at scale and it would be necessary for the Council to bring forward some large-scale infrastructure projects. He explained that he believed the futures fund would bring forward significant interest and investment and that he hoped to entice government and other partners into working with the Council to assist with the delivery of such projects.
- The Chairman asked the leader to define what was meant by the creation of an iconic cityscape and queried if residents would want this? The Leader of the Council explained that whilst none of the three towns within the conurbation were cities, the scale of the conurbation could be compared with cities such as Bristol or Brighton and Hove and as such the Council needed to attract business and funding to the area in order for it to flourish.
- The Chairman stated that there had been some significant changes to the corporate delivery plan and that he would like to see the baseline of the corporate plan retained. The Leader of the Council explained that he agreed with the comments that had been made and advised that he felt this would be useful.
- A Board Member queried how other industries that had not been listed in the big plan could present development opportunities that would fit into the priorities? He also queried how a key area such as Tourism, for example, could impact on how the council utilised its infrastructure? The Leader of the Council explained that there were clearly some core industries, but there were others that could emerge from the smart cities programme and the council needed to understand and unlock the potential of such industries and what they can bring to the area. He added that through the futures fund the council could pump-prime different schemes if required. He further explained that tourism was a huge business for the conurbation and that the council promoted itself as a destination for services too.
- A Board Member stated that there seemed to be a lack of consultation in relation to the production of this document, particularly with the public. She queried what the innovative projects that were referred to were? She added that whilst she agreed with the principle of revising the delivery plan as things did often change, she was disappointed that there did not appear to be any document explaining the difference between the existing plan and the proposed plan. The Leader of the Council explained that this was a big ambitions plan that set out a direction of travel and that the consultation would follow. He did sympathise with the point raised in relation to changes made and agreed that this could be done.
- A Board Member suggested that the changes need to be displayed in an appropriate manner and that displaying tracked changes would not suffice. She added that many of the items included as part of this

plan and the futures fund did not appear to be new and that they had been lifted from the previous administration.

- A Board Member highlighted that he did not see any measurable outcomes from this document and he didn't see any benefit from taking it forward. The Leader of the Council expressed his disappointment at the past few comments received and stated that he was looking forward to being in a position of putting the plan into action.

The meeting ended at 5.17 pm

CHAIRMAN