

Notice of Council

Date: Tuesday, 14 September 2021 at 7.00 pm

Venue: Town Hall, Bournemouth BH2 6DY



Chairman:

Cllr N Hedges

Vice Chairman:

Cllr L Fear

Cllr H Allen
Cllr L Allison
Cllr M Anderson
Cllr S C Anderson
Cllr M Andrews
Cllr J Bagwell
Cllr S Baron
Cllr S Bartlett
Cllr J Beesley
Cllr D Borthwick
Cllr P Broadhead
Cllr M F Brooke
Cllr N Brooks
Cllr D Brown
Cllr S Bull
Cllr R Burton
Cllr D Butler
Cllr D Butt
Cllr J J Butt
Cllr E Coope
Cllr M Cox
Cllr M Davies
Cllr N Decent
Cllr L Dedman
Cllr B Dion

Cllr B Dove
Cllr B Dunlop
Cllr M Earl
Cllr J Edwards
Cllr L-J Evans
Cllr G Farquhar
Cllr D Farr
Cllr A Filer
Cllr D A Flagg
Cllr S Gabriel
Cllr N C Geary
Cllr M Greene
Cllr N Greene
Cllr A Hadley
Cllr M Haines
Cllr P R A Hall
Cllr P Hilliard
Cllr M Howell
Cllr M Iyengar
Cllr C Johnson
Cllr T Johnson
Cllr A Jones
Cllr J Kelly
Cllr D Kelsey
Cllr R Lawton

Cllr M Le Poidevin
Cllr L Lewis
Cllr R Maidment
Cllr C Matthews
Cllr S McCormack
Cllr D Mellor
Cllr P Miles
Cllr S Moore
Cllr L Northover
Cllr T O'Neill
Cllr S Phillips
Cllr M Phipps
Cllr K Rampton
Cllr Dr F Rice
Cllr V Ricketts
Cllr C Rigby
Cllr R Rocca
Cllr M Robson
Cllr V Slade
Cllr A M Stribley
Cllr T Trent
Cllr M White
Cllr L Williams
Cllr K Wilson

All Members of the Council are summoned to attend this meeting to consider the items of business set out on the agenda below.

The press and public are welcome to view the live stream of this meeting at the following link:
<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?MIId=4809>

If you would like any further information on the items to be considered at the meeting please contact:
Karen Tompkins on 01202 096660 or democratic.services@bcpccouncil.gov.uk

Press enquiries should be directed to the Press Office: Tel: 01202 118686 or
email press.office@bcpccouncil.gov.uk

This notice and all the papers mentioned within it are available at democracy.bcpccouncil.gov.uk

GRAHAM FARRANT
CHIEF EXECUTIVE

6 September 2021



Available online and
on the Mod.gov app



Maintaining and promoting high standards of conduct

Declaring interests at meetings

Familiarise yourself with the Councillor Code of Conduct which can be found in Part 6 of the Council's Constitution.

Before the meeting, read the agenda and reports to see if the matters to be discussed at the meeting concern your interests

Do any matters being discussed at the meeting directly relate to your registered interests?

Disclosable
Pecuniary Interest

Yes

Declare the
nature of the
interest

Do NOT
participate in
the item at the
meeting. Do
NOT speak or
vote on the
item EXCEPT
where you hold
a dispensation

You must leave
the room
during the
debate unless
you hold a
dispensation

Other Registerable
Interest

Yes

Declare the
nature of the
interest

You may speak
on the matter
ONLY if
members of the
public are also
allowed to
speak at the
meeting

Otherwise, do
NOT speak or
vote on the
matter and
leave the room
during the
debate unless
you hold a
dispensation

No

Does the matter **directly** relate to your
financial interest or well-being or those
of a relative or close associate?

Yes

You must disclose the interest.

Does the matter affect your financial
interest or well-being:
(a) to a greater extent than it affects the
financial interests of the majority of
inhabitants of the ward affected by
the decision and;
(b) a reasonable member of the public
knowing all the facts would believe
that it would affect your view of the
wider public interest

Yes

You may speak on the matter ONLY
if members of the public are also
allowed to speak at the meeting

Otherwise, do NOT speak or vote on
the matter and leave the room during
the debate unless you hold a
dispensation

What are the principles of bias and pre-determination and how do they affect my participation in the meeting?

Bias and predetermination are common law concepts. If they affect you, your participation in the meeting may call into question the decision arrived at on the item.

Bias Test

In all the circumstances, would it
lead a fair minded and informed
observer to conclude that there was
a real possibility or a real danger that
the decision maker was biased?

Predetermination Test

At the time of making the decision,
did the decision maker have a closed
mind?

If a councillor appears to be biased or to have predetermined their decision,
they must NOT participate in the meeting.

For more information or advice please contact the Monitoring Officer
(susan.zeiss@bcpcouncil.gov.uk)

Selflessness

Councillors should act solely
in terms of the public
interest

Integrity

Councillors must avoid
placing themselves under
any obligation to people or
organisations that might try
inappropriately to influence
them in their work. They
should not act or take
decisions in order to gain
financial or other material
benefits for themselves,
their family, or their friends.
They must declare and
resolve any interests and
relationships

Objectivity

Councillors must act and
take decisions impartially,
fairly and on merit, using the
best evidence and without
discrimination or bias

Accountability

Councillors are accountable
to the public for their
decisions and actions and
must submit themselves to
the scrutiny necessary to
ensure this

Openness

Councillors should act and
take decisions in an open
and transparent manner.
Information should not be
withheld from the public
unless there are clear and
lawful reasons for so doing

Honesty & Integrity

Councillors should act with
honesty and integrity and
should not place themselves
in situations where their
honesty and integrity may
be questioned

Leadership

Councillors should exhibit
these principles in their own
behaviour. They should
actively promote and
robustly support the
principles and be willing to
challenge poor behaviour
wherever it occurs

AGENDA

Items to be considered while the meeting is open to the public

1. **Apologies**

To receive any apologies for absence from Councillors.

2. **Declarations of Interests**

Councillors are requested to declare any interests on items included in this agenda. Please refer to the workflow on the preceding page for guidance.

Declarations received will be reported at the meeting.

3. **Confirmation of Minutes**

To confirm and sign as a correct record the minutes of the Meeting held on 22 June 2021.

4. **Announcements and Introductions from the Chairman**

To receive any announcements or introductions from the Chairman.

5. **Public Issues**

To receive any public questions, statements or petitions submitted in accordance with the Constitution, which is available to view at the following link:

<https://democracy.bcpCouncil.gov.uk/ieListMeetings.aspx?CommitteeID=151&Info=1&bcr=1>

The deadline for the submission of a public question is 4 clear working days before the meeting.

The deadline for the submission of a public statement is midday the working day before the meeting.

The deadline for the submission of a petition is 10 working days before the meeting.

6. **Petition - Make Ashley Road Safe**

Council is advised that a petition with 2,281 valid signatures has been received from Councillor Earl requesting that:

"We, the undersigned, call on the Conservative Administration at BCP Council and Dorset Police to take action and end the serious anti-social behaviour issues and illegal activity that residents witness every day on Ashley Road, Poole."

In accordance with the Constitution a petition with 2,000 + signatures will be referred for debate at a meeting of full Council.

The Council is asked to consider the petition and to determine next steps.

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7. Questions from Councillors

The deadline for questions to be submitted to the Monitoring Officer is 6 September 2021.

8. Recommendations from Cabinet and Other Committees

Please see recommendations detailed below.

8	(a)	Cabinet 23 June 2021 - Minute No 16 - Financial Outturn Report 2020/21 RECOMMENDED that Council: - (A) agree the transfer of the £5.1 million surplus for the year to the MTFP mitigation reserve; (B) agree that the contain outbreak management fund (COMF) allocation for 2021/22 of £2.533 million is retained in a contingency to manage any outbreaks that may occur later in the year, as recommended by the director of public health as set out in paragraph 83 of the submitted report; and (C) agree the capital virements as set out in paragraph 154 of the submitted report.	25 - 90
8	(b)	Cabinet 23 June 2021 - Minute No 21 - Youth Justice Service Youth Justice Plan 2021/22 RECOMMENDED that the Youth Justice Plan be approved by Full Council.	91 - 128
8	(c)	Cabinet 23 June 2021 - Minute No 24 - Council Sustainable Fleet Management Strategy and Fleet Replacement Programme (Resolutions (a) to (d) were resolved matters determined by Cabinet) RECOMMENDED that Council; (e) approve the use of new prudential borrowing for the Fleet Replacement Plan and recognise the impact of this on the annual revenue budget requirement. Note - Members are referred to agenda item 11 and the urgent decision taken by the Chief Executive and advised that on 23 June 2021 Cabinet unanimously approved the Council's £31.1m Sustainable Fleet Management Strategy and Fleet Replacement Programme. This included investment in supporting Electric Vehicle (EV) infrastructure required to operate EV vehicles within the fleet. The report required Council approval, which was originally planned for July 2021, but because of Covid-19 restrictions was postponed to 14 September 2021. Because of the significant manufacture lead-in times for fleet vehicle procurement an Officer Decision Record was taken in advance of September Council for 18 service critical vehicle purchases included	129 - 172

within the Fleet Replacement Plan (FRP) These vehicles are currently scheduled to be replaced in year 1 of the FRP. The vehicles are summarised below:

- 5 x Dennis Eagle Electric Refuse Freighters £2,000k
- 12 x Dennis Eagle Standard Refuse Freighters £2,220k
- 1 x Iveco Stralis 26t Grab tipper lorry £140k

Total spend (18 vehicles) £4,360k

The Officer Decision Record also approved progression with £390k of upgrade works to electricity infrastructure at Hatchpond Depot to support the transition to electric vehicle replacements. 5 of the 18 vehicles proposed to be acquired in advance of Council approval require access to EV infrastructure. Total Fleet Replacement Plan spend to be incurred in advance of Council approval is therefore £4,750k from a total proposed request of £17.8m for the 21/22 element of the plan and overall plan investment value of £26.92m over 3 years.

Reasons for the decision taken:

Failure to move ahead with the Fleet Replacement Plan and associated Sustainable Fleet Management Strategy would have placed the authority at risk as vehicles reach end of life of repeated statutory service failure, associated reputational damage, increased revenue budget pressure and potential for breach of its Operator Licence compliance. The vehicles detailed within the Decision Record have reached end of economical life and have extended lead in manufacturing timelines with provisional build slots booked in accordance with procurement processes in the knowledge of a previously planned Full Council meeting of the 13 July 2021 decision. Due to a delay in lifting Covid-19 restrictions a decision was taken to cancel the meeting delaying approval. The impact of this delay until the planned next Council meeting of 14 September placed BCP Council at risk of losing provisional build slots. The vehicle manufacturer was experiencing high demand and was in a position to offer unsecured build slots to other customers which would have resulted in extending the period before securing receipt of replacement vehicles estimated at this time to be 6 months and consequently increasing the risk of interim hire costs and/or service disruption to the Council. At the time the Decision Record was taken the service had 7 vehicle breakdowns impacting service performance a pattern that will increase until replacements are delivered as existing fleet reaches end of life. The release of £390k to upgrade electricity supply to the Depot underpins the strategy, without it orders for the 5 x ERCV's cannot progress. Funding sources have already been secured via existing MHCLG Waste Infrastructure Grant.

- 8 (d) Audit and Governance Committee 29 July 2021 - Minute No 15 - Treasury Management Monitoring Outturn 2020/21 and update for Quarter 1 2021/22

(Resolutions (a) to (c) were resolved matters determined by Audit and Governance Committee)

RECOMMENDED to Council that:

(D) the revised prudential indicators set out in table 8 of the report and the proposed adjustment to the Council Minimum Revenue Provision policy as set out in paragraph 32 of the report be approved.

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| 8 | (e) | Cabinet 1 September 2021 - Minute No 47 - Carters Quay Housing and Regeneration Scheme Poole | 185 - 210 |
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RECOMMENDED that Council approve: -

- (A) the Carters Quay scheme which is not in the Council's current capital programme;**
- (B) the acquisition of the land and buildings known as Carters Quay outlined in red on the attached plan marked Appendix B, which will include the consented Build to Rent residential housing scheme as described in para 1 of the report;**
- (C) payment of the purchase price for Carters Quay as set out in the exempt Appendix A;**
- (D) the authorisation of the Corporate Property Officer in consultation with the Leader of the Council, the Council's Section 151 and Monitoring Officer to agree the detailed provisions of all legal structure and documentation and enter into the relevant contract/(s);**
- (E) the intention to grant up to 50-year lease to Seascope Homes and Property Limited subject to their board approval on terms to be agreed by the Corporate Property Officer, in consultation with the Monitoring Officer; and**
- (F) that the Capital Investment Programme be amended to include provision for this acquisition to be funded by prudential borrowing, as detailed in the exempt Appendix, and authorises the Section 151 Officer, in consultation with the Portfolio Holder for Finance and Transformation, to determine the detailed funding arrangements for the forward purchase of the Build to Rent scheme.**

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| 8 | (f) | Cabinet 1 September 2021 - Minute No 50 - SEND Improvement Funding | 211 - 218 |
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RECOMMENDED that: -

(A) Council approve £292k of additional resources to support the SEND written statement of action in 2021/22;

(B) Cabinet recommends that Council approves the £220k

additional resources requested in 2022/23 which reduces to £156k in 2023/24, and £137k from 2024/25 onwards.

219 - 248

9. Public Report into a complaint against BCP Council by the Local Government and Social Care Ombudsman - outcome of complaint

This report provides a summary on the Decision Notice made by the Local Government and Social Care Ombudsman whose investigation found maladministration causing injustice to a complainant and the remedy actions taken.

The Ombudsman under the Local Government Act 1974, section 31(2), as amended, has requested that the Council consider the report at its full Council.

10. Notice of Motions in accordance with Procedure Rule 12

The following motion submitted in accordance with Procedure Rule 12 of the Meeting Procedure Rules has been proposed by Councillor Drew Mellor and seconded by Councillor Jane Kelly:-

This motion is to agree that in principle this Council is supportive of the setting up and delivery of a Poverty Truth Commission initiative for the Bournemouth, Christchurch and Poole area by a well-established organisation outside of the Council.

Poverty Truth Commissions have been successfully completed in many towns and cities throughout the UK. People from all walks of life have come together to discuss their experiences, they are initially invited from local communities – Community Commissioners, and from the Public Sector and Business world – Civic Commissioners.

A Poverty Truth Commission is about developing relationships of trust and empathy between commissioners, and seeing what happens when their combined wisdom, resources and experience are brought together. The tried and tested model will be adapted to best fit the local context, seeking to enable a deeper dive into the challenges and the opportunity to unearth and commit to new future possibilities for wiser action and culture change.

I feel that the PTC movement fits well with our ABCD aspirations and therefore move that we support them in their endeavours in our area. I look forward to taking part in the conversations and trust that others will do the same.

11. Urgent Decisions taken by the Chief Executive in accordance with the Constitution

The Chief Executive to report on any decisions taken under urgency provisions in accordance with the Constitution. See detailed below.

- Bournemouth Learning Centre Capital Budget
- Covid – Local Support Grant extension to end of September 2021
- Urgent Sustainable Fleet Replacement Procurement

- Additional Restrictions Grants (ARG 4)

No other items of business can be considered unless the Chairman decides the matter is urgent for reasons that must be specified and recorded in the Minutes.

BOURNEMOUTH, CHRISTCHURCH AND POOLE COUNCIL
COUNCIL

Minutes of the Meeting held on 22 June 2021 at 7.00 pm

Present:-

Cllr N Hedges – Chairman

Cllr L Fear – Vice-Chairman

Present: Cllr L Allison, Cllr M Anderson, Cllr S C Anderson, Cllr M Andrews, Cllr J Bagwell, Cllr S Baron, Cllr S Bartlett, Cllr J Beesley, Cllr D Borthwick, Cllr P Broadhead, Cllr M F Brooke, Cllr N Brooks, Cllr D Brown, Cllr R Burton, Cllr D Butler, Cllr D Butt, Cllr J J Butt, Cllr E Coope, Cllr M Davies, Cllr N Decent, Cllr L Dedman, Cllr B Dove, Cllr B Dunlop, Cllr M Earl, Cllr J Edwards, Cllr G Farquhar, Cllr A Filer, Cllr D A Flagg, Cllr S Gabriel, Cllr N C Geary, Cllr A Hadley, Cllr M Haines, Cllr P R A Hall, Cllr P Hilliard, Cllr M Howell, Cllr M Iyengar, Cllr C Johnson, Cllr T Johnson, Cllr A Jones, Cllr J Kelly, Cllr D Kelsey, Cllr R Lawton, Cllr L Lewis, Cllr R Maidment, Cllr S McCormack, Cllr D Mellor, Cllr P Miles, Cllr S Moore, Cllr L Northover, Cllr T O'Neill, Cllr S Phillips, Cllr M Phipps, Cllr K Rampton, Cllr Dr F Rice, Cllr V Ricketts, Cllr C Rigby, Cllr R Rocca, Cllr V Slade, Cllr A M Stribley, Cllr M White, Cllr L Williams and Cllr K Wilson

94. Apologies

Apologies were received from Councillors H Allen, S Bull, M Cox, B Dion, L-J Evans, M Greene, N Greene, M Le Poidevin, C Matthews, M Robson and T Trent.

Note: Councillor Evans requested that it be reported that she was not attending in person due to current Covid legislation.

95. Declarations of Interests

The following declarations were made:

- Councillor John Beesley made a declaration of interest concerning item 6 on the agenda in respect of a question from a Councillor relating to the Haven Hotel, Sandbanks, Poole. He stated that although he had no direct interest in the planning application for this site, the owners of the Haven Hotel were listed in the Council's Register of Councillor Interests as clients of his consultancy business and as such he believed that he had a pecuniary interest and would leave the meeting at the point that this matter was discussed.
- Councillor Sean Gabriel declared a disclosable pecuniary interest in respect of Item 7a Cabinet 14 April 2021 - Minute No 325 - Management & development of Leisure Centres by virtue of his employment at Leisure Centres in the BCP Council area including

Rossmore Leisure Centre. He did not speak or vote and left the room for consideration of this item.

- Councillor May Haines declared an interest in respect of item 7a Cabinet 14 April 2021 - Minute No 325 - Management & development of Leisure Centres as a member of Everyone Active Leisure Centres

96. Confirmation of Minutes

The minutes of the Ordinary Council meeting on 23 March 2021 and the Annual Council meeting on 11 May 2021 were confirmed.

97. Announcements and Introductions from the Chairman

The Chairman made the following announcement:

Death of Former Borough of Poole Councillor Don Collier

The Chairman reported with sadness, the death of Don Collier former Borough of Poole Councillor. He called on Councillor Stribley to say a few words. She paid tribute to Mr Collier for his service to the Borough Council as a Parkstone Ward Councillor since 1999.

The Council paid tribute to Don Collier with a minute silence.

98. Public Issues

A – Public Questions

The Chairman reported that in accordance with the Constitution a public question had been received from Bob Hutchings. Councillors were advised that he was unable to attend the meeting and had asked if the question could be read out on his behalf. The Deputy Head of Democratic Services read out the question as follows and Councillor Mellor, Leader of the Council, was asked to respond.

Public Question from Bob Hutchings

In appropriate circumstances officers' reports to Council/Committees require a ward notification. Can you please agree to amend this practice so that the notification requirement includes parish councils as well as wards?

Reply from Councillor Drew Mellor, Leader of the Council

I would like to thank Mr Hutchings for his question and will ask the Chairman of the Audit and Governance Committee if this matter can be referred to the Constitution Review Working Group for initial consideration.

B – Statements

There were no statements submitted for this Council meeting.

C – Petitions

There were no petitions submitted for this Council meeting.

99. Questions from Councillors

Question from Councillor Mark Howell

The Haven Hotel is located on a key strategic site serving as a gateway to Poole. The hotel may be “end of life” but the site should remain an attractive focal point with public access, with a high-quality landmark building or as a public park. The administration has advertised widely its intention to use Council borrowing powers for regeneration and to promote tourism. Will it be seriously considering purchasing this site to ensure its use remains emblematic of the ambitions and heritage of Poole, the wider conurbation and the Council?

Reply from Councillor Philip Broadhead, Deputy Leader and Cabinet Member for Regeneration, Economy and Strategic Planning

The Haven Hotel is indeed located on a strategic site serving as a gateway to Poole, however it is not for sale and is currently the subject of a live planning application for its future redevelopment. Through our Asset Investment Panel, we consider opportunities to purchase strategic assets where there is a viable business case made to do so, in line with the relevant rules and regulations surrounding Council investments and financing.

Councillor Howell raised a supplementary question asking if the current planning application or series of applications that have been proposed deliver what was a substandard building in terms of the ambitions and quality that one would expect for such a landmark site and therefore that might give reason for the Council to reconsider. Councillor Broadhead in response explained that it was subject to a live planning application at the moment so it would probably be inappropriate for him to comment any further on such an application and that it would likely preclude any ability to try and purchase a site because that would set a dangerous precedent for applications that we do not consider that we would personally like.

Note: In accordance with the declaration of interest made by Councillor Beesley he left the meeting in respect of the above question.

Question from Councillor Marcus Andrews

We are now getting unauthorised encampments in the BCP Council area: Wallisdown Recreation Ground for example 10 days ago. Without a Travellers Transit Camp this Council's & Dorset Police's ability to deal with these incursions is restricted.

Can the Portfolio Holder, therefore, update Councillors on this Council's progress in identifying a suitable site to secure the opening of a Travellers Transit Camp?

In replying, would the Portfolio Holder agree that to leave the solution of opening & running a Site to private enterprise would be totally the wrong step, being fraught with problems of not only identifying a site, but also its

operation, and that a Travellers Transit Camp needs to be owned & run by this Council?

Reply from Councillor Philip Broadhead, Deputy Leader and Cabinet Member for Regeneration, Economy and Strategic Planning

I am aware that there have been recent unauthorised encampments in the BCP Council area and that the formal identification of an alternative stopping place will assist the Council and Police in use of appropriate legislative powers.

In terms of the Council's response, officers have commissioned a Gypsy and Travellers Accommodation Assessment (GTAA), which once finished later this year will provide an up to date position on need for Gypsy and Traveller accommodation in our area. This will explore the requirements for transit sites and temporary stopping place that the Local Plan may then need to address through identification of any sites and related planning policies to determine planning applications.

The Council are therefore not leaving this matter to private enterprise, but rather are looking at this issue at pace. However, any such applications that are submitted outside of the Local Plan process, such as the private application at present, will be determined through due process against the Council's existing policy framework. Any site that has ultimately been through the planning will need to be managed by a relevant site manager that could be by the Council or a suitable alternative provider.

Councillor Andrews raised a supplementary question asking that the relevant Director ensures that additional officer time was found to identify suitable sites as soon as possible. Councillor Broadhead in response confirmed that this work was already underway and would be undertaken through the correct process as part of the assessment and the Local Plan.

Question from Councillor George Farquhar

My question relates to questions asked by residents on social media and the comments section of the Bournemouth Echo over the weekend 12/13 June.

It is asked in the spirit of being open and transparent to not only our successes but also our shortfalls and examining how our response to the impact of cars on day visits can be improved in preparation for the summer weekends ahead.

Based on the BCP press release of Monday 14 April where an estimated 400,000 people visited the BCP geography. A number that is greater than the population of BCP.

What % of that 400k estimate is estimated/measured to have actually arrived by car and of those cars what % was the 810 PCNs issued addressed the actual number of cars parked illegally? And what further steps will the Local Authority take to try to limit the impact of the number of cars coming in future weekends?

And why since only one vehicle is reported to have been subject to 'tow-away' what analysis will be applied to discover the principal reasons that 'tow-away' was only used once?

Reply from Councillor Mohan Iyengar, Cabinet Member for Tourism, Leisure and Culture

There are a number of questions which I'll take in turn.

1. On the first point, we estimate 400,000 people on the seafront from footfall counters and a canvass of businesses. But a similar calculation can't be done with any accuracy for cars. Transportation has counters on the major highways but no distinction can be made between cars heading to the seafront, residents returning home and others passing through the conurbation en-route to somewhere else. Of those parked illegally, the question is what percent were ticketed? We know 810 Penalty Charge Notices were issued but the number of illegally parked cars across the conurbation can't practically be counted. From the last-but-one weekend there's a growing understanding of where the biggest problems are and the size of the task. From this, we can get a better fix on the coverage of our ticketing for instance. But for practical reasons, any estimate of rogue parking will be centred on the big locations and trouble-spots for targeted action rather than a complete view across every location in BCP.
2. The next question is about how to limit the impact of cars arriving. If the first response is to limit the number of cars, let's keep in mind the importance of the tourism sector and 17,000 jobs locally. Equally, the fact that Covid-19 may have increased the use of cars – albeit temporarily - at the expense of public transport. Furthermore, it's a significant challenge for any local authority to voluntarily shut the major roads into a conurbation because of the statutory duty under the Traffic Management Act 2004 to operate an efficient highway network. Doing so would negatively impact the lives of most residents. Something I'd hope the questioner himself wouldn't advocate. Once cars are in the conurbation, more can be done. Selective road closures can be considered where there's build up – an indeed this was done in Boscombe and Sandbanks which were seen positively by residents. The learning from those instances may be further deployed over the summer. Once again, practicality will be key so that good intent leads to better outcomes and not worse knock-on effects elsewhere. Ticketing can also be expanded. Although 810 PCNs on weekend 12-13th June was already a huge increase on the numbers issued in the busiest days of 2020, there's room to go further. Members will know that the PCN charge is legally capped and there has been debate as to whether it represents a deterrent. The point is noted but ticketing is deployed nationally on a belief that it influences at least a good number of motorists and we shall keep doing so until we have something better. Meanwhile we'll expand it as one of our tactics and lobby Government to increase the charge limit. As a last point, one park and ride is in operation in Kings Park to Boscombe and a second one will become operational

in late July from Poole Civic to Sandbanks. The publicity for both park-and-rides is intended to be raised going forward.

3. Finally, on the towing, one vehicle was towed but five others were readied but didn't happen because the car owner raced back in time. Already this year we've towed nearly 50% of the whole of last year's total, with summer just starting. But the tactic needs care because the civil enforcement officer is required to stay with the mis-parked vehicle until the tow-truck arrives: Time which could have been much better spent in ticketing other vehicles and performing other useful enforcement duties. Nonetheless, tow-capacity will be increased and with the intention to have the signage and vehicles more prominent for a greater deterrent effect.

Finally, the councillor's question – and any councillor's question – is welcomed as part of an open, transparent and constructive dialogue on our summer readiness. A dialogue that invites challenge and builds understanding across the chamber of the moving parts and our ability to control them. In short, a dialogue which is in the best interests of residents, employees, businesses and visitors. This year, the readiness plans have been presented at two all-member seminars and through Overview & Scrutiny Committee. A huge number of questions have been answered via email, in the Leader's Facebook Live, on social media in general and in press releases and media articles. We look forward to a constructive dialogue continuing forward.

Councillor Farquhar raised a supplementary question. He asked how many vehicles on the weekend of 12 and 13 June actually used the park and ride facilities because he had received reports to indicate that the buses running to Boscombe Pier were predominately empty. He asked how many bus tickets were actually sold on that weekend. In response Councillor Iyengar reported that he did not have those figures to hand and suggested for public record to take the issue away. He explained that the spirit of the question was about a greater use of park and ride which he indicated he had covered in the response to the initial question.

100. Recommendations from Cabinet and other Committees

7a - Cabinet 14 April 2021 - Minute No 325 - Management & development of Leisure Centres

Councillor Iyengar, Cabinet Member for Tourism, Leisure and Culture, presented the report on the Management & development of Leisure Centres as set out on the agenda and outlined the detail and implications of the recommendations.

The Cabinet Member explained that the recommendations related to two specific projects of different sizes one which was at the heavily used Rossmore Leisure Centre namely the resurfacing of the synthetic turf pitch which was intensely used. The smaller investment was at the Two Riversmeet Leisure Centre with the replacement of the existing pitch carpet which would hopefully be undertaken in December 2021. He explained that the funding would be through prudential borrowing and grant funding. The Cabinet Member also added that there were a number of other projects

being planned across the conurbation and he looked forward to bringing them forward ensuring that the Council has a vision of sport for local people. Councillor Mark Anderson seconded the report and welcomed the projects being brought forward.

Councillor Butler explained that she was concerned about recommendation (B) and highlighted that having read the Playing Pitch Strategy 2020-33 – it stated that artificial turf was a higher cost in terms of maintenance and funds required for replacement. She reported that grass pitches were more sustainable environmentally and would require staff to maintain the pitch. Councillor Butler also referred to the life span of a synthetic pitch which she indicated was approximately 10 years and requested that consideration was given to grass pitches as well as artificial turf in the case of the Rossmore Leisure Centre. The Cabinet Member reported on the consultation that was undertaken on both of the projects and that there was support for the project at Rossmore Leisure Centre. He explained that the option of replacement of the grass pitch with the synthetic turf was discussed. He indicated that he was a fan of grass pitches and confirmed that as many grass pitches as possible would be retained. The Cabinet Member explained that there was intense use of the pitch at the Rossmore Leisure Centre and therefore following discussions the artificial pitch was considered the best way forward in terms of durability, number of hours and days that it can be used.

Councillor Howell expressed his concern relating to Covid and the impact that this has had as there had been substantial changes in the way that people exercise and the amount of exercise that they were undertaking. He asked how the Council was going to address such issues as those changes would clearly inform the strategy that would be developed at the next stage of the process. The Cabinet Member in summing up responded to the issues raised by Councillor Howell, he acknowledged that Covid was not going to disappear quickly and highlighted that there would be support for team and contact sports but that there were caveats that the Council would need to factor in due to Covid but the general direction does not need to change.

The recommendations arising from the Cabinet meeting held on 14 April 2021 on the above as set out on the agenda were approved.

Voting: Agreed

Councillor Butler wished to be recorded as voting against recommendation (B)

Note: Councillor Sean Gabriel having declared a disclosable pecuniary interest left the meeting for consideration of the above item and did not speak or vote.

7b - Cabinet 14 April 2021 - Minute No 326 - Our Museum: Poole Museum Redevelopment Project

Councillor Iyengar, Cabinet Member for Tourism, Leisure and Culture, presented the report on the Our Museum: Poole Museum Redevelopment Project as set out on the agenda, outlined the detail and implications of the

recommendations and the funding arrangements. He explained that the project would be transformational with the opportunity for locally themed exhibitions, events, seminars and workshops but also a magnet for most illustrious and prestigious visiting exhibitions and displays. The Cabinet Member outlined the wider benefit for that quarter of Poole, the heritage action zone and proposals to create that area as a cultural quarter. Councillor White seconded the recommendations.

Councillor Hadley welcomed the report, the investment in Poole Museum. and the breadth of appeal. Councillor Howell reiterated that the development was a fantastic project and he hoped that the Council would achieve the full amount of funding to be able to deliver the project. He commented on the terminology used and the naming of areas during the regeneration process in Poole and asked that particular zones were named according to their values and there was consistency with the names.

Councillor Iyengar in summing up agreed the need for clarity around the names for the zoning and how these issues were decided which should resound with people who were invested in the area.

The recommendations arising from the Cabinet meeting held on 14 April 2021 on the above as set out on the agenda were approved.

Voting: Unanimous.

7c - Cabinet 14 April 2021 - Minute No 328 - Housing Scheme at Craven Court, Knyveton Road, Bournemouth

Councillor Lawton, Cabinet Member for Homes, presented the report on the housing scheme at Craven Court, Knyveton Road, Bournemouth as set out on the agenda, outlined the detail and implications of the recommendations and the funding arrangements for the scheme. The Cabinet Member reported that the project would make provision for 24 apartments 10 one-bed and 14 two-bed with passive house standards including very high thermal efficiency and excellent levels of air tightness which would reduce carbon emissions and the reliance on expensive heating systems which could reduce energy bills for residents by approximately 75%. Councillor Rampton seconded the recommendations.

A Ward Councillor commented on the scheme and felt that it would be a great addition to the Council's housing stock. Whilst welcoming the provision of affordable housing a Councillor raised concerns relating to the budget for the scheme and the cost per unit together with the reference in the report that the cost of development was higher than what would be the market value once it was developed. He asked the Cabinet Member to comment on the value for money of the scheme.

The Cabinet Member in summing up explained that on paper the scheme appeared expensive. He explained that he did not believe that it was that expensive as it was for senior living and was built to passive house standards which were expensive to build with triple glazing, thermal insulations etc. The Cabinet Member highlighted that it was a fantastic addition to the Council's housing stock.

The recommendations arising from the Cabinet meeting held on 14 April 2021 on the above as set out on the agenda were approved.

Voting: Agreed.

Councillor Brown wished to be recorded as abstaining and Councillor Butler wished to be recorded as dissenting from the above decision.

(Councillors J Butt and D Butt were not in the room for the vote on the above decision)

7d - Standards Committee 20 April 2021 - Minute No 41 - Local Government Association - Model Code of Conduct for Councillors

Councillor Steve Baron presented the report on the Local Government Association – Model code of Conduct for Councillors as set out on the agenda. Councillor Brooks in seconding the recommendation referred to the Nolan principles of public life. He reported on the changes that had occurred since the establishment of the Nolan principles in terms of social media. Councillor Brooks commented on the role of Councillors in all tiers of local government and that it was vital the system of democracy was well supported. He emphasised that all Councillors can be held accountable and should adopt the behaviour and responsibilities associated with rules. Councillor Brooks reported that the conduct of an individual Councillor affects the reputation of all Councillors and the Council. He further explained that in the application of the code it makes it clear that we were now concerned about areas of communication and interaction which not only included face to face meetings, online or telephone meetings but all forms of communication. Members were advised that building on the Nolan principles the code introduces 15 best practice points that all Councillors should follow. Councillor Brooks reported that the Council's Monitoring Officer has a statutory responsibility for the implementation of the code.

Councillor Andrews commented on the reasons for the insertion of the word 'known' within the recommendation. The proposals for reviewing the code were also raised and it was suggested that the inclusion of the word "known" should be fed back and included in the next iteration when the code was reviewed by the LGA. Councillor Hadley also referred to the need to be cautious in making comments on social media.

Councillor Baron in summing up reported that he would be delighted to see the code adopted.

The recommendations arising from the Standards Committee on 20 April 2021 on the above as set out on the agenda were approved.

Voting: Unanimous.

7e - Audit and Governance Committee 22 April 2021 - Minute No 81 - Report of the Constitution Review Working Group - Changes to the Constitution

Councillor John Beesley, Chairman of the Audit and Governance Committee presented the report on the changes to the Constitution as set out on the agenda. Councillor Beesley reported that the issue was brought

to the Working Group by the Chair of the Licensing Committee. He explained that the Working Group invited the Chair of the Licensing Committee to set out the principle reasons for making a change to the Constitution. Councillor Beesley reported that the Working Group accepted that a Committee of 15 Councillors was too large to consider specific licensing applications and particularly as meetings involved hearing and consideration of complex, sensitive and often highly emotive issues around applicants for licences. It was accepted that 15 Councillors could potentially be unfair and daunting to an applicant. It was proposed that a process be put in place for the Licensing Sub-Committee to deal with a range of applications. The Working Group supported the expansion of the schedule of application types that could then be considered by the Sub-Committee. Councillor Beesley reported that issues of strategy and policy such as licensing policy and fees and charges would continue to be matters that should be addressed by the Licensing Committee. The proposals put to the Working Group to expand the list of licensing functions that could be discharged by a sub-committee as opposed to having to go to the full Licensing Committee were agreed. This would include applications relating to premises or on land operated by the Council. The Working Group was of the view that the issue should be progressed as a matter of urgency ahead of a wider review of the Constitution and the recommendation was made to the Audit and Governance Committee on 22 April 2021 which was accepted. In conclusion Councillor Beesley moved the recommendation as set out on the agenda which was seconded by Councillor Williams.

The Chairman of the Licensing Committee explained that there was an absolute right for Sub-Committees to consider all matters with the exception of those outlined by the Chairman of the Audit and Governance Committee. She was grateful that her arguments put forward to the Working Group and the Audit and Governance Committee were accepted. She requested that as stated the revised arrangements for the Licensing Committee within Part 3 Rule 3 of the Constitution as set out in Appendix 1 of the report Audit and Governance Committee be approved and adopted.

The recommendation arising from the Audit and Governance Committee on 22 April 2021 on the above as set out on the agenda was approved.

Voting: Unanimous

101. Senior Management Appointments

The Leader of the Council presented a report, which invited the Council to approve the structure for Tier 2 posts and to approve new appointments to Chief Officers posts in accordance with the Council's Constitution and statutory requirements, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'A' to these Minutes in the Minute Book.

The Leader of the Council moved the recommendations set out in the report and in doing so outlined the proposed changes in the management structure following two Corporate Directors Bill Cotton and Jan Thurgood leaving the authority. He reported on the recruitment process and successful appointments to the new roles. Members were informed that the

recruitment process included panel interviews with cross-party membership and each panel was unanimous in support for the candidates appointed.

The Leader of the Council took the opportunity to thank Jan Thurgood, Corporate Director Adult Social Care who was due to retire from the Council at the end of June 2021 for her service to the Council. He reported that she was a wonderful servant to Local Government through a very distinguished career very much focussed on the most vulnerable people children and adults in our society. The Leader of the Council explained that she delivered a safe landing as the legacy Councils transitioned into BCP Council and was committed to spending those extra years of her career to make sure that she left that safe landing for the service. She provided impeccable service to BCP Council and the Borough of Poole and provided wise counsel and calm leadership and would be missed. The Leader of the Council placed on record his personal thanks to Jan and on behalf of the Council thanked her for her service and commitment.

Councillor Broadhead seconded the recommendations and in doing so highlighted other appointments as detailed in the report which compliments a different management team leading the Council going forward.

Councillor Dedman, echoed the words of the Leader in his praise for the service provided by Jan Thurgood. She referred to paragraph 5 of the report which indicated that we must reduce costs where we can. Councillor Dedman highlighted that reducing costs must not mean any reduction in services to vulnerable residents. She supported the centre of excellence that the Council had been working towards since the start of BCP and to continue to expand work with all the Council's partners. She emphasised that any cost reduction or staff reorganisation must not reduce any services to vulnerable residents.

Councillor Mellor in summing up explained that the proposal was about efficiency of cost which has to be the Council's aspiration but the ambition for outcomes can supersede that. He also commented on the level of investment in adult social care by the administration which had included an extra £13.5m in the last budget together with other service investments.

RESOLVED that in accordance with Section 5 of the Local Government and Housing Act 1989 the Council confirms the appointment of the following individuals into post;

- **Chief Operations Officer – Kate Ryan**
- **Director of Adult Social Services – David Vitty**
- **Director for Commissioning – Phil Hornsby**

Voting: Unanimous

102. Notice of Motions in accordance with Procedure Rule 12

The following motion submitted in accordance with Procedure Rule 12 of the Meeting Procedure Rules was moved by Councillor Richard Burton and seconded by Councillor David Brown who reserved his right to speak later in the debate:-

“In August 2020 the Government proposed reforms to the current ‘Standard Method’ formula used to determine housing demand in each local authority. This formula seemingly dictates a house building target on BCP, which many people feel is unrealistic and puts undue pressure on our infrastructure, open spaces, Green Belt, and town centres. This figure uses out of date, 2014, population growth data and takes no account of the unique circumstances that BCP has.

Even if our planners achieve these government targets there is a growing risk that, once gained, developers fail to progress their applications to achieve completed homes and there are no incentives to help with this problem in the planning White Paper.

While there is an obvious need for more housing within BCP, and we would acknowledge the hard work that Officers and the Working Group are doing in this area, we would like the assurance that the correct number and type of homes are being planned for and actually built.

This Council therefore resolves to:

- Call on the Portfolio Holder to make the case to Government to use more recent data in their calculations, rather than the outdated 2014 numbers.**
- Call on the Portfolio Holder to write to our MPs and to the Secretary of State, to propose an amendment to the Planning Paper, to call on sites to be completed not just commenced, adding incentives and sanctions to developers to encourage them to complete homes on sites with planning permissions.**
- Ask the Planning Officers to proceed with haste with the Strategic Housing Market Needs Assessment, to enable us to work with our neighbouring authorities in a timely manner to fulfil any unmet needs.”**

Notification has been received that the motion is also supported by Councillors Vikki Slade, Sandra Moore, Tony Trent, George Farquhar, Mike Brooke, Marion Le Poidevin, Marcus Andrews and Lisa Lewis.

Councillor Burton in presenting the motion reported that the aim was to provide the correct number and type of houses for residents. He explained that currently the number of houses was imposed on the Council and it was necessary to ensure that the number being built was correct. He explained that at present it was based on a standard method using 2014 numbers of population growth with an addition of an arbitrary uplift to make up for the historic shortfall in numbers. He highlighted that there had been changes since 2014 and that there was little consideration for the special nature of the BCP Council area. Councillor Burton explained that the imposed number put extreme pressure on the green belt, other open spaces and the character of towns in the area but did not ensure that the correct number of houses would be built. He explained that the ONS had questioned the use of the 2014 data with 2018 data showing substantial differences. Councillor Burton referred to the Government’s Planning Practice Guidance on housing which indicates that an alternative approach can be used if the Council can justify diverting from the standard method. Members were

informed that if the standard method was used, the Council risk forcing unnecessary homes on the population primarily built on what was green belt land. Councillor Burton explained that when developers were granted planning permission there was no urgency placed on them to deliver the completed houses and the recent planning system white paper does not address this issue. Members were informed that the relevant Government Committee had indicated that there was a need to speed up the delivery of housing. However, the problem of build out rates needs to be tackled. The Council at present had no control on when these houses were delivered and the council tax income that could be spent on infrastructure and services which would benefit residents.

Councillor Broadhead supported the motion and highlighted the serious challenges that the Council has with the formulation of a Local Plan and the issues with the current standard methodology which had been well rehearsed as the Government was very insistent that the Council had to use this method. He highlighted that the Council had previously written to the Secretary of State. Councillor Broadhead announced that in the last month he had again written to the Secretary of State to do exactly what the motion was asking to do, highlighting the challenges of the standard methodology and to urge the Government to use more recent data in their calculations. Councillor Broadhead proposed an amendment which he had circulated to all Members of the Council as detailed below and referred to the additional work that the Council would be doing to try and tackle this point with the Government going forward. He highlighted the piece of work being undertaken by the Planning Team looking at some of the demographic inaccuracies and difficulties with the standard methodology.

This Council therefore resolves to:

- **Acknowledge that the Portfolio Holder has written to the Secretary of State, once again making the case to Government to use more recent data in their calculations, rather than the outdated 2014 numbers, along with urging greater work to recognise sites to be completed not just commenced.**
- **Ask the Planning Officers to continue to proceed with haste with the Strategic Housing Market Needs Assessment, to enable us to work with our neighbouring authorities in a timely manner to fulfil any unmet needs.**
- **Call on the Portfolio Holder to go even further, and further write to the Secretary of State once the workstream around challenging the demographic assumptions embedded in the 2014 projections as a result of the recent Statistics Authority findings in respect of a complaint to the ONS is complete.**

The amendment was seconded by Councillor Richard Burton.

Members in considering the amendment referred to the available data through the 2021 Census data, lobbying MPs to compel developers to complete residential schemes, the timescale for developments to be started and completed and a proposal that if this was not achieved full council tax would be payable on every home that was incomplete. Councillor Phipps welcomed the challenge on the figures. She highlighted that if the

Government was not supportive that the Council should look for exceptional circumstances. Councillor Phipps advised that the NPPF indicates this can be done by justifying an alternative approach and the starting point was for a housing needs assessment based on realistic assumptions which would underpin the Local Plan. Councillor Slade focussed on the incentives and penalties that she would like the Portfolio Holder to continue to stress with the Government which needs to be worked on. She encouraged all Members to read the select Committee report. Councillor Slade referred to the option of a tax on green field development and additional measures to support Council's buying empty homes in its area. She explained that the Centre for Policy Studies had recently written that planning permissions need to move from being an option to develop to a contract filled and that was a good point to make to MPs and the Secretary of State next time Councillor Broadhead has the opportunity for discussion. Councillor Farquhar reported that he could not support the amendment as he felt that the original motion calls upon the Council to alert the Government on allowing developers to continue without sanction or incentives to fulfil their commitments and continue a model of land banking or property banking. Councillors commented on one of the key issues for developments to commence which was ensuring the infrastructure and investment matches. A Councillor asked if the amendment had an impact on the 15,000 homes that were due to be delivered over the next five years which was a rate of 3,000 per year. The impact of the restructure of local economies and where people choose to live in view of recent events was highlighted which may affect this issue. Councillor Brooks referred to the position in Christchurch relating to the number of developments with consent, but which had not yet commenced. He referred to a presentation that he had recently attended regarding the Christchurch urban extension and the opportunity to work with developers.

Councillor Brown sought clarification on the second bullet point in the amendment and the need to ensure that the housing targets were correct and to consider the impact on all services.

Councillor Broadhead in summing up clarified that he had rolled up the issue about the completed and not just commenced development sites into one bullet point and gave further assurance that when he writes the second letter shortly, he would reiterate that point. He confirmed that the current housing figures that the Council was working towards on the standard method was around 2700. He highlighted that this was about a fair and balanced representation of the actual need the Council has for house building in the future. He emphasised his two-pronged approach to challenge the 2014 figures that were not representative of the current position and secondly in recognition that the Government was wedded to those figures to challenge the actual figures within the 2014 standard methodology and make sure that they fairly represent the demographic in the BCP area. Finally, the Portfolio Holder reported on the Council's responsibility to prepare a full and balanced Local Plan. Councillor Burton had no further comments to add.

Councillors were asked to vote on the motion as amended and detailed below which was carried

This Council therefore resolves to:

- **Acknowledge that the Portfolio Holder has written to the Secretary of State, once again making the case to Government to use more recent data in their calculations, rather than the outdated 2014 numbers, along with urging greater work to recognise sites to be completed not just commenced.**
- **Ask the Planning Officers to continue to proceed with haste with the Strategic Housing Market Needs Assessment, to enable us to work with our neighbouring authorities in a timely manner to fulfil any unmet needs.**
- **Call on the Portfolio Holder to go even further, and further write to the Secretary of State once the workstream around challenging the demographic assumptions embedded in the 2014 projections as a result of the recent Statistics Authority findings in respect of a complaint to the ONS is complete.**

Councillor Farquhar wished to be recorded as voting against the motion as amended.

Voting: Agreed

103. **Urgent Decisions taken by the Chief Executive in accordance with the Constitution**

The Chairman reported that there had been no urgent decisions taken by the Chief Executive in accordance with the Constitution.

The Chairman reported on the date of the next meeting of the Council. He explained that there was a proposal which had been raised with Group Leaders and unaligned members to defer the next Council meeting which was scheduled for 13 July 2021 to 14 September 2021.

The above proposal was agreed by a majority of the Councillors present.


Councillor Rocca arrived at 19.17

Councillors D Butt, J Butt and Bagwell left at 20:31

The meeting ended at 8.47 pm

CHAIRMAN

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CABINET 	
Report subject	Financial Outturn Report 2020/21
Meeting date	23 June 2021
Status	Public Report
Executive summary	<p>This report provides details of the final financial outturn for the revenue account, capital programme, reserves, and the housing revenue account (HRA) for the financial year 2020/21. It also includes a small number of proposed virements to the budget for 2021/22 for new grants awarded since the budget was set in February.</p> <p>The general fund revenue outturn is a surplus of £5.1 million for the year which it is proposed be added to the earmarked medium term financial plan (MTFP) mitigation reserve to manage financial risks over this timeframe. This period includes major projects to transform how the council operates and to regenerate the area. This is an improved position compared with quarter three from work concluded in the final quarter to make the best use of all available grants to support unbudgeted Covid expenditure within services, reductions in cost pressures, most notably within adult social care, and significant income streams performing better than expected.</p>
Recommendations	<p>It is RECOMMENDED that:</p> <p>Cabinet:</p> <ol style="list-style-type: none"> a. Note the year-end financial outturn positions achieved including revenue, capital, reserves and for the HRA. b. Accepts the 2021/22 awards from Public Health England for the drug & alcohol homeless grant of £0.688 million and the criminal justice system grant of £0.414 million and delegates authority to the directors of adult social care and housing to implement the programmes of revenue expenditure as set out in paragraphs 92 to 101. c. Agree the capital virement in paragraph 153

	<p>Council:</p> <ul style="list-style-type: none"> a. Agree the transfer of the £5.1 million surplus for the year to the MTFP mitigation reserve. b. Agree that the contain outbreak management fund (COMF) allocation for 2021/22 of £2.533 million is retained in a contingency to manage any outbreaks that may occur later in the year, as recommended by the director of public health as set out in paragraph 83. c. Agree the capital virements in paragraph 154
Reason for Recommendations	<ul style="list-style-type: none"> • To comply with accounting codes of practice and best practice which requires councils to report their end of year financial position compared with the budget of the authority. • To comply with the council's financial regulations regarding budget virements and the acceptance of new grants.
Portfolio Holder(s):	Councillor Drew Mellor, Leader and Portfolio Holder for Finance & Transformation
Corporate Director	Graham Farrant, Chief Executive
Report Authors	<p>Adam Richens: Chief Finance Officer and Director of Finance</p> <p>☎01202 123027 ✉ adam.richens@bcpcouncil.gov.uk</p>
Wards	Council-wide
Classification	For Decision

Background

1. In February 2020 Council agreed the annual general fund net revenue budget of £283 million, a capital programme of £106 million and the net use of reserves of only £0.5 million. Budgets were also agreed for the housing revenue account (HRA).
2. The revenue budget year end surplus projected at quarter three enabled £13.3 million to be set aside in the in transformation, Covid19 and MTFP mitigation earmarked reserves as part of the management of budget risks for next year.
3. Government financial support received during the year was substantial with four allocations from the emergency Covid-19 fund (renamed as the Covid pressures grant in 2021/22) totalling £29 million, an estimated £14 million grant to replace a proportion of lost sales, fees, and charges and £34 million of ring-fenced grants for specific services. Overall, this support was sufficient to fund the council's additional costs and lost income from the pandemic during 2020/21 with some grants able to be carried forward to manage the outbreak as lockdown measures are eased in the

new financial year. This demonstrates that the government honoured its commitment to provide the council with all the resources it needed to cope with the pandemic in 2020/21.

4. The government also provided funding for the council to run a range of national and local discretionary schemes to support businesses that were mandated to close or otherwise severely impacted by the pandemic.

Revenue budget monitoring 2020/21

5. The overall revenue budget outturn is a surplus of £5.1 million. It is proposed that this is transferred to the earmarked MTFP mitigation reserve to mitigate the growing risk profile in the medium term linked to the transformation programme and the council's ambitions for regeneration and recovery from the pandemic.
6. The £13.3 million added to the reserves in quarter three to support future costs of transformation was equivalent to the Covid-19 mitigation savings identified by services early in the pandemic and before the government had developed its full package of measures to support local government. At outturn this level of savings has been delivered and is included within the variance analysis for each directorate. The transfer to reserves is included in the central section of the budget.
7. As the year progressed, government departments allocated specific grants for additional service spending, including for outbreak management from the autumn with significant allocations received in quarter four.
8. The full year position reflects service pressures from regeneration and economy of £16.4 million (main item being £10 million of lost carparking income), and children's services of £6.4 million from the rising costs of looked after children and additional staffing.
9. Adult social care saved £4.4 million and environment and community £1.2 million, with Covid pressures supported by specific grants allocated late in the year for those more vulnerable and to reduce homelessness. These net savings are after additional council resources of £4 million were allocated to the adult social care sector from tranche one of government emergency funding early in the pandemic.
10. The outturn position improved significantly over the final quarter with net service pressures reducing by £15 million. Changes are largely related to the evolving pandemic. In adult social care, for example, a range of services could not be delivered or commissioned during the extended national lockdown period and across other services income streams performed better than expected. Children's services outturn remained close to the quarter three position in total.
11. Central items of £9.9 million offset the service savings to give the net £5.1 million improvement overall. These include transformation costs of £1.1 million which at quarter three were planned to be funded from reserves but at outturn not drawn down to preserve resources for the future. Also included are items totalling £6.5 million previously planned to offset pandemic pressures but instead have been transferred to reserves according to the agreed financial strategy. These transfers comprise the contingency of £1.2 million, refinanced capital programme of £2.8 million and unused revenue contribution to capital £2.5 million. Small changes over the quarter in other central budgets and funding adjustments make up the balance.

12. A summary of the 2020/21 revenue outturn position is set out below.

Figure 1: General Fund – Summary outturn as at 31 March 2021

Quarter 3 Variance £m		Approved Resource £m	Covid-19 Pressures £m	Mitigation £m	Other Actuals £m	Reserve Movements £m	Outturn £m	Variance £m
	Service Budgets							
1.5	Adult Social Care & Public Health	111.4	2.1	(3.7)	99.6	9.0	107.0	(4.4)
6.3	Children's Services	62.5	5.4	(0.7)	65.2	(1.1)	68.9	6.4
2.4	Environmental & Community	51.2	3.0	(3.2)	48.0	2.1	50.0	(1.2)
20.4	Regeneration & Economy	6.4	24.1	(4.0)	0.5	2.1	22.8	16.4
2.5	Resources	33.4	2.6	(1.3)	32.0	1.1	34.4	1.0
0.0	Transformation	0.0	0.0	0.0	2.3	(1.2)	1.1	1.1
0.4	100 Day Plan	0.0	0.0	0.0	0.2	0.2	0.4	0.4
(0.8)	Furlough of staff	0.0	0.0	(1.0)	0.0	0.0	(1.0)	(1.0)
32.7	Total Service	264.9	37.2	(13.8)	247.8	12.3	283.6	18.7
	Corporate Items							
0.3	Estates Management	0.0	0.0	0.0	0.1	0.2	0.3	0.3
0.4	Smarter Structures	0.0	0.0	0.0	0.4	0.0	0.4	0.4
2.3	Investment Property Income	(6.2)	0.0	0.0	(4.1)	0.0	(4.1)	2.1
0.0	Pensions	5.2	0.0	0.0	4.9	0.0	4.9	(0.3)
0.0	Repayment of debt (MRP)	11.0	0.0	0.0	8.6	2.5	11.0	0.0
(0.1)	Corporate Items	0.8	0.0	(4.6)	0.4	5.0	0.7	(0.1)
(0.2)	Interest on borrowings	1.8	0.0	0.0	1.8	0.0	1.8	(0.0)
0.0	Treasury Income	(0.2)	0.0	0.0	(0.2)	0.0	(0.2)	(0.0)
(2.5)	Contribution to Capital Projects	2.8	0.0	0.0	0.4	2.5	2.8	0.0
13.3	Contribution Covid and Transformation Mitigation Reserves	0.0	0.0	0.0	0.0	13.3	13.3	13.3
0.1	Transformation Revenue Implications	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	Transfer to Reserves	1.9	0.0	0.0	0.0	1.9	1.9	0.1
0.0	Flexible use of Capital Receipts	0.0	0.0	0.0	(0.3)	0.0	(0.3)	(0.3)
0.0	Pension Capitalise Costs	0.0	0.0	0.0	0.6	0.0	0.6	0.6
13.6	Total Corporate	17.2	0.0	(4.6)	12.5	25.3	33.2	16.0
(29.0)	Covid-19 Grant	0.0	0.0	(17.9)	0.0	(11.1)	(29.0)	(29.0)
(13.3)	Grant for lost income	0.0	0.0	(14.0)	0.0	1.4	(12.6)	(12.6)
4.0	Total Budget	282.0	37.2	(50.3)	260.3	27.9	275.0	(7.0)
(1.2)	Contingency	1.2	0.0	0.0	(0.0)	1.2	1.1	(0.0)
(2.8)	Refinanced capital projects	0.0	0.0	0.0	(2.8)	2.8	0.0	0.0
0.0	HRA Cont to transformation	0.0	0.0	0.0	(2.0)	2.0	0.0	0.0
0.0	Review of Inherited Resources	0.0	0.0	0.0	(4.7)	4.7	0.0	0.0
(0.0)	Net Budget	283.2	37.2	(50.3)	250.7	38.6	276.2	(7.0)
	Funding							
0.0	Covid 19 Council Tax Income Guarantee	0.0	0.0	(1.1)	0.0	1.3	0.2	0.2
0.0	Covid 19 NNDR Income Guarantee	0.0	0.0	(0.1)	0.0	1.8	1.6	1.6
0.0	Council Tax Income	(217.1)	0.0	0.0	(217.1)	0.0	(217.1)	(0.0)
0.0	Business Rates Income	(58.1)	0.0	0.0	(98.4)	40.4	(58.0)	0.1
0.0	Revenue support grant	(3.0)	0.0	0.0	(3.0)	0.0	(3.0)	(0.0)
0.0	New Homes Bonus Grant	(2.6)	0.0	0.0	(2.6)	0.0	(2.6)	0.0
0.0	Collection Fund Surplus Distribution	(1.4)	0.0	0.0	(1.4)	0.0	(1.4)	(0.0)
0.0	Parish/Town/Neigh Coun & Charter Trustees	(1.0)	0.0	0.0	(1.0)	0.0	(1.0)	0.0
0.0	Total Funding	(283.2)	0.0	(1.2)	(323.5)	43.5	(281.3)	1.9
(0.0)	Net Position	(0.0)	37.2	(51.6)	(72.8)	82.0	(5.1)	(5.1)

13. The estimated pressures due to the pandemic have decreased from £47.5 million gross of government central grants (£5.2 million net pressure) in the quarter three report to £39.3 million gross (£2.3 million surplus) at outturn. There was significant uncertainty in January about the impact of the third lockdown on council services and the level of additional support expected from government. As in the wider economy, the impact was not as great as feared and net pressures reduced by £7.5 million. This was largely due to an improvement in income recovery, particularly for car parking, seafront trading and recharges to the capital programme with reduced cost pressures particularly in adult social care and housing. Greater use of specific grants has been made to fund unbudgeted Covid-19 expenditure. In adult social care there are also savings from service closures during the third lockdown and higher NHS and service user contributions towards care costs following the completion of assessments for adults discharged rapidly from hospital during the year.
14. Government compensation for lost sales, fees and charges has reduced at outturn from £13.3 million to £12.6 million, as income losses in the final quarter were lower than previously projected. After meeting the first 5% loss of income in full, losses above this level are funded by government at 75%. The grant estimate has been reduced by a transfer to earmarked reserves of £1.4 million. There remains some ambiguity in the calculation methodology and the grant amount has not yet been confirmed by government.
15. Service budget variances not directly related to the pandemic are relatively small at £1.8 million net savings in total. These service savings are in addition to the £13.3 million identified at the start of the pandemic and added into reserves at quarter three. Significant net pressures in this category remain in children's services at £1.7 million due to additional staffing costs. Budget pressures reduced by £4.4 million across all services in this category in the final quarter with the most significant reductions being in adult social care (£2.4 million) mainly from reduced demand for care packages and unfilled staff vacancies, and within resources (£0.9 million) from new savings identified for insurance, desk top replacements and software licences, legal fees and from the revenue and benefits service.
16. Monthly financial reports are continuing in 2021/22 to update MHCLG on the ongoing impact of the pandemic on service pressures, income streams, and tax collection.
17. Appendix A1 includes the detail of all 2020/21 projected budget variances greater than £0.1 million with a full revenue summary presented in Appendix A2.

Summary of 2020/21 outturn by directorate

18. The following paragraphs summarise the 2020/21 outturn position for each directorate.

Adult social care net variance £4.4 million underspend

19. It was noted at quarter three that there was significant uncertainty in the outturn projected overspend of £1.5 million for adult social care as the service remained at the forefront in supporting the NHS achieve rapid hospital discharges of adults due to the pandemic. This involved commissioning care on behalf of the whole health and social care system including self-funders and before processes to determine responsibility for costs could be completed.

20. Responsibility for costs for most people discharged from hospital between March 2020 and August 2021 (Scheme 1) was determined during quarter four when they were assessed and phased out from NHS hospital discharge funding. Also, further work in the final quarter with more data available for people discharged since 1 September 2020 (scheme 2), and the additional funding from government has reduced the estimated care market pressures due to Covid by £1.2 million, contributing to the surplus overall at outturn.
21. The council has supported the market with £4 million in the form of 10% value of commissioned care in the first quarter of the financial year and targeted support for unfilled beds in commissioned contracts due to Covid-19 outbreaks.
22. The Government has provided grant funding for the social care sector as follows: £11.5 million for infection control, £1.5 million for rapid testing and £0.9 million for workforce capacity. These funds have been distributed to the independent sector, in-house care services and the council's trading social care company (Tricuro). The use of these grants has also contributed to the reduction in cost pressures in council services at outturn.
23. During the pandemic many care services were not available to service users. The high level of Covid-19 in our community in January and February 2021 and national lockdown restrictions in quarter 4 meant that service users and carers continued to have restricted access to services. It is expected that most of the savings in the direct payments and respite budgets of £1.9 million are due to the pandemic.
24. In budgets for day care services, the independent sector has savings of £0.7 million and the Tricuro contract was reduced by £0.9 million for periods of closure. It is anticipated that these savings will not be on-going as services will resume to previous levels as the restrictions are removed. Pressures in the other services that remained operational, were met with the use of the specific government grants noted above.
25. Most of the £4.2 million mitigating savings identified to manage pressures early in the year were delivered as intended. The pandemic absorbed all available staffing and it was not possible to proceed with the work required to deliver £0.5 million of savings from a package of measures, which includes targeted reviews for people with learning disabilities.
26. Other movements in the adult social care financial projections include:
 - Employee savings of £0.65 million due to recruitment difficulties and use of government grant to support employee costs.
 - Reduced pressure in the cost of care packages by £1.6 million, to £0.7 million. Significant uncertainty was highlighted at quarter three when the council was commissioning approximately 20% of new care under the NHS hospital discharge schemes. It was not yet known how much cost would remain the responsibility of the Council after the assessments for each case were completed during quarter four. The reduced pressure also includes anticipated discharges to the community from mental health hospitals not taking place and expected demand did not materialise from people with learning disabilities in the community.
 - Additional income from service users, mainly deferred payments of £0.356 million.

- Smaller other net savings reduced from £0.264 million to £0.115 million from the bad debt provision increase in line with the council's accounting policy. The full year savings are from equipment and small adaptations, other equipment and general running costs, and additional income from property rents and deputyship arrangements.
27. The average cost of care home placements commissioned since the beginning of the pandemic under emergency hospital discharge arrangements continue to be higher than budgeted. A sum of £1.3 million has been included in the MTFP for 2021/22 in recognition of these legacy costs but they could be much higher and be a draw on the £9.9 million of Covid-19 emergency funding provided to the Council for 21/22.

Children's services – net variance of £6.4 million overspend

28. The final in-year overspend in children's services for 2020/21 is £6.4m and is due to the extra costs of care and staffing. The total pressure on care is £4.5 million and the overspend in other areas is £1.9 million.
29. The care packages pressure is from both significantly increased cost of some placements due to greater needs and complexity but also a continued increase in numbers of children being placed into care.
30. Permanent savings of £0.2 million are included for staff restructures across the three service areas along with commissioning savings of £0.2 million. There are also other miscellaneous savings of £0.2 million. The £0.1 million one-off contribution from a partnership reserve was not sought from the board as there is a review being undertaken of the whole service area and the reduction was viewed as counterproductive but will be looked at in 2021/22 following the outcome of the review.
31. Staffing pressures continuing from last year include the social work front door team and business support. The major overspend was in the front door team which was, as projected, at £1.2 million. This is due to significant use of agency social workers above vacant establishment posts to clear a significant backlog of cases. The cost of temporary and interim senior posts designed to make rapid improvements in the service is also adding to the overspend on staffing. Additional staffing pressures were also seen in the significantly under pressure SEN team due to the growing caseload and in the case management systems team which is engaged in the wider "care together" programme to establish a single system for the new council.
32. As noted in the budget report from the corporate director for children's services in September, the outturn includes additional expenditure of £0.3 million to support the implementation of the service improvement plan.
33. Pressures projected at quarter three in SEN transport has at outturn come in under budget along with the wider mainstream transport budget. The annual home to school transport budget is traditionally volatile and challenging to project. It is demand-led and impacted by numerous variables outside of the control of the Council. The degree of difficulty was magnified during 2020/21 because of the impact of the pandemic, some of the underspend is directly attributable to school closures, where contactors were paid less with staff furloughed. Other factors may well be the year two realisation of efficiency savings from the integration of Christchurch pupils.

34. At this point it would be unwise to presume that these savings are recurring. Rising home to school transport costs are an annual trend nationally. Despite our on-going efforts to operate efficiently, the trend of increasing demand, more medically and behaviourally challenging passengers and the transport impact of satellite schools are expected to lead to increased expenditure in 2021/22.
35. An additional pressure in the SEN team is that of legal support for work on tribunals (£0.17 million). This reflects the growing caseload for education, health, and care plans (EHCP's) and the continuing pressures outside the general fund in high needs expenditure funded by the Dedicated Schools Grant.
36. There are some miscellaneous underspends and vacancy drag to offset some of the pressures identified.
37. The allocation in December from the public health grant (£0.5 million) has been allocated to support expenditure in early help/children's centres in accordance with the purposes of this ring-fenced grant.

Environment and community – net variance of £1.2 million underspend

38. The quarter three report forecast a year-end position of an overspend of £2.4 million. The outturn position shows an improvement in both the impact of the pandemic, and some day to day operations.
39. In the December position, £5.7 million of the net pressure related to the Covid-19 pandemic, and at outturn this element has reduced to £3.0 million. The main areas contributing to the residual pressures are waste services, bereavement, and property maintenance. These pressures reduced over the fourth quarter and greater use of Covid-19 grants was made to cover other unbudgeted expenditure, particularly in providing temporary accommodation and supporting other vulnerable groups in the community.
40. Waste services have seen pressures from an increase of 7% on waste tonnages collected from domestic properties and a higher gate price for recycle. There is also a higher level of overdue debt for which provision has been made. Income from the commercial weighbridge and skip-hire has been higher than anticipated mitigating the overall pressure in the service.
41. Within the housing service costs for temporary accommodation, subsistence and security arrangements have increased and the cold weather brought forward more people than expected in earlier estimates. Making these placements has also reduced the amount of housing benefit subsidy the council can claim as some of the accommodation does not attract full subsidy. The favourable movement overall in the final quarter, is due to some costs being covered by the application of the containment outbreak management funding (COMF). The total for all temporary accommodation related unbudgeted costs is £4.8 million but this has been mitigated by the receipt of housing benefit and using grants totalling £4.6 million. This pressure is on-going into 2021/22 and without continued support from MHCLG the financial consequences could be significant.
42. The council's maintenance and works teams lost income through the first lockdown but were hopeful of recovering across the remainder of the year. This was not possible due to further lockdowns but the impact in the fourth quarter was less than expected. In addition, the HRA has taken an appropriate portion of costs as a shared service between the two accounts, reducing the financial impact for the general fund.

43. The pressures within bereavement relate in the main to the council's share of the cost of providing the mortality support facilities at Poole port and in the Dorset Council area. There is some impact in the coroner's service due to an increase in the number of inquests and the special measures required when carrying them out, together with the cost of employing agency pathologists. Cremation service fees were reduced due to the restrictions placed on funerals, and memorial fees were also impacted.
44. There are also significant pressures within the catering & concessions and parks services from facilities being closed and reduced services. The loss of income in quarter four was less than forecast at the end of quarter three, the early opening of Kings Park Nursery also helped bring in additional income.
45. Within community services, the Covid-19 pressures are the impact of lost licensing and fixed penalty notice income, plus some additional security costs for the town centre. Specific grant income to support the clinically extremely vulnerable (CEV) has been received during the year and it appears in appendix A1 as a surplus because the related costs have been incurred across all council services in providing the emergency response. An early decision was taken not to transfer budgets when services were closed (some normally income generating) and staff were redeployed to support those identified as CEV in the community.
46. Across environment and community £3 million of in-year mitigation savings were identified in June, mainly due to postponing the application of corporate priority budgets, supplies and services budget savings and keeping vacant posts empty where possible. An additional £0.17 million has been realised due to the improved income from photovoltaic panels and garage rents. Permanent savings relating to service restructures, vacant posts, photovoltaic and garage rent income and other budget reductions have been applied to the 2021/22 budget.
47. The outturn position for other budgets has resulted in a surplus of £1.0 million. In waste and cleansing the budgeted European taxes on recycling did not materialise. There were savings from contract negotiations within housing related support. Highways maintenance achieved a surplus partly through increased income from installing drop crossings and ensuring that all works attributable to capital were charged to schemes accordingly. Telecare income had been prudently forecast to achieve budget but at outturn there was a surplus of over £0.5 million. Fees and charges span more than one financial year and income recognition calculations have been undertaken at the year end. The service and finance have committed to reviewing processes to ensure better predictions of income levels for future years

Regeneration and economy – net variances of £16.4 million overspend

48. The overall forecast position has improved by £4.0 million since the quarter three report, with both positive and negative movements across services.
49. The main Covid-19 pressures continue to be from lost income due to the lockdown periods and a slow recovery, particularly from car parking. Financial support provided to leisure and conference providers remains a significant pressure for the directorate.
50. The easing of lockdown during the summer enabled some income streams to recover, particularly car parking and seafront trading. The seafront catering service particularly has performed very well. However, this required significant investment in the management of the resort (£0.8 million). Extra measures were put in place to help manage social distancing during this period of high demand with additional

cleansing, security, communication and support to residents, businesses, and visitors. A number of these measures were re-instated in the third lockdown and some are likely to remain on-going. Some of the services included at quarter three in the £1.2 million pressure are now shown embedded within other service variances following a review of all additional costs with £0.8 million specifically related to targeted seafront support.

51. The level of anticipated income losses from the third lockdown did not materialise resulting in a £2.0 million improvement to car parking income and a £0.8 million improvement to seafront trading activities, with catering proving particularly resilient. Some uncertainty remains over leisure and hospitality tenant's ability to pay due to the pandemic.
52. Cultural and heritage budgets have experienced an additional £0.3 million pressure due to support for capital schemes that enhance facilities across the conurbation, updated insurance requirements regarding Russell Cotes Art Gallery and Museum and the PFI reserve has been increased to enable existing but variable obligations to be met. These were not previously provided.
53. In meeting its obligations, the council has agreed to provide significant support to our leisure services partners, BH Live and SLM, to help them through the pandemic and there are similar pressures associated with the council-run 2RM Christchurch leisure centre. Confirmation of the final support packages required by partners combined with reduced expenditure on repairs and maintenance has improved the position by £0.4 million. A £0.9 million reserve has been created to ensuring future year costs can be matched with available resources due to changes to the timing of support payments.
54. Data from engineering staff in the final quarter demonstrated a significant increase in hours worked to deliver the council's extensive range of capital schemes. This has resulted in the associated revenue pressure previously reported of £1.3 million being eliminated.
55. The net pressures expected in planning and building control services have increased by £0.35 million to £1.18 million as the wider economic impact of Covid-19 has crystalised.
56. Pressures in car parking associated with major repair work (£71,000) and business rates (£141,000) remain as well as those related to the transport network (traffic light and signalling contract costs of £99,000).
57. The projected costs of journeys for adult social care and extra Covid-19 requirements did not materialised contributing to a £0.25 million improvement within fleet services compared with the position forecast at quarter three.
58. The PFI contract with Dorset Council covering Christchurch street lighting has a £0.2 million budget pressure.
59. An income pressure of £72,000 in sustainable transport relating to a reduction in departure fees earned at the Bournemouth Travel Interchange.
60. Reduced activity and associated expenditure on staff and external agency and contractor workers in conjunction with an increase in capitalised hours means a £0.2 million saving in transport development and similarly a £0.4 million in flood and coastal management services.

61. Recovery of costs in the smart cities team improved by £69,000 to £169,000 and this has enabled a reserve to be created to ensure the necessary work is ongoing and remains funded into 2021/22.
62. Sustainable transport has utilised less policy budget and contributed £151,000 of savings in the service.
63. Delays to backlog maintenance works on bridges and structures plus reduced work activity on Bournemouth and Poole street lighting has created a £0.242 million saving within engineering but £0.164 million has been set aside in an earmarked reserve to support the completion of delayed works.
64. There is a £0.18 million saving in the signal maintenance contract within highways network management. Additionally, the service has seen an improvement in income for notices and inspections and revenue cost benefits with the introduction of the new street permitting arrangements totalling £0.242 million.
65. Covid-19 budget mitigation savings developed in June remain delivered, except from a new funfair that was not progressed as reported at quarter two and £0.3 million additional trading expenditure was required to achieve income recovery within destination and culture, particularly seafront. Delivered savings include those of a temporary nature arising from the outbreak period of £1.3 million, cancellation of the air festival at £0.3 million, plus the delay by the previous administration until next year of £0.15 million of spend on culture as part of members' priorities. Vacant posts and other budgets continue to provide £0.1 million of savings.
66. The development service has £0.3 million of savings from leaving vacancies unfilled and lower spend on general supplies during the outbreak, and £0.3 million saved by delaying Member priorities.
67. Growth & infrastructure have delivered savings from reduced spend during the outbreak of £0.7 million and unfilled vacancies of £0.5 million.

Resources – net variances of £1.0 million overspend

68. The final year end position for the Resources Directorate was a overspend of £1 million, an improvement of £1.5m compared to the projected quarter three position.
69. Covid pressures remained the biggest cause for the overspend at £2.6 million. The temporary cessation of debt collection for council tax and business rates alongside the courts being closed meant a loss of income of £1.1 million. The pandemic also impacted on income generation particularly for registrars and the land charge services, although recovery over the final quarter was better than expected.
70. The mitigation savings identified of £1.3 million in June were all fully delivered.
71. Additional pressures in the directorate of £0.9 million were mainly in relation to salaries. The intention previously had been to draw down reserves.
72. Additional savings achieved across the directorate total £1.2 million and include from the successful centralisation of stationary project achieving £0.1 million, external legal fees of £0.2 million and IT £0.4 million from reduced licences and desktop replacements.

Central items

73. The quarter 3 projected outturn was balanced by releasing contingency of £1.2 million, avoiding revenue contribution to capital of £2.5 million and utilising £2.8 million of monies refinanced from capital projects. Due to the improvement in the

outturn position during the final quarter, these resources totalling £6.5 million were not required to support the 2020/21 budget and instead can be held in the MTFP mitigation reserve.

74. In previous monitoring reports a pressure totalling £11.9 million has been reported in relation council tax and business rates loss of income. The expectation was this amount would be earmarked in reserves to deal with the estimated collection fund deficit payable in 2021/22. The government in December 2020 confirmed that the council will be able to spread the estimated deficits over 3 years. Therefore, the previous variance has been removed and is no longer showing in appendix A1.
75. The government also announced 75% income guarantees for council tax and non-domestic rates (NNDR) which have impacted in 2020/21. An assessment of the income due has meant council tax and NNDR income has not been as adversely affected as previously assumed with the grant therefore lower. To ensure there is sufficient funds to offset the planned three year spreading of the collection fund deficit, as noted in the above paragraph, a contribution to reserve has been made to make up the difference.
76. In previous monitoring reports it has been highlighted that the budget for a revenue contribution to capital would instead be redirected to support transformation costs. As part of setting the 2021/22 budget a thorough review of resources has been undertaken to ensure the impact on revenue is as limited as possible. This identified that the £2.4 million revenue contribution to capital could be released to further contribute towards the Covid-19 and transformation mitigation reserves.
77. The council's total claim to government for furloughing staff was just under £1m slightly higher than previously assumed in the December position of £0.8 million. Future claims in 2021/22 are expected to be much smaller as lockdown guidelines are eased.

Specific Revenue Covid-19 Grants

78. Specific government grants have been allocated during the year to manage service cost pressures resulting from the pandemic. A list of ring-fenced Covid grants in 2020/21 is included in appendix A3.

Adult social care

79. Grants totalling £13.8 million have been allocated by the Department for Health and Social Care (DHSC) for very specific purposes using national data sets for adult social care.
80. These include £11.5 million for infection control for onward allocation to local care providers according to national criteria, £1.5 million for rapid testing of care sector workers and £0.9 million to support additional workforce costs. Where there have been elements of discretion, decisions have been made in line with the grant conditions and where relevant made by the critical incident management team (CIMT) which was formed to make urgent decisions during the pandemic.

Public health

81. The DHSC allocated £10.9 million for extra public health measures in the second half of the year. Central reporting of expenditure is a condition of these grants, but the council has discretion in how the resources are used. They can be spent over two financial years with unspent amounts at March 2021 carried forward in earmarked reserves.

82. Grant allocations include £1.8 million for community test and trace activity and £9.1 million from the contain outbreak management fund (COMF). The COMF was allocated to councils per head of population in the autumn according to periods within tier levels. This was followed by further funding in the final quarter due to the national lockdown. Grant conditions include expected categories of expenditure and that decisions are made in consultation with the local director of public health. Decisions have been made through CIMT, or by officers on grounds of urgency with £8.1 million of expenditure authorised and £2.9 million spent in the year, leaving £5.2 million carried forward as committed into 2021/22. Main items approved include for testing, tracing, support to rough sleepers, compliance measures and resort management through March and the easing of lockdown in spring and early summer. The report provided at Appendix A4 from the director of public health provides greater detail of the two grants and how they have been allocated.
83. The COMF allocation for 2021/22 is £2.533 million with the director of public health recommending in accordance with financial regulations for **Council decision** that:
- The £2.533 million is retained in a contingency to manage any outbreaks that may occur later in the year.

Homelessness

84. Grants include those provided following a successful bidding process, with acceptance approved by Cabinet or Council and these have been spent in accordance the bid. This includes £2 million from the Ministry of Housing, Communities and Local Government (MHCLG) to provide accommodation and support to those otherwise homeless during the pandemic. This funding enabled the council to continue the national 'everybody in' campaign after the end of the first lockdown period up to the end of the financial year. Other specific grants have been allocated during the pandemic to support the homeless and some existing grants were permitted to be repurposed.

Communities

85. Grants have been allocated for urgent spending to support people in our communities who are more vulnerable due to poor health or financial hardship. Grants include the Covid winter grant from the Department for Works and Pensions (DWP) for the provision of food and other essentials of £1.1 million from November up to the year end. Grant conditions include the parameters of supported groups and categories of eligible expenditure, with at least 80% to be allocated to families with children and largely for food. Grants have been received from MHCLG for additional welfare support and new services to help the clinically extremely vulnerable during the pandemic of £1.2 million. Spending plans meeting government criteria have been agreed through CIMT.

Transport

86. Transport grants totalling £0.9 million have been allocated from the DfE to fund the council's additional school transport expenditure and £0.3 million allocated from the Department for Transport (DfT) to support bus operators in maintaining public services with reduced fare-paying passengers.

Resources

87. The council was allocated new burdens funding of £1.1 million to set against the additional administration costs of running government schemes to support business and individuals.

88. During the year, significant government support to businesses has been administered via local councils with BCP allocated £157 million across the various schemes. These include the retail and hospitality business rates relief and cash grants at the start of the first lockdown, followed by further cash grants during subsequent lockdown periods for those mandated to close or severely impacted by the pandemic.
89. The council also administered £4 million of new funding allocated for individuals, being self-isolation payments from the test and trace system and additional support provided under the local council tax support scheme, with more people facing financial hardship as the year progressed.
90. Some of the new burdens funding is being carried forward in an earmarked reserve to fund the extra costs in 2021/22 from clearing the backlog in caseload that has accumulated as staff have needed to focus on administering the new Covid related schemes.

Acceptance of grants bids for expenditure in 2021/22

91. Two grants requiring approval have been awarded for 2021/22 since the budget was set in February 2021. Under the council's financial regulations grant funding awarded over £100,000 and up to £1 million requires the **approval of Cabinet:**

Drug & Alcohol Homeless Grant - £0.688 million

92. The drug & alcohol commissioning team (DACT) have been successful in bidding to Public Health England for grant funding of £0.688 million for substance misuse support and treatment for individuals residing in temporary / emergency accommodation
93. The proposed budget allocation is:
 - £0.319 million for staffing costs, including for the delivery of trauma informed care training to all staff within drug and alcohol support providers, supported housing and temporary accommodation. This will be delivered in partnership with the housing service and will also cover costs for people with lived-in experience who wish to volunteer / peer mentor.
 - £0.359 million for additional treatment costs, such as for inpatient detoxification, residential rehabilitation, and trauma counselling.
94. If agreed targets within the bid are met, additional payments for exceeding targets will be received on a quarterly basis and will be ring-fenced to enable treatments to continue.
95. It would be difficult without this funding to target this client group and offer in-reach provision into the temporary and emergency accommodation. This would then adversely impact on the 'everyone in' initiative as people would have limited options for move on accommodation due to chaotic substance misuse. It should reduce the need to attend mainstream drug and alcohol services.

Universal Criminal Justice Grant - £0.414 million

96. DACT have also been successful in bidding to Public Health England for grant funding of £0.414 million to work with individuals returning from the prison estate, those arrested due to crimes linked to substance misuse and to reducing drug related deaths in the area.

97. Terms and conditions of the grant require a service to be delivered for a 12 month period from 1 July 2021 to 30 June 2022. This will give commissioned providers time to recruit suitable workers and a twelve month period to demonstrate outcomes.
98. The main theme of the application is to re-introduce a criminal justice team which had been disbanded in 2015, enhance the criminal justice programme and introduce new initiatives for the more expensive residential programmes.
99. Spend agreed by Public Health England is as follows:
- £8,520 towards data collation and commissioning tasks
 - £132,000 for additional treatment options
 - £216,480 to increase integration and improve care pathways for people in the criminal justice system
 - £37,000 to increase treatment capacity to respond to extra diversions
 - £15,000 for trauma informed counselling; and
 - £5,000 to enhance harm reduction provision
100. Without this additional funding the council would not be in a position to offer all the additional interventions required to target this group, with high numbers of those with substance misuse issues re-offending and returning to the prison estate which impacts on their families and local communities.
101. This funding will assist in reducing the pressures on the criminal justice statutory agencies (Dorset Police and National Probation Service) and allow continued improvement in pathways and partnership working.

Reserves monitoring 2020/21

102. Earmarked reserves have been set aside for specific purposes and these were reconsidered in June in the light of the new financial environment and need to fund the transformation programme which is fundamental to delivering savings at scale.
103. The position in February was that £13.3 million was added to the transformation and financial resilience reserves, being the projected surplus for the financial year. The updated position now includes £6.5 million (as set out in para 73) to be added to the MTFP mitigation reserve as well as the surplus outturn position of £5.1m.
104. Figure 2 below summarises the projected movement in reserves during the current financial year.

Figure 2: Summary of projected movements in reserves

Reserves Balances	1 April 2020	31 March 2021	Movement
	£m	£m	£m
Earmarked reserves*	42.7	93.6	50.9
Un-earmarked reserves**	15.4	15.4	0.0
Total before Covid grants	58.1	109.0	50.9
Covid grants / resources	11.1	19.8	8.7
NNDR Covid Grant	0	40.4	40.4
Total reserves	69.2	169.2	100

*These amounts do not include revenue reserves earmarked for capital, schools or HRA.

**These amounts do not include the deficit on the dedicated school's grant

105. The main **movements** on other earmarked reserves during the year are as follow:

Financial Resilience Reserves

- | | |
|---------------|---|
| a) (£25,106k) | Refinancing of the Capital Programme Reserve
New reserve set up as culmination of refinancing the capital programme from borrowing. Amount will be drawn down in 2021/22 to support the budget |
| b) (£4,748k) | Review of Inherited Resources
New reserve set up as a culmination of review of inherited resources into BCP Council and approved by Full Council. Amount will be drawn down in 2021/22 to support the budget. |
| c) (£9,982k) | Covid-19 Financial Resilience Reserve
Contribution from the in-year position to support additional pressures from the ongoing pandemic |
| d) (£13,228k) | MTFP Mitigation Reserve
New reserve set up to manage any emerging issues with the management of the MTFP |

Transition and Transformation Reserves

- | | |
|---------------|---|
| e) (£14,149k) | Transformation Mitigation Resilience Reserve
Established to mitigate timing differences in the transformation programme and any capital receipts shortfall. |
| f) (£2,000k) | Contribution from outside the GF towards Transformation
Approved contribution from outside of the general fund towards transformation costs. |
| g) £1,179k | Pay & Reward Strategy
Use of reserve to pay for work on the pay and reward strategy |
| h) £909k | Local Government Reorganisation Costs
Full use of reserve to pay for remaining LGR costs with balance redirected towards the transformation mitigation resilience reserve |
| i) £1,181k | Redundancy Reserve
Full balance of reserve not drawn down and added to transformation mitigation resilience reserve |

Government Grants

- | | |
|---------------|--|
| j) (£7,346k) | Covid-19 Grants
Unspent Covid 19 grants which are forecast to be mostly spent during 2021/22 |
| k) (£40,409k) | NNDR Covid Grants
Due to the intricacies of the business rates system an amount of section 31 grants has been paid to the council during 2020/21 which needs to be drawn down in 2021/22 to offset the collection fund deficit of circa £40 million. |

Corporate Priorities and Improvements

l) (£750k)

Other Corporate Priorities & Improvements

Money set aside by services to deal with expected pressures in 2021/22 such as the rollover of unspent monies for the 100-day plan £214,000 and £164,000 to be spent on bridges and structures work.

m) (£1,318k)

Covid Recovery Resources

Money set aside by services to deal with expected Covid pressures in 2021/22 including within leisure and the revenue and benefits services.

106. Appendix B provides the detail of projected reserve movements for 2020/21

Dedicated Schools Grant (DSG) 2020/21

107. The DSG is allocated within four expenditure blocks for early years, mainstream schools, central council services and high needs. The aim would normally be to set the DSG budget for a balanced position overall.

108. The council is no longer able to add to the DSG from its own resources with the Department for Education (DfE) imposing a limit on how much funding can be transferred away from mainstream schools to support the high needs budget. Consequently, despite initiatives to reduce expenditure, the high needs budget for 2020/21 was set with a shortfall of £6 million compared with funding available from the DSG.

109. There is a surplus in 2020/21 of £1 million from the school's funding block after all mainstream schools received their full national formula allocations. The DfE did not approve transferring this to support high needs expenditure and it remains unallocated to offset the deficit overall.

110. The accumulated deficit at 31 March 2020 was £4.6 million, with the outturn funding gap of £3.2 million increasing this to £7.8 million at 31 March 2021. This is an improvement compared with the budgeted gap of £5 million and associated accumulated deficit of £9.6 million.

111. Figure 3 below summarises the projected deficit for the dedicated schools grant at 31 March 2021.

Figure 3: Summary position for dedicated schools grant at 31 March 2021

	£m
Accumulated deficit 1 April 2020	4.6
Budgeted high needs shortfall	6.0
School funding block surplus	(1.0)
Savings in high needs block (relating to prior years)	(1.3)
Funding adjustments and savings in other blocks	(0.5)
Accumulated deficit at 31 March 2021	7.8

112. The £5 million budgeted annual DSG funding gap has been reduced to £3.2 million. This is the result of high needs expenditure accrued in earlier years being settled at

£1.3 million less than provided due to imperfect information from legacy councils, plus £0.5 million from funding adjustments and savings within other expenditure blocks.

113. High needs expenditure relating to 2020/21 was on budget. The plan to flatten the growth in the number of funded education health and care plans (EHCP's) has been successful at 5.8%. This had been budgeted at 13.5% in line with growth seen in recent years. There has been considerable growth in the number of EHCPs issued without funding attached with the overall growth in plans at 9.5%. Despite the EHCP trend and the creation of a significant number of new local places this element of the budget was still overspent by £0.3 million as the average cost of a plan remained higher than budget due to further reliance on high cost independent providers.
114. There were savings on other high needs budgets due to schools being closed to most pupils, with relatively few new cases coming forward for pupils with medical needs saving £0.4 million. The number of pupils unable to attend mainstream provision will likely return to normal levels in 2021/22.
115. The reduced level of permanent exclusions has not resulted in savings as public sector providers have been funded largely at pre Covid levels for financial sustainability as required.
116. The service in 2021/22 will report progress in bringing the high needs budget into balance at the High Needs Deficit Recovery Board, with meetings planned at six-weekly intervals. Meetings are also planned to be held with the Department for Education twice a year.

Transformation

117. As part of the local government finance settlement 2020/21, the Secretary of State confirmed a three-year extension from 2022/23 of the flexibility to use capital receipts to fund transformation projects. Local authorities can use only capital receipts from the disposal of property, plant and equipment assets received in the years the flexibility is offered. Set up and implementation costs of any new processes or arrangements that will generate future ongoing savings and/or transform service delivery to improve the quality of services in future years can be classified as qualifying expenditure.
118. Council on 7 July 2020 agreed to the extension of the transformation project to a £38 million programme referencing the quantum leap forward in different ways of working as a consequence of the Covid-19 public health emergency and the need to accelerate the pace at which we generate savings and efficiencies. The report set out that the £43.9 million must now be adopted as our minimum expectation of savings and efficiencies.
119. The Council has approved a funding strategy for the transformation programme that utilises capital receipts in accordance with the flexibilities allowed by the government. As of 31 March 2021, the council had utilised £0.3 million of capital receipts to fund transformation resulting in savings against the 2020/21 budget of £5.0 million as set out in figure 4 below.

Figure 4 Transformation Saving 2020/21

Service Area	2020/21 £'000
Adult Social Care	465
Environment and Community	1,942
Regeneration and Economy	1,722
Resources	829
Savings captured in the 2020/21 Budget	4,958

120. Savings were not requested from children's services as rapid improvement in performance was required during the year.
121. The 2021/22 budget is premised on the council delivering £7.5 million in savings with additional savings of £34.9 million over the following two years. The 2021/22 savings from the transformation programme are associated with the:
- Work to enable communities to take more responsibilities for their needs.
 - Reduction in employee headcount through the consolidation of common roles/work.
 - Reduction in employee headcount through the consolidation of organisational layers/structures.
 - Reduction in third-party spend through more robust procurement and contract management.
 - Review of the corporate structure to continue to reflect and realign management resources to ensure continuous improvement towards being the organisation that we aspire to be and to ensure we deliver our priorities.
 - The council's estate and accommodation project.

Consistent use of capital receipts and flexible use of capital receipts

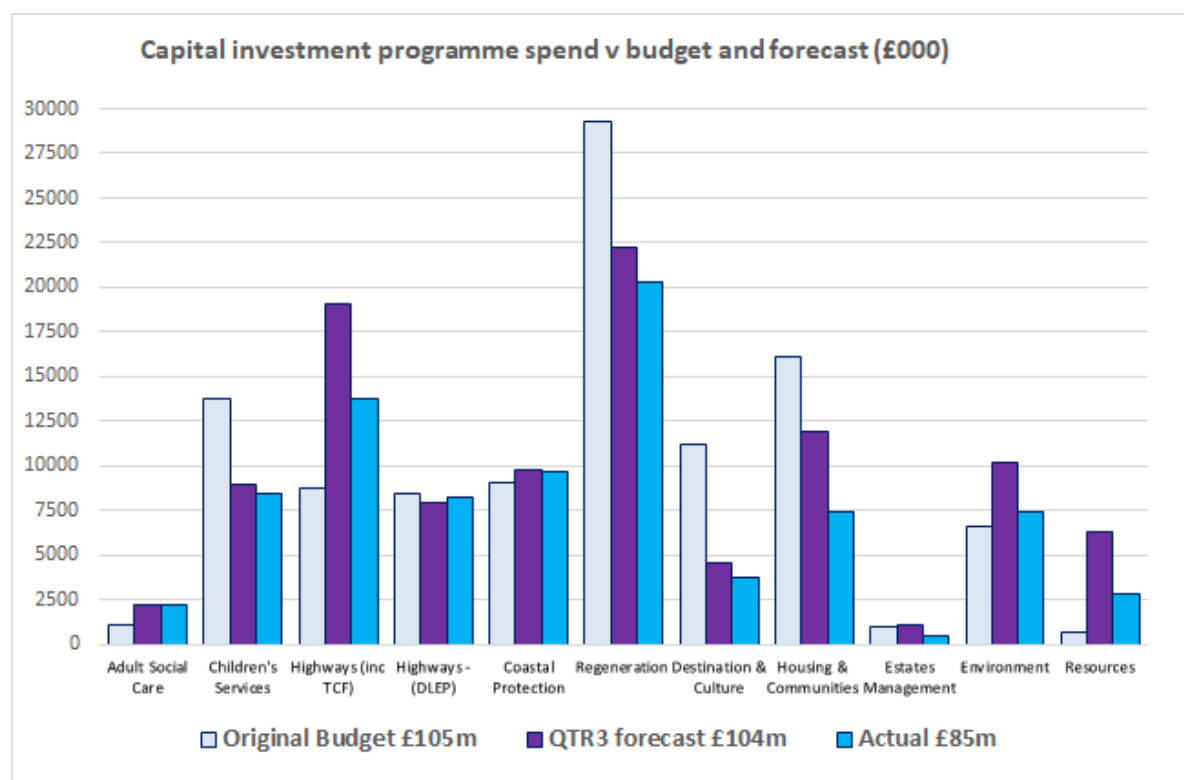
122. As part of the ongoing review of how the council finances the capital and transformation programmes, the application of receipts from housing sales has been considered. There is an element of housing sale capital receipts that is determined as the local authority's share of the receipt. This can be used for any purpose and is not ring-fenced to housing.
123. A consistent approach is developed for both the Bournemouth and Poole area housing capital receipts, whereby the unrestricted portion, after accounting for shares earmarked to repay debt and to transfer to the government, are released to fund transformation or the wider capital programme according to the approved Council principle for the use of capital receipts.
124. The harmonisation of the un-ringfenced elements of housing sale receipts allows £3.19 million that previously funded housing capital expenditure or had been earmarked to do so, to be released. Of this amount, £1.89 million collected from 2016/17 can be used under the government's capital receipts flexibility to fund transformation, and £1.30 million collected prior to 2016/17 can be used to finance the wider capital programme.

Capital budget monitoring 2020/21

125. The council's budgeted capital investment programme (CIP) covers general fund capital expenditure only. Housing Revenue Account (HRA) related capital spend is reported separately in this report.

126. At quarter 3 (produced as the UK was just entering its third national lockdown) forecast full year capital spend was £104.4 million - comparable with the original budget of £105.7 million approved by Council in February 2020. Final spend for the year was £84.6 million (81% of original budget and quarter 3 projections). Approved capital budget not utilised in 2020/21 is carried forward into the capital investment programme for 2021/22.

Figure 5: Capital investment programme spend £84.6 million



Capital investment programme – 2020/21 highlights

127. **Adults Social Care £2.2 million** – Figbury Lodge was completed in July 2019.

Defects rectification, originally delayed by access limitations resulting from Covid, are now progressing, and are scheduled to complete by July 2021. BCP has also invested £1.8 million this year in integrated community care equipment to further promote independent living at home.

128. **Children's Services £8.5 million** - Works commenced on Hillbourne School in September and £3.2 million of spend incurred in 2020/21. Hillbourne is a three-phased programme of works, each of which is currently on schedule. The new school buildings and immediate external environs are due to be handed over to the school in October 2021. Following the school's decant over October 2021 half term, vacated school buildings will be demolished, and the remainder of the school's external environs developed for hand over in April 2023. Surplus playing field land will be transferred to the HRA for housing development – currently assumed to be actioned by 31 March 2022. The establishment of the school playing field will take a year and will be available to the school in April 2024. Latest contingency analysis indicates the current budget for the project is sufficient. Numerous defects have been corrected at Ocean Academy (main works completed June 2015), with one

major defect outstanding. The building will be re-clad in its entirety by the original contractor, at no cost to the council, during the school's summer 2021 recess. The project is expected to close in 2021/22 within remaining budget. £2.9 million spend incurred this year on Carter School building works, which are now complete (the new school blocks were handed over to the school on 15 March 2021). The final account is yet to be agreed but no additional claims have been raised by the contractor. There are likely to be some residual claims for furniture, fittings and equipment, ICT and fees to resolve in the coming months. The project is expected to be completed within approved budget.

129. The council continues to focus on additional capital investment in local SEND school places to mitigate significant revenue pressures in the high needs block. Around £1.5 million of capital investment was made in 2020/21 on new satellite SEND provision across various sites, with further investment planned in 2021/22. New high needs grant funding of £2.4 million has been received for 2021/22. The council will also have access to the £10 million SEND fund set up in February as funding for future SEND investment.
130. A new Children's Capital Board is being established to oversee delivery of schools related capital projects. A longer term children's capital strategy, informed by pupil numbers and needs, will be developed for approval by Council.
131. **Highways £13.8 million** – Around £6.1 million 2020/21 investment in Transforming Cities Fund (TCF) approved highways improvements to better facilitate sustainable means of travel across the conurbation. The TCF is an ambitious and far-reaching programme of strategic investment that is supported by robust governance arrangements and is delivered in partnership with Dorset Council. The Programme consists of two sustainable travel corridors (S5 and S6) and a cycleway corridor. Each corridor requires the preparation of outline business cases (OBC) published for formal public consultation, followed by full business cases that are informed by consultation results. Public consultation on the cycleway corridor OBC closed 31 March 2021. Consultation on the sustainable travel corridors is due to close 14 June 2021. The DfT has allowed the council to progress discrete schemes from within each Corridor early – Leigh Road (sustainable corridor) (Dorset Council delivered), Whitelegg Way (sustainable corridor) and upper gardens (cycleway corridor). Each of these schemes is supported by an approved final business case. Whilst the TCF programme benefits from £79 million DfT Transforming Cities Fund capital grant funding, it also requires local contributions from both BCP and Dorset to be made (Local Transport Plan (LTP) funding and s106 contributions from developers). BCP local contributions have been allowed for / earmarked within the capital programme. It also assumes significant complementary investment by third parties – including local bus operators. BCP is liaising with local bus operators on the timing of this investment, given delays arising from the impact of Covid.
132. A further £7.7 million investment in non-TCF highways improvements in 2020/21. This represents routine and structural highways and bridges maintenance funded predominantly from LTP and pothole grant (as well as contribution from Dorset Council for shared works). It also includes £0.5 million of DfT Challenge Fund grant funded works. Challenge Fund grant of £4.2 million was received this year – the majority of which is planned to be spent in 2021/22. The council also allocated £0.9 million DfT grant funding towards street scene operations, for highways improvements undertaken across the conurbation.

133. **Highways DLEP £8.3 million** - This includes £6.6 million Dorset Local Enterprise Partnership (DLEP) funding for major highway improvements including Blackwater Junction and A338 widening works, Wallisdown connectivity works, Ferndown – Wallisdown – Poole (FWP) Corridor and Townside Access to the Port of Poole. A further £2.4 million investment in non-DLEP funded phases of work (predominantly FWP Corridor, Townside Access to the Port of Poole and Wallisdown Crossroads is currently planned for 2021/22 and 2022/23 - funded from a combination of DfT capital grant and local contributions.
134. **Coastal protection £9.7 million** – includes £9.2 million investment for timber groyne and beach nourishment phases of the Poole Bay beach management programme. Work has progressed at pace and spend incurred is in line with profile. This programme is delivered in partnership with the Environment Agency.
135. **Regeneration (Service Delivery) £20.3 million** – Significant investment in the ongoing regeneration of the town centres and the Holes Bay area of Poole. Whilst these projects are referred to internally as ‘regeneration projects’, they are actually ‘service delivery’ capital projects, essential to the provision of frontline services. The council acquired the former power station land during the year and is now developing plans for new housing on this site, which will include an appropriate level of affordable housing (total spend £15.7 million). The council also approved the relocation of the Skills & Learning Service from Oakdale to units within the Dolphin Centre. This frees up the potential for further new housing in Oakdale. The council is also progressing several other development projects across the conurbation - including Heart of Poole, Turlin Moor housing, civic centres (Poole and Christchurch), Wessex Fields land options, Constitution Hill, Chapel Lane.
136. Lansdowne - In partnership with DLEP, a further £3.2 million has been invested on public realm improvements, 5G digital connectivity and infrastructure improvements in the Lansdowne area. The main public realm programme of works consists of four phases. The first two phases are planned to complete by summer 2021, utilising £1.0 million of DLEP pipeline funding unspent at 31 March 2021 and £2.9 million of BCP funding (predominantly historic unapplied s106 contributions). Total budget approved in 21/22 for phase 1 & 2 completion is £3.9 million. Inherent risks remain within the programme – including:
- the need to complete phases 1 and 2 by quarter two (at the very latest) to maintain access to £1.0 million DLEP funding.
 - compensation events from changes to contracted phase 1 & 2 works have arisen (latest estimate £50k to £100k) – options to fund these are currently under review.
 - Of the £2.9 million BCP local funding required to complete phase 1 & 2, to date £2.6 million has been identified – resulting in a current shortfall of £0.3 million. The council is reviewing how to fund this shortfall (e.g. further s106 contributions, CIL, unallocated LTP grant).
 - No funding has yet been identified and approved for phases 3 & 4 of the Lansdowne Business District, currently estimated to be £2.4 million.
137. The council’s initial £25.0 million Ministry for Housing, Communities and Local Government (MHCLG) Towns Fund earmarked grant allocation has reduced to £21.7 million. This is a result of government repurposing of Towns Fund grant towards (amongst others) freeports. The council must now formally apply for the £21.7 million Towns Fund grant through full business cases for each project. As at

the end of 31 March 2021 £0.2 million of unspent budget remains to meet the cost of business case development. Current estimates for project management and business case development for Towns Fund projects is £1.7 million, which means there is a current funding shortfall of £1.5 million.

138. The £21.7 million earmarked funding is in addition to the £1.0m Towns Fund Accelerator grant funding (awarded 25 September 2020) allocated to digital connectivity, King's Park Indoor Bowls Club and Boscombe public realm Towns Fund projects. The table below shows the impact of reduction in the main Towns Fund grant allocation from £25.0 million to £21.7 million. Revised project allocations were reviewed and approved by the Towns Fund Strategic Board 25 March 2021.

Towns Fund

	Original MHCLG allocation £000	Revised MHCLG allocation £000
Royal Arcade	7,401	7,151
Boscombe Skills Hub	1,250	1,000
The Old School House	160	160
King's Park Bowls Club	752	752
High Street	470	345
Masterplan	10,000	7,500
Toft Steps Beach Box Park	150	150
Events Programme	100	100
Digital Connectivity	1,925	2,050
Local Transport	2,532	2,532
East Cliff Lift (not approved by MHCLG)	260	0
	25,000	21,740

139. **Destination & culture £3.7 million** – Spend includes £1.8 million investment in cliff stabilisation works at Canford Cliffs. Subsequent phases of work in the Canford Cliffs area include pavilion works and new beach hut development, currently planned for 2021/22 and 2022/23. The current seafront development programme includes a programme of separate and innovative capital schemes that span the breadth of the council's coastline – including Durley Chine Innovation Hub (£0.6 million spend in 2020/21). Projects are monitored by the council's Seafront Development Board and are planned to be delivered at pace in 2021/22 with £9.5 million currently expected to be spent on the seafront delivery programme in 2021/22. Looking ahead, a draft seafront development strategy (5 year plan) has been developed, with public consultation due to complete in July. Strategy revisions (post consultation) will be made by August, with a view to seeking council approval of the strategy and supporting delivery plan in September 2021. Delivery of the Strategy will require significant new capital funding and dedicated delivery team resource (indicative estimate £2.6 million over 5 years – to be fully costed as part of strategy development). It is likely that some of this resource will be required in advance of September 2021. Outside of seafront development, a further £0.6 million has been invested this year on cultural assets, including Highcliffe Castle, Christchurch Priory walls and Poole Museum.
140. **Housing £7.4 million** – includes £3.8 million for new 46-unit St Stephen's housing development. The project has been completed in partnership with the Bournemouth Development Company (BDC) within the approved total project budget of £12 million. Under the terms of the BDC contract, there is the potential for BCP to

recover some of its capital outlay through final 'profit-share'. This is subject to final review of costings and approval by BDC Board during 2021/22. The council has also spent £1.3 million on the acquisition of 12 new homes under its temporary housing accommodation portfolio, utilising £0.7 million of MHCLG Next Steps Government grant funding. A further £1.0 million of disabled facilities grant has been utilised to provide adaptations in private homes.

141. **Environment £7.4 million** – £4.2 million of investment in fleet operations, with £2.1 million unspent capital budget carried forward into the 2021/22 capital programme. The council has developed a long-term strategic fleet replacement plan, that is both environmentally and financially sustainable and the details are included in a separate report is on the meeting agenda. The capital programme will be updated once this plan is approved. A further £2.7 million capital spend has been invested in parks and open spaces including £2.0 million in Poole Park.
142. **Civic estate £0.5 million** – this represents hard facilities management spent across the civic estate. The largest element of investment is £0.3 million investment in the maintenance of BH Live assets, funded from council earmarked reserves.
143. **Resources £2.8 million** - Spend includes £1.1 million on the council's annual ICT investment plan (including desktop replacement and Microsoft Enterprise investment). A further £1.2 million one-off capital ICT investment was made as part of the transformation programme. This includes investment in laptops and Microsoft Teams, to maintain (and improve) agile working arrangements and investment in contact centre telephony, backup and security tools and data management.
144. In November 2020 the council approved capital budget of £5.7 million to facilitate the move to new civic office accommodation in Bournemouth. Of this, £0.5 million was spent during 2020/21, with all remaining works scheduled to complete in 2021/22 (and unspent capital budget from 2020/21 carried forward accordingly).
145. Poole and Christchurch civic centres are earmarked for disposal by 31 March 2022. No financial provision has been made for any building related costs at these sites beyond this date.

Capital investment programme – financing

146. This section summarises the final funding profile for 2020/21 of the £86.4 million capital programme of expenditure. External funding contributions (including government grant) total £59.2 million, and £22.3 million is funded from additional prudential borrowing (including £1.2 million funded from HRA land transfers), and £3.2 million is currently funded from reserves.
147. During the year the council refinanced its capital programme in response to revenue budget pressures. This process focussed on switching capital reserve funding allocated in the capital programme to alternative funding sources (community infrastructure levy or prudential borrowing). As referenced in the quarter three budget monitoring report, some residual reserve allocations remained in the 2020/21 capital programme. These included allocations for Mosaic care system, contributions towards Poole Park, Upton Country Park and Poole Bay beach management plan (representing BCP local contribution towards projects primarily funded from external grants), the use of earmarked revenue reserves for specific capital projects, and the use of council reserves for feasibility projects. The closing value of these residual reserve allocations for 2020/21 is £3.2 million (£8.9m for the three years 2020/21 to 2022/23).

148. Since the quarter three report, a further £1.3 million of housing related capital receipts accruing from before 2016/17 have been allocated as funding for capital spend. These pre-date the council's flexible use of capital receipts policy and can therefore only be applied to capital expenditure. This funding has now been applied to the capital programme, replacing (but not removing) previously approved revenue funding for capital. To emphasise, this adjustment does not alter the total £8.9 million of reserves allocated to the capital programme 2020/21 to 2022/23, it instead swaps revenue funding allocations within this balance for housing related capital receipts.
149. As a continuation of capital programme refinancing already undertaken during the year, a review of the remaining £8.9 million reserves allocations within the 2020/21 and 2021/22 capital programmes has been completed to identify projects where funding could be swapped from reserves to either CIL or prudential borrowing. As a result, it is proposed that a further £4.0 million of reserves is released from the capital programme as follows:
- £1.8 million of reserves are swapped for CIL (£0.4 million from 2020/21 and £1.4 million from 2021/22).
 - £2.2 million of reserves are swapped for additional prudential borrowing (£0.9 million from 2020/21 and £1.2 million from 2021/22).
 - The £4.0 million reserves release represents both revenue funding for capital expenditure and capital receipts (from 2018/19, 2019/20 and 2021/22) currently assumed to support the capital programme. Whilst revenue funding for capital can be released to support the budget 2021/22, capital receipts can only be used to support the revenue costs of transformation (in line with the council's flexible use of capital receipts policy). The net impact of this is to release £1.8 million from revenue funding for capital to support the revenue budget in 2021/22 and £2.2 million from capital receipts to support the transformation programme. Appendix B2 provides a listing of all capital projects with current reserve funding proposed to be replaced with CIL or borrowing.
 - The new borrowing proposed results in additional annual repayment of £0.1 million in 2021/22, increasing to £0.2 million from 2022/23. This new pressure will be factored into the MTFP.
 - Residual unallocated CIL balance would reduce from £4.0 million to £2.2 million
150. The proposal will reduce reserve utilisation within the capital programme 2020/21 to 2022/23 from £8.9 million (£3.2 million in 2020/21, £5.2 million in 2021/22 and £0.5 million in 2022/23) to £4.9 million (£1.8 million in 2020/21, £2.6 million in 2021/22 and £0.5 million in 2022/23). The £4.9 million residual reserve allocation 2020/21 to 2022/23 consists of:
- £1.3 million housing related capital receipts accrued before 2016/17. These predate the council's flexible use of capital receipts policy and can therefore only be applied to capital expenditure (and not to fund the revenue costs of transformation).
 - £2.4 million earmarked revenue reserves. These are allocated to feasibility works where there is no certainty that the works will result in a new approved capital project (neither prudential borrowing nor CIL can therefore be applied) and to Mallard Road and King's Park Athletics Club capital projects – both of which utilise third-party contributions that have been received and earmarked for this specific purpose

- £0.3 million HRA right to buy receipts (applied to affordable housing components of general fund housing developments in accordance with MHCLG)
- £0.4 million capital receipts from 2019/20 (applied to small feasibility projects and estates maintenance)
- £0.5 million revenue contribution in 2022/23 - specifically for the maintenance of BH Live assets

151. The financing of the CIP before the proposed £4 million funding swap is shown below in figure 6 and after in figure 7.

**Figure 6: Capital investment programme financing
(before £4.0 million proposed funding swap to CIL and prudential borrowing)**

Current funding in capital programme	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Government Grant	55,895	87,384	58,858	202,137
Third Party Receipts	379	1,846	0	2,225
s106	1,654	6,607	496	8,757
CIL	1,261	789	0	2,051
External Funding Contributions	59,188	96,627	59,354	215,169
Corporate revenue funding for capital (in year)	0	0	518	518
Capital fund (historic revenue funding for capital)	1,345	481	0	1,826
Capital receipts (b/f from 18/19)	0	1,764	5	1,769
HRA capital receipts (pre 16/17)	685	615	0	1,300
Capital Receipts (received post 19/20)	261	495	0	756
Earmarked Reserves	863	1,882	0	2,745
BCP reserves	3,154	5,237	523	8,913
PRU Borrowing - funded from HRA land transfers	1,185	6,693	402	8,280
PRU Borrowing - funded from MTFP revenue budget	21,111	40,218	14,206	75,535
Prudential borrowing	22,296	46,911	14,608	83,815
Total funding	84,638	148,774	74,485	307,897

**Figure 7: Capital investment programme financing
(after £4.0 million proposed funding swap)**

Proposed funding in capital programme	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Government Grant	55,895	87,384	58,858	202,137
Third Party Receipts	379	1,846	0	2,225
s106	1,654	6,607	496	8,757
CIL	1,666	2,192	5	3,863
External Funding Contributions	59,593	98,030	59,359	216,982
Corporate revenue funding for capital (in year)	(0)	0	518	518
Capital fund (historic revenue funding for capital)	48	349	0	397
Capital receipts (b/f from 18/19)	0	49	0	49
HRA capital receipts (pre 16/17)	685	615	0	1,300
Capital Receipts (received post 19/20)	261	23	0	284
Earmarked Reserves (specific capital and feasibility)	831	1,564	0	2,395
BCP reserves	1,825	2,600	518	4,942
PRU Borrowing - funded from HRA land transfers	1,185	6,693	402	8,280
PRU Borrowing - funded from MTFP revenue budget	22,035	41,452	14,206	77,693
Prudential borrowing	23,220	48,145	14,608	85,973
Total funding	84,638	148,774	74,485	307,897

152. It is also proposed that a further £1.1 million of capital fund is released to support the 2021/22 revenue budget. This is made possible because of the addition of £1.3 million housing related capital receipts (pre 2016/17) as new capital funding to replace previous capital fund allocations. This would leave a net underlying unallocated capital fund for future capital projects and feasibility studies of £0.3 million.

Capital Budget Virements

153. In accordance with BCP Financial Regulations, the following capital budget virement is in excess of £0.5 million but below £1m and therefore requires **Cabinet approval**:

Directorate: **Operations**

Purpose: Accept £0.2 million Homes England capital grant

The Council was successful in its bid for additional £0.2 million Homes England grant funding. This funding is allocated to the Heritage Action Zone project – a capital project to improve and regenerate the High Street locality in Poole.

154. The following capital budget virements are in excess of £1 million and therefore require **Council approval**:

(a) Directorate: **Corporate**

Purpose: Approve the release of £2.9 million reserves currently allocated as funding for capital expenditure to support the budget 2021/22 and the release of £2.2 million capital receipts to support the transformation programme (total £5.1 million)

Council approval is sought for the release of a total £5.1 million of reserves and capital receipts currently allocated to the capital programme to support the budget 2021/22 and the transformation programme. This consists of £4.0 million reserves (to be replaced by CIL and prudential borrowing) and £1.1 million of reserves no longer required because of the addition of £1.3 million historic housing related capital receipts as funding for the capital programme. Of this, £2.9 million is the release of revenue funding for capital that can therefore be used to support the revenue budget 2021/22. The remaining £2.2 million is the release of capital receipts received since 2018/19. Under the council's flexible use of capital receipts policy these can be used to support the revenue costs of transformation.

The proposal will result in additional annual borrowing repayment of £0.1 million in 2021/22, increasing to £0.2 million in 2021/22. The MTFP will be adjusted for this new pressure.

The proposal will also reduce the level of unallocated 'cash received' CIL from £4.0 million to £2.2 million as at 31 March 2021. The proposal will also leave a residual capital fund balance of £0.3 million as unallocated funding within the capital programme, from which to fund future capital or feasibility works, where no other funding source is identified.

(b) Directorate: **Operations**

Purpose: Accept Tranche 2 Transforming Cities Fund (TCF) capital grant of £22.4 million

The Council has been awarded £79.3 million TCF grant to deliver a strategic programme of highways improvements to better facilitate sustainable means of travel across the conurbation. The grant is awarded in tranches - this grant is the

third of four annual grants paid over four years from 2019-20 to 2022-23. In line with Department for Transport (DfT) requirements, robust governance arrangements are in place for the delivery of the TCF Programme.

(c) Directorate: **Operations**

Purpose: Accept Salix capital grant of £2.5 million and increase the capital programme accordingly

The Council has successfully bid for Salix funding from the Government's Public Sector Decarbonisation Scheme, which was offered to reduce public sector carbon emissions and cut energy use in local authority buildings. Grant awarded is planned to be used on heating, lighting, and solar PV improvements on various council assets to assist in achieving the climate and ecological emergency commitments.

Housing Revenue Account (HRA) monitoring 2020/21

155. The HRA is a separate account within the council that ring-fences the income and expenditure associated with the council's housing stock. The HRA does not therefore directly impact on the council's wider general fund budget.
156. Within the HRA the council operates two separate neighbourhood accounts. The Bournemouth account comprises of 5,100 tenanted properties and is directly managed in-house by the council. The Poole account comprises of 4,517 tenanted properties and is managed by Poole Housing Partnership (PHP). PHP operate as an arm's length management organisation (ALMO) in line with a management agreement with the council.
157. The impact of the pandemic was initially expected to reduce HRA revenue collection by an increase in the number of void properties leading to lower levels of rent charges raised. This did not occur. The level of right-to-buy sales during the year is below budget and consequently higher rental income has been achieved.
158. Any changes to the revenue outturn from an otherwise balanced position is reflected in either an adjustment to the revenue contribution to capital or a call on HRA reserves within the ringfence.
159. In the capital programme, planned works in people's homes were delayed in the first lockdown period with further delays in November and in the fourth quarter. Maintenance programmes were delivered at 82% in the Bournemouth neighbourhoods and 77% in Poole. As reported last time there has also been significant delays in some of the major capital projects planned for this year with the overall programme delivering at just over 50% in each neighbourhood. These projects will be rephased into future years.

Bournemouth neighbourhood

160. Appendix C1 provides the detail of revenue and capital budget monitoring statements for the Bournemouth neighbourhood.

Revenue account

161. The only material income variance relates to the recharging of salaries to capital works, which is more than budgeted for. The depreciation charge for the year was £1.0 million less than provided, and borrowing costs were also significantly below budget. There was no need to contribute to the bad debt provision for 2020/21,

mainly due to additional provision being made in 2019/20. There were service underspends on supervision and management and repairs and maintenance.

Capital programme

- 162. The capital programme spent £10.5 million of the £19.7 million budget (53% delivered).
- 163. Delayed planned maintenance works did not recover during the year. There is reduced expenditure across most categories of spend in this element of the programme. As lockdown releases catch up is anticipated during 2021/22 and £1.4 million will be carried forward into 2021/22.
- 164. The purchase of individual properties for £1.1 million was not included when the capital budget was set but due to the delay for the programmed works, this was done to use time-restricted right-to-buy (rtb) receipts where these would otherwise have needed to be sent to the government and lost from HRA resources.
- 165. Significant delay has also been experienced in the development programme from the closedown of some sites during lockdown periods, slipping the programme by a further £7.7 million. These delays will have an impact on the phasing of the programme into future years.

Poole neighbourhood

- 166. Poole Housing Partnership (PHP) prepare the budget monitoring information for the Poole neighbourhood with the outturn position reported on to the PHP Audit and Risk Committee.
- 167. Appendix C2 provides the detail of revenue and capital budget monitoring statements for the Poole neighbourhood.

Revenue account

- 168. The final outturn position is breakeven according to the policy with a £2.4m revenue contribution to capital in 2020/21. The contribution is adjusted to reflect net movements in income and expenditure across the HRA. By delivering good performance across income collection and by holding down costs across all areas this surplus provides a significant contribution to the financing of the HRA's capital programme.
- 169. At quarter three there were no significant income budget variances projected for the revenue account with the rents raised slightly ahead of budget due to low levels of right-to-buy sales.
- 170. At outturn there is a favourable income variance of £0.108 million for services and facilities. This is despite administration income from rtb sales in the year being low. An exercise to fully reconcile the HRA's capital receipts account was completed in quarter four and this identified £0.127 million of income from previous years that had not yet been recognised.
- 171. In expenditure there is a £0.3 million overspend due the waking watch at Sterte Court from delay in the project to replace cladding.

Capital account

- 172. The February 2020 report to Council agreed a £21.4 million capital programme for the HRA in 2020/21. This budget included carry forwards from 2019/20 of £0.45

million. Additional carry forwards were identified at outturn totalling £0.23 million due to delayed roofing, door replacement and fire risk assessment work. This brings the revised budget for 2020/21 to £21.6 million.

173. The outturn is for delivery of £11.3 million, representing 52% of the programme and a shortfall of £10.3 million. This compares with the projected variance of £7.3 million reported at quarter three. There is slippage in the maintenance programme of £2 million and £8.3 million for major projects.
174. Within major projects the increased slippage in quarter four is largely due to the Old Town tower block works which did not make up as much lost time as previously expected. The first lockdown delayed when the contractors were able to start work on-site, and the pandemic has meant only external works have been undertaken for most of the year. Internal work did not start until March 2021. Works have been re-phased and the underspend in 2020/21 of £3.7m will be carried forward into 2021/22.
175. Other significant project slippage relates to the Herbert Avenue project (£2.3 million) due to the requirement to re-tender and in-fill projects (£1.1 million) with the pipeline developed for delivery in 2021/22.
176. All the £8.3 million major projects budget not used in 2020/21 is to be carried forward into 2021/22 along with £0.250 million of the maintenance programme.

Companies and partner organisations

177. The financial sustainability of the council could also be affected by the performance of partners and subsidiaries in which it has a financial interest. Each of these entities has their own governance framework and their own arrangements for reporting their financial and operating performance.
178. The following paragraphs contain a summary of the outturns for these partner and subsidiary organisations. It should be noted that these are provisional figures and are unapproved by the respective boards of directors and are also subject to audit.

Bournemouth Building & Maintenance Ltd (BBML)

179. The trading activities of BBML consist of programmed works for the council's housing revenue account such as disabled adaptations and building works for other council owned property.
180. Turnover for the financial year was £7.186 million compared with the budget of £7.370 million. The £0.184 million shortfall is due to closures during the pandemic. Provisional profit for the year reflects the reduced activity at £0.059 million compared with a budget of £0.270 million. The Covid-19 related expenditure that BBML has incurred through the furlough scheme is £0.169 million.
181. Due to the materiality level for the council's statement of accounts, BBML will not be consolidated into the group accounts.

Seascope Group Ltd

182. Within Seascope Group Limited there are two subsidiaries, Seascope South Limited and Seascope Homes and Property Limited.
183. The core activities of Seascope South Limited (SSL) are undertaking adaptations and conversions to non-council owned property. These are funded through disabled

facility grants (DFG). Building maintenance and construction services are also offered.

184. Turnover for the financial year for SSL was £0.662 million compared with a budget of £0.824 million. This variance is due to the pandemic which delayed both the DFG and construction works. Provisional profit before tax is £2,000 compared with a budget of £73,000. The reduction is due to reduced activity during the pandemic, prudent defects provisions, and VAT due on specific DFG adaptations.
185. Seascope Homes and Property Limited (SHPL) provides housing solutions through the grant of assured short-hold tenancies to a variety of clients, including the homeless. SHPL leases properties purchased by the council to provide this housing.
186. Turnover for the financial year for SHPL was £0.7 million (budget £0.9 million). There is a provisional loss of £35,000 compared with £3,000 budgeted. This is primarily due the one-off costs of agency and show flat purchases for the "Treetops" development (St Stephen's Road).
187. The results of the subsidiaries are combined to form the results of Seascope Group Limited (SGL). The provisional turnover for SGL was therefore £1.4 million (budget £1.7 million). The provisional loss, after the deduction of £8,000 operating costs for SGL, is £41,000 compared with the budgeted profit before tax of £54,000.
188. Due to the materiality level for the council's statement of accounts, Seascope Group will not be consolidated into the group accounts.

Charities

189. The council has close links to three charities, the Five Parks Charity, Lower Central Gardens Trust and Russell-Cotes Art Gallery & Museum Charitable Trust.
190. Due to the materiality levels for the council only Lower Central Gardens Trust will be included in the council's group accounts. Materiality is assessed with reference to the size of the asset base in the balance sheet.

The Bournemouth Development Company LLP

191. Bournemouth Development Company LLP ("BDC") is a joint venture between the Council and wholly owned subsidiary of Morgan Sindall Investments Ltd.
192. BDC is an active development partner and regeneration catalyst for the delivery of the Bournemouth Town Centre Vision.
193. BDC has a different year end to the council consequently the figures incorporated in the council's group accounts rely on an amalgamation of the pro rata amount from the joint venture's 31 December 2020 year end figures and from the quarter 1 management account information to 31 March 2021. Figures are not available to include in this report due to differing financial reporting years.

Tricuro

194. Tricuro is a group of two companies established under local authority trading company principles to undertake a range of adult social care services on behalf of the now two local authorities in Dorset. Staff transferred from each of the local authorities to the new company with the aim of improving service provision and efficiency.
195. It is structured as a care company (Tricuro Limited) and a company providing support services (Tricuro Support Limited), with management through a joint Board.

Tricuro Support Limited holds the contractual relationships with the two commissioning councils, as well as the property leases and support services agreements.

- 196. Each authority owns one ordinary share in Tricuro Support Limited, which in turn owns 100% of the equity of Tricuro Limited.
- 197. The turnover of Tricuro in 2020-21 was £46.4 million, with £17.8 million (38%) attributable to the contract with BCP Council, £23.3 million (50%) from the contract with Dorset Council, £1.6 million (3%) from independent fee and charges and £3.7 million (8%) from specific COVID-19 related funding.
- 198. Due to the materiality level for BCP Council statement of accounts Tricuro will not be consolidated into BCP Council's group accounts as the operating assets have remained with each council.

Aspire Adoption

- 199. Aspire Adoption is a partnership between BCP and Dorset Council.
- 200. Aspire work in partnership with Families for Children, a local voluntary adoption agency.
- 201. The purpose is to provide services for children and families through enabling and supporting the adoption and special guardianship process.
- 202. BCP contribution to the partnership is £1.2 million with Dorset Council contributing £0.9 million. Reduced income from external inter-agency income during the year due to the pandemic resulted in a £0.18 million overspend.

Scenario planning

- 203. This is in the main an outturn report with different scenarios no longer relevant. Provisions have been calculated according to agreed policies and best estimates used to close the accounts when final charges and income due have not yet been received or notified.
- 204. In the quarter three monitoring report it had been assumed that the impact of the lockdown starting in January 2021 would apply throughout the final quarter. Despite this being the case, at outturn the quarter three income projections have been prudent. New grant income and better use of existing grant streams in the final quarter were unforeseen earlier in the year.

Summary of financial implications

- 205. This is a financial report with budget implications a key feature of the above paragraphs.

Summary of legal implications

- 206. The recommendations in this report support the management of budget risks in the MTFP and the overall financial viability of the council. The revenue and capital virements and acceptance of new grants are required by the council's financial regulations.

Summary of human resources implications

207. In relation to acceptance of the grant bids for 2021/22, all staff recruited to the drug and alcohol services will be employed on fixed term contracts for one year to match the grant expenditure profile. All workers based within commissioned providers under a contract with the council and will undergo mandatory training, some of which must take place before they commence any work with service users.

Summary of sustainability impact

208. Different ways of working have continued to reduce staff travel and accommodation costs over the final quarter.

Summary of public health implications

209. The council has maintained appropriate services for the vulnerable during the pandemic and used the specific public health grants to support outbreak management and testing capability in supporting the wellbeing of residents.
210. The outturn includes significant costs of PPE to protect staff and residents to ensure compliance with all guidance to be issued by Public Health England over time.
211. The key priority of the new grant funding for 2021/22 for approval in this report is to improve the health outcomes of individuals accessing the new services by assertively engaging individuals into drug and alcohol treatment and ensuring that they have a physical health check. Requirements of the grant are to ensure all individuals targeted are registered with a GP and engage with mental health support if required.

Summary of equality implications

212. Budget holders have managed their in-year budget savings to minimise any adverse equalities issues.
213. In terms of the new grants to reduce drug and alcohol dependency, any individual who has been identified with a substance misuse issue will be offered an assessment and directed into a bespoke treatment package to meet their assessed needs. As part of the assessment, cultural and ethnic needs are identified and allowed for when offering interventions including access to specialist services out of area, such as faith base services. The quarterly returns to Public Health England include the submission of data around ethnicity, disabilities, age, and gender. The DACT undertook an equality impact assessment in March 2021, as part of the procurement process for a new BCP wide treatment system. The findings and recommendations from that assessment will be applied.

Summary of risk assessment

214. The closure of the accounts requires estimates to be made where final information has not been received or outcomes are uncertain. There is always a risk that in these cases the final outcomes will be different from amounts included and this will impact in future years.

Background papers

215.2020/21 Quarter 3 Budget Monitoring to Cabinet on 10 February 2021

[http://ced-pri-cms-02.ced.local/ieListDocuments.aspx?CId=285&MId=4260&Ver=4&\\$LO\\$=1](http://ced-pri-cms-02.ced.local/ieListDocuments.aspx?CId=285&MId=4260&Ver=4&LO=1)

Appendices

Appendix A1 Outturn variances greater than £100,000 for 2020/21

Appendix A2 Outturn revenue summary position 2020/21

Appendix A3 Significant unbudgeted Covid-19 grants for 2021/22

Appendix A4 Public Health Grants 2021/22 for Test and Trace and Contain Outbreak Management Fund

Appendix B Schedule of movement in reserves for 2020/21

Appendix B2 Capital projects with current reserve funding proposed to be replaced with CIL or borrowing.

Appendix C1 Summary of Bournemouth neighbourhood HRA for 2020/21

Appendix C2 Summary of the Poole neighbourhood HRA for 2020/21

Appendix A1: Budget Variances Greater than £100,000

Adult Social Care & Public Health

Budget	Explanation	December Variance 2020/21 £000s	March Variance 2020/21 £000s	Change £000s
Covid Pressures				
All client groups	Market pressures	5,196	4,047	(1,149)
All client groups	Client related expenditure - all client groups	309	117	(192)
All client groups	Service user contributions	360	360	0
Employees	Other worker related expenditure	275	178	(97)
All client groups	Delayed transformation and other savings	940	940	0
All client groups	Care cost from hospital discharge schemes funded by Health	19,165	19,759	594
All client groups	Funding from Health for hospital discharge schemes	(19,165)	(19,759)	(594)
All client groups	Covid proportion of unused direct payments and respite care*	(1,000)	(1,900)	(900)
All client groups	Day services closure *	(400)	(730)	(330)
All client groups	Tricuro day centres closure *	(180)	(900)	(720)
Savings in June Mitigation Strategy				
Fundamental Base Budget Review	Budget rebase including LGR disaggregated amounts, care costs and reduced activity due to Covid-19 such as mileage and training.	(1,300)	(1,300)	0
Employee Costs - Care	Savings relating to vacant posts.	(1,000)	(1,000)	0
Long Term Conditions	Reduction in placement numbers as measures are put in place to provide alternative provision in a client's own home.	(500)	(500)	0
Long Term Conditions	Implementation of a strengths based approach to assessment and enhanced review programme of support being provided to residents receiving home care, ensuring that care packages meet eligible needs under the Care Act 2014.	(300)	(300)	0
Long Term Conditions	Implementation of a strengths based approach to assessment and enhanced programme of review of support being provided to residents who use direct payments, ensuring that care packages meet eligible needs under the Care Act 2014.	(200)	(200)	0

Tricuro Savings	Efficiency savings in relation to care services provided by Tricuro.	(200)	(200)	0
Employee Costs - Commissioning & Improvement	Savings relating to service restructure.	(110)	(110)	0
Day Opportunity Initiatives	Consistent application of eligibility criteria across the BCP Council area.	(100)	(100)	0
Other Pressures and Savings				
Employees	Saving from vacancies	0	(650)	(650)
Care Packages	Demand for care from all client groups*	2,232	671	(1,561)
Client Contributions	Additional contributions including deferred payments from all client groups	(2,305)	(2,661)	(356)
Miscellaneous	Other pressures and savings	(264)	(115)	149
Total Adult Social Care & Public Health		1,453	(4,353)	(5,806)

* Q3 restated - adjustment between care packages within other pressures and covid budget variances

Children's Services

Budget	Explanation	December Variance 2020/21 £000s	March Variance 2020/21 £000s	Change £000s
Covid Pressures				
Social Care	Additional numbers and complexity of places, including high transport costs	4,161	4,496	335
Employees	Staffing restructures	229	229	0
Social Care	Early help contact / S17/ and loss of income	710	636	(74)
Savings in June Mitigation Strategy				
Employee Costs	Savings relating to service restructure.	(237)	(237)	0
Supplies & Services - Miscellaneous	Budgets temporarily underspent due to Covid-19 and budgets that can be permanently reduced.	(200)	(200)	0
Commissioning Framework	Review of commissioning framework and service level agreements.	(165)	(165)	0
Partnership Reserve	One-off return of partnership reserve not progressed with a review of early help offer in progress.	(100)	0	100
Other Items Below £100k.	Various budget reductions.	(55)	(55)	0
Other Pressures and Savings				
Employee Costs	Post Ofsted action plan	310	310	0
Employee Costs	Pressures continuing from last year in the front door and business support and new pressure in SEN team, operation Thunderstorm, systems and localities.	2,173	2,457	284
SEN Transport	The annual home to school transport budget is traditionally volatile and challenging. It is demand led and the degree of difficulty magnified by the pandemic. Some of the underspend is directly attributable to school closures, where contactors were paid less and their staff furloughed.	230	(73)	(303)
Mainstream Transport		0	(344)	(344)
SEN Legal Costs	Cost of tribunals	150	172	22
Miscellaneous	Other smaller pressures and savings / vacancy drag	(413)	(330)	83
Public Health	Contribution of pan Dorset public health service underspend to council spend on public health activities	(500)	(500)	0
Total Children's Services		6,293	6,396	103

Environment & Community

Budget	Explanation	December Variance 2020/21 £000s	March Variance 2020/21 £000s	Change £000s
Covid Pressures				
Waste Services	Income-generating services - loss of trade waste income, weighbridge and skip hire - better than forecast in quarter 4.	1,385	859	(526)
Highways Maintenance	Small pressures at outturn	15	0	(15)
Bereavement Services	Establishment of excess death facility, additional service activity, implementation of social distance measures, mortuary.	862	833	(29)
Catering & Concessions	Income loss due to closures	262	256	(6)
Temporary Accommodation	Accommodation and food costs - some costs transferred to COMF, remaining mitigated by income	2,826	2,522	(304)
Temporary Accommodation	Security costs - some costs transferred to COMF, remaining mitigated by income	1,056	496	(560)
Temporary Accommodation	Housing subsidy shortfall - quarter 4 increase mitigated by housing benefit	611	850	239
Temporary Accommodation	Temporary Accommodation - night support worker	387	356	(31)
Temporary Accommodation	Resettlement officer, cleaning, enhanced rent deposits	185	648	463
Temporary Accommodation	Housing Benefit	(848)	(1,206)	(358)
Temporary Accommodation	MHCLG specific grants for homelessness plus reprioritisation of other grants	(3,084)	(3,473)	(389)
Housing	Telecare	85	74	(11)
Housing - Facilities Management	Reduced income for works, pressure shared with HRA in quarter 4 and third lockdown has less impact than expected	942	475	(467)
Communities	Licensing/Markets loss of income	373	339	(34)
Communities	Application of COMF and CEV grant to eligible expenditure	0	(400)	(400)
Parks and Open Spaces	Kings Park Nursery, Catering, Golf, Hengistbury Head Visitor Centre & Land Train	661	414	(247)
Savings in June Mitigation Strategy				
Communities:				
Supplies & Services - Miscellaneous	Review of budgets that will be temporarily underspent due to Covid-19.	(150)	(150)	0

Employee Costs - Regulatory	Savings relating to service restructure.	(121)	(121)	0
Employee Costs - Communities	Savings relating to vacant posts.	(69)	(69)	0
Other Items Below £100k.	Various budget reductions.	(142)	(142)	0
Environment:				
2020/21 priorities (some restoration through later 100 day plan)	Removal or reduction of priorities relating to climate change, street cleansing, unauthorised encampments and highways maintenance.	(582)	(582)	0
Employee Costs	Savings relating to vacant posts.	(384)	(384)	0
Poole Crematorium	Continue with current service provision.	(103)	(103)	0
Waste & Cleansing Collection Rounds	Efficiencies relating to collection round re-balancing	(77)	(77)	0
Supplies & Services - Miscellaneous	Review of budgets that will be temporarily underspent due to Covid-19.	(69)	(69)	0
Other Items Below £100k.	Various budget reductions plus increased income relating to cess pit emptying and replacement bins.	(145)	(145)	0
Housing:				
Supplies & Services - Miscellaneous	Review of budgets that will be temporarily underspent due to Covid-19.	(406)	(406)	0
Solar Panel Income	Solar panel income for HRA stock, increased garage rents, and greater than expected in quarter 4.	(300)	(474)	(174)
Bad Debt Provision	Temporary suspension of contribution to rent deposit bad debt provision.	(150)	(150)	0
Employee Costs - Housing	Savings relating to vacant posts.	(138)	(138)	0
Employee Costs	Temporary changes to establishment budget and reduced vacancy back fill.	(109)	(109)	0
Other Items	Various budget reductions below £100k.	(52)	(52)	0
Other Pressures and Savings				
Recharge Income	Rebase income budget in line 2019/20 outturn	246	246	0
Waste Services	Largely due to non application of RDF taxes	(546)	(546)	0
Housing	Housing Related Support Contract Saving	(100)	(180)	(80)
Housing	Telecare income prudent income projection throughout year	0	(555)	(555)
Bereavement Services	Coroners' inquest provision for rare but high cost cases	0	140	140
Highways Maintenance	Improved income in relation to dropped kerbs and capital works	0	(300)	(300)
	Other Items Below £100k.	122	96	(26)
Total Environment & Community		2,443	(1,227)	(3,670)

Regeneration & Economy

Budget	Explanation	December Variance 2020/21 £000s	March Variance 2020/21 £000s	Change £000s
Covid Pressures				
Car Parking	Parking charges, PCN income	11,916	9,928	(1,988)
Seafront and Tourism	Short term beach hut lets, concession income	3,913	3,127	(786)
Culture and Heritage	Highcliffe Castle, Arts & Museums, Libraries, Archives, Russell Cotes	1,012	1,326	314
Leisure Centres	BH Live, SLM, Two Riversmeet	3,472	3,080	(392)
Growth and Infrastructure	Recharges to capital schemes	1,344	6	(1,338)
Upton Country Park	All park activities	103	46	(57)
Transportation	Free use of Beryl bikes by NHS staff and key workers	30	30	0
Resort Management	Costs to ensure a safe and compliant resort after lockdown easing	1,253	800	(453)
Planning	Covid-19 impact on fees	534	512	(22)
Building control	Covid-19 impact on fees	529	571	42
Savings in June Mitigation Strategy				
Destination & Culture:				
Supplies & Services - Miscellaneous	Review of budgets that will be temporarily underspent due to Covid-19.	(1,320)	(1,105)	215
Air Festival	Net savings from cancellation of the air festival.	(232)	(271)	(39)
2020/21 Budget Priorities	Removal of budget priority relating to Culture.	(150)	(150)	0
Employee Costs	Savings relating to vacant posts.	(113)	(113)	0
Other Items Below £100k.	Various budget reductions.	(61)	65	126
Development:				
2020/21 Budget Priorities	Removal of budget priority relating to Regeneration.	(326)	(326)	0
Employee Costs	Savings relating to vacant posts.	(184)	(184)	0

Supplies & Services - Miscellaneous	Review of budgets that will be temporarily underspent due to Covid-19.	(106)	(106)	0
Growth & Infrastructure:				
Supplies & Services - Miscellaneous	Review of budgets that will be temporarily underspent due to Covid-19.	(688)	(688)	0
Employee Costs	Savings relating to vacant posts.	(510)	(510)	0
Other Items Below £100k.	Various budget reductions.	(40)	(40)	0
Planning	Salaries and non pay savings	(149)	173	322
Building control	Salaries and non pay savings	(88)	(77)	11
Other Pressures and savings				
Car parking	Richmond Gardens car park sink hole repair	71	71	0
Highways Network Management	Traffic lights and signalling contract pressures	92	99	7
Car parking	Business rates	114	114	0
Passenger Transport	Adult Social Care Fleet	250	0	(250)
Street Lighting	PFI contract pressure	197	197	0
Smart Cities	Improved recovery of rechargeable costs	(100)	(169)	(69)
Smart Cities	Specialist staff reserve	0	169	169
Transport Development	Reduced activity and associated consultant costs	(215)	(157)	58
Flood and Coastal	Reduced activity and associated salary costs	(200)	(431)	(231)
Sustainable Transport	Loss of departure income from Travel Interchange	72	72	0
Sustainable Transport	£93k unspent policy budget; £58k other	0	(151)	(151)
Engineering	Additional staff and agency costs less savings from reduced activity within bridges, structures, street lighting and transport planning services	0	(242)	(242)
Highways Network Management	Signal maintenance contract savings	0	(180)	(180)
Highways Network Management	Increased streetworks notices and inspections income, improved ability to recharge staff to the street permit set up	0	(242)	(242)
Leisure Centres	Leisure contract reserve	0	900	900
Engineering	Bridges and Structures Backlog Maintenance Reserve	0	164	164
Miscellaneous	Other pressures and savings	0	84	84
Total Regeneration & Economy		20,420	16,392	(4,028)

Resources

Budget	Explanation	December Variance 2020/21 £000s	March Variance 2020/21 £000s	Change £000s
Covid Pressures				
Land Charges	Loss of income due to reduced activity	150	33	(117)
Registrars	Reduced weddings, increased death certificates	700	574	(126)
Housing Benefits	Housing Benefit Subsidy	50	45	(5)
ICT Services	Budget WAN saving undeliverable as unable to be on site	243	215	(28)
PPE Purchases	Central Purchases not within services	600	343	(257)
Tax Collection	Reduction in court summons income from Council Tax and NNDR	1,116	1,116	0
Customer Services	Overtime and equipment	60	57	(3)
Law & Governance	Legal Fees	63	63	0
Other Pressures	Miscellaneous other (< £100k overall)	184	157	(27)
Savings in June Mitigation Strategy				
Supplies & Services - Miscellaneous	Review of budgets that will be temporarily underspent due to Covid-19 and budgets that can be permanently reduced.	(514)	(514)	0
Employee Costs	Savings relating to vacant posts.	(250)	(250)	0
Insurance	Temporary reduction in contribution to insurance provision.	(200)	(200)	0
Election Reserve	Temporary removal of election reserve contribution.	(170)	(170)	0
Housing Benefits	Unused budget for the harmonisation of local council tax support scheme.	(146)	(146)	0
Other Pressures and savings				
Resources	Salary cost pressures in place of budgeted draw down of reserves	61	189	128
Resources	Major Projects Team - Accommodation Strategy funded by revenue	0	236	236
Resources	Other cost pressures (including additional spend on telephones and mobile phone data)	574	423	(151)
Resources	Changes to members allowances as agreed 24 November 2020 Council	76	76	0

Resources	Centralisation of stationery project to manage spend	(100)	(122)	(22)
Resources	Revenues and Benefits / Stour Valley and Poole Partnership	0	(245)	(245)
Resources	IT and IS underspends in Desktop Replacement and Microsoft Licences	0	(373)	(373)
Resources	Insurance higher than anticipated recharges to outside parties	0	(152)	(152)
Resources	Russell Cotes backdated insurance recharges	0	(100)	(100)
Resources	Law and Governance external legal fees and school appeals income	0	(226)	(226)
Total Resources		2,497	1,029	(1,468)

Corporate Items

Budget	Explanation	December Variance 2020/21 £000s	March Variance 2020/21 £000s	Change £000s
Covid Pressures				
Investment Property	Rent reductions / company administrations	2,328	2,146	(182)
Savings in June Mitigation Strategy				
Furloughed Staff	Estimated claim	(807)	(980)	(173)
Pension Costs	Saving in pension contribution to reflect actual costs.	(30)	(303)	(273)
Other Pressures and savings				
Flexible use of capital receipts	Use of capital receipts to offset cost of Transformation in revenue	0	(310)	(310)
Transformation	Contribution towards transformaton reserve	13,282	13,282	0
Revenue capital contribution	Saving previously planned now contributed to reserves	(2,480)	0	2,480
Contribution to transformation	Planned revenue contribution to transformation - no longer required	100	0	(100)
Estates Management	Revenue impact of estates project (November Cabinet)	251	250	(1)
Transformation - Smarter Structures	External support to increase the pace of change	350	350	0
100 Day Plan	Additional in-year expenditure across various areas as outlined in quarter 3 report, unspent budget carried forward in earmarked reserves	365	365	0
Interest Payable	Reduction in interest rates on temporary borrowing cost	(182)	(28)	154
Investment Income	Reduction in interest rates means lower investment returns	23	(42)	(65)
Pension Costs	Pension capitalisation costs previously assumed to be funded from reserves	0	640	640
Investment Property	Revenue expenditure on surplus assets	0	(79)	(79)
One off small items	Various expenditure / income items	(65)	306	371
Other Grant Income	Administration charged against grants received in year	0	(263)	(263)
Total Corporate Items		13,135	15,334	2,199



BCP Council - General Fund Summary 31 March 2021

Directorate	Revenue	Working Budget	Covid 19 Pressures	Covid 19 Mitigation	Other Actuals	Variance before reserves	Reserves Movement	Variance after reserves
Adult Social Care	Expenditure Total	212,160	21,516	(3,710)	209,606	15,252	9,023	24,275
	Income Total	(100,768)	(19,439)	0	(109,957)	(28,628)		(28,628)
Adult Social Care Total		111,393	2,077	(3,710)	99,649	(13,376)	9,023	(4,353)
Children's Services	Expenditure Total	77,076	4,838	(657)	80,781	7,886	(1,073)	6,813
	Income Total	(14,594)	541	0	(15,553)	(418)		(418)
Children's Services Total		62,482	5,379	(657)	65,228	7,468	(1,073)	6,395
Environment & Community	Expenditure Total	100,564	6,075	(2,561)	98,692	1,642	2,082	3,724
	Income Total	(49,360)	(3,032)	(610)	(50,669)	(4,950)		(4,950)
Environment & Community Total		51,203	3,043	(3,171)	48,023	(3,309)	2,082	(1,227)
Regeneration & Economy	Expenditure Total	69,329	4,166	(4,495)	67,451	(2,207)	2,138	(69)
	Income Total	(62,966)	19,940	528	(66,972)	16,462		16,462
Regeneration & Economy Total		6,363	24,106	(3,967)	479	14,254	2,138	16,392
Resources	Expenditure Total	147,027	835	(1,280)	152,371	4,899	1,122	6,021
	Income Total	(113,615)	1,768	0	(120,375)	(4,992)		(4,992)
Resources Total		33,412	2,603	(1,280)	31,996	(93)	1,122	1,029
Transformation	Expenditure Total	0	0	0	2,262	2,262		2,262
	Income Total	0	0	0	0	0	(1,179)	(1,179)
Transformation Total		0	0	0	2,262	2,262	(1,179)	1,083
100 Day Plan	Expenditure Total	0	0	0	151	151	214	365

Total Net Cost of Service		264,854	37,208	(12,785)	247,637	7,207	12,327	19,685
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Corporate Items

Flexible use of Capital Receipts		0			(310)	(310)		(310)
Estates Management		0			89	89	161	250
Furlough Savings		0		(980)		(980)		(980)
Smarter Structures		0			350	350		350
Covid and Transformation Mitigation Reserve Contribution		0				0	13,282	13,282
Provision for repayment (MRP)		11,049			8,589	(2,460)	2,460	0
Pensions		5,213			4,910	(303)		(303)
Pension Capitalise Costs		0			640	640		640
Revenue contribution to capital - general		2,839			360	(2,479)	2,479	0
Interest on borrowings		1,799			1,771	(28)		(28)
High Needs Reserve Contribution		1,230			0	(1,230)		(1,230)
Revenue contribution to transformation		0			0	0	1,230	1,230
Contingency		1,151			(35)	(1,186)	1,157	(29)
Parish, Town, Neighbourhood Councils & Charter Trustees		969			969	0		0
Movement to and (from) reserves		620			0	(620)	688	68
One off small items		61			252	191		191
Covid Grants - Hardship / Local Restrictions		0		(4,619)		(4,619)	4,637	18
Levies (Environment Agency / Fisheries)		597			609	12		12
Apprentice Levy		565			622	57		57
Revenue expenditure on surplus assets		172			93	(79)		(79)
Corporate Items	Expenditure Total	26,265	0	(5,599)	18,909	(12,955)	26,094	13,139

Corporate Items

Investment property income		(6,201)			(4,056)	2,146		2,146
Income from HRA		(949)			(949)	0		0
Other Grant Income		(504)			(1,118)	(614)	351	(263)
Interest on cash investments		(185)			(227)	(42)		(42)
Dividend Income		(100)			(111)	(11)		(11)
HRA Cont to transformation		0			(2,000)	(2,000)	2,000	0
Review of Inherited Resources		0			(4,748)	(4,748)	4,748	0
Cap Programme Refinance for 21/22		0			(2,750)	(2,750)	2,750	0
Corporate Items	Income Total	(7,939)	0	0	(15,957)	(8,018)	9,849	1,831

Net Budget Requirement		283,179	37,208	(18,384)	250,588	(13,767)	48,270	34,654
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Funding

Covid19 Grant - Tranche 1		0				0	(11,102)	(11,102)
Covid19 Grant - Tranche 2		0		(10,905)		(10,905)		(10,905)
Covid19 Grant - Tranche 3		0		(3,153)		(3,153)		(3,153)
Covid19 Grant - Tranche 4		0		(3,882)		(3,882)		(3,882)
Covid 19 Grant - Sales, Fees and Charges Compensation		0		(14,025)		(14,025)	1,402	(12,623)
Covid 19 Council Tax Income Guarantee		0		(1,089)		(1,089)	1,290	201
Covid 19 NNDR Income Guarantee		0		(126)		(126)	1,773	1,647
Council Tax Income		(217,075)			(217,075)	(0)		(0)
Business Rates Income		(58,102)			(98,434)	(40,332)	40,409	77
Revenue support grant		(3,005)			(3,005)	(0)		(0)
New Homes Bonus Grant		(2,648)			(2,648)	0		0
Collection Fund Surplus Distribution		(1,380)			(1,381)	(1)		(1)
Parish/Town/Neigh Coun & Charter Trustees		(969)			(969)	0		0

Total Funding		(283,179)	0	(33,180)	(323,513)	(73,514)	33,772	(39,742)
Net Position		0	37,208	(51,564)	(72,924)	(87,281)	82,042	(5,087)

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Specific Covid -19 - Grants in Services	Amount Awarded 2020/21 £	Issuing Department
<u>Grants Within Services - unspent grant carried forward into 2021/22</u>		
Adult Social Care		
Infection Control Grants - (DHSC criteria)	-11,457,714	DHSC
Adult Social Care Rapid Test Fund	-1,496,247	DHSC
Adult Social Care Workforce Capacity Fund	-874,947	DHSC
Extra help for rough sleepers with drug and alcohol dependency	-494,218	MHCLG
Public Health		
Contain Outbreak Management Fund	-9,120,852	DHSC
Public Health Test & Trace	-1,808,624	DHSC
Community testing	-349,375	DHSC
Children's Services		
COVID Winter Grant Scheme	-1,079,796	DWP
Environment & Community		
Next Steps Accommodation Programme	-1,884,766	MHCLG (bid)
Next Steps Accommodation Programme - long term revenue	-50,735	MGCLG (bid)
Defra Emergency Assistance grant	-395,910	MHCLG
Rough Sleepers Initiative - re purposed for Covid spend	-497,357	MHCLG
Clinically Extremely Vulnerable Support	-1,188,751	MHCLG
Enforcement Funding	-187,855	MHCLG
Covid 19 rough sleeping contingency fund	-54,000	MHCLG
Defra Emergency welfare grant - communities spend	-20,000	MHCLG
Regeneration & Economy		
Additional School Transport Grant (DfT) (Tranches 1 & 2)	-531,032	DfE
Additional School Transport Grant (DfT) (Tranche 3)	-338,989	DfE
Bus Services Support Grant	-98,603	DfT
Support to bus operators	-95,000	DfT
Tendered Bus Service Provision	-70,000	DfT
Bus Service Support Grant Restart Scheme	-33,706	DfT
Welcome Back Fund	-416,323	MHCLG
National Leisure Recovery Fund (NLRF)	-410,000	Sport England
Reopening High Streets Safely Fund	-351,322	MHCLG
Corporate		
New burdens - business grants	-637,845	DWP
New burdens - self isolation grants	-369,899	DWP
Additional burden - housing benefits administration	-81,343	DWP
SPECIFIC GRANTS WITHIN SERVICES	-34,395,209	

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Test and Trace Grant, and Contain Outbreak Management Fund for BCP Council

Summary of funding for financial year 2020/21

During the pandemic Government provided funding to Councils under the Contain strategy to support the development and delivery of local outbreak management plans. Plans set out how local government would respond to COVID-19 in their communities, setting out the end to end outbreak management and response. Funding was provided under two Grants – the Test and Trace Grant (TTG) and Contain Outbreak Management Fund (COMF).

The table below shows the total amount received for each grant, the total of schemes approved, and the amount spent up to 31 March 2021.

T&T and COMF allocation summary BCP 20/21 Year-end	
	£
Test and Trace	(1,808,624.00)
Contained Outbreak Management Fund	(9,120,850.93)
Total Grants received	(10,929,474.93)
Test and Trace	840,532.00
Contained Outbreak Management Fund	7,303,537.48
Total approved schemes	8,144,069.48
Spend as at 31st March	2,896,260.33
Approved remaining to spend	5,247,809.15
Total grants remaining for approval	(2,785,405.45)

Grant conditions

MHCLG wrote to Councils setting out the grant conditions for use of funds during the financial year 2020-21. These are set out below.

Test & Trace Grant

The purpose of the grant is to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred in relation to the mitigation against and management of local outbreaks of COVID-19.

COMF Grant

This was paid on a per capita amount depending on the severity of local outbreaks, and the time spent under local restrictions during the tier system. Financial support for Local Authorities at Local COVID Alert Level Medium and High is to fund the following activities:

- Targeted testing for hard-to-reach groups out of scope of other testing programmes.
Additional contact tracing.
- Enhanced communication and marketing e.g. towards hard-to-reach groups and other localised messaging.
- Delivery of essentials for those in self-isolation.
- Targeted interventions for specific sections of the local community and workplaces.

- e. Harnessing capacity within local sectors (voluntary, academic, commercial).
- f. Extension/introduction of specialist support (behavioural science, bespoke comms).
- g. Additional resource for compliance with, and enforcement of, restrictions and guidance.

Financial support for Local Authorities at Local COVID Alert Level Very High has a broader scope, to support local economies and public health. Activities expected such as (this list is not exhaustive):

- h. Measures to support the continued functioning of commercial areas and their compliance with public health guidance.
- i. Funding Military Aid to the Civil Authorities (marginal costs only) .
- j. Targeted support for school/university outbreaks.
- k. Community-based support for those disproportionately impacted such as the BAME population.
- l. Support for engagement and analysis of regional areas to assess and learn from local initiatives.
- m. Providing initial support, as needed, to vulnerable people classed as clinically extremely vulnerable who are following tier 3 guidance.
- n. Support for rough sleepers.

The Department of Health has confirmed in correspondence that Local Authorities are best placed to determine how to use their COMF allocation to meet the needs in their communities, within the guidelines set out above, including how the funding can support a smooth de-escalation in their local area through the roadmap stages. This will ensure that we can continue to progress at the same pace nationally through the steps of exiting lockdown, protecting citizens, our health care systems, and the economy.

The specific public health activities that can be funded from the COMF are left to the judgement of LAs in conjunction with their directors of public health.

We have updated the local outbreak management plan for Dorset, and COMF funding is designed to support delivery of the objectives set out in these plans.

A further payment for 2021/22 financial year was received in April. Updated guidance and grant conditions were recently published. The grant payment is dependent on councils submitting regular returns for monitoring purposes during the previous year. In addition, the criteria have been amended slightly to make clear that the purpose of the funding is to support local areas to ensure cases remain low as we progress through the spring roadmap.

We have established a robust process to approve and monitor the schemes, to ensure they meet the criteria and are spent accordingly. This is co-ordinated by the public health team on behalf of the Health Protection Board and overseen by the director of public health. BCP's internal audit team have reviewed the process and records and have given a green 'reasonable assurance' rating.

We submit a monthly monitoring report to DHSC in line with national requirements.

The table below schemes approved from the Test and Trace grant

Test and Trace Grant allocation summary 2020/21			
		£	
Total Grant received		(1,808,624.00)	
Ref	Activity	£	Approval by CIMT
TTG1	Together we can legacy manager post 50% funding	52,992.00	20/07/2020
TTG2	Testing resources 1/10/20-30/9/21	72,494.00	26/10/2020
TTG3	Programme manager	26,465.00	26/10/2020
TTG4	Regulatory services	179,000.00	30/10/2020
TTG6	Housing manager	60,000.00	05/10/2020
TTG7	Trusted voices engagement leads	10,000.00	26/10/2020
TTG8	Local COVID-19 health protection rota costs	11,500.00	09/11/2020
TTG10	Comms support in BCP	24,000.00	26/10/2020
TTG13	5% overheads BCP	90,431.00	26/10/2020
TTG14	Young people's campaign	15,000.00	09/11/2020
TTG15	On call comms covering weekends for 6 months DC	6,000.00	09/11/2020
TTG16	Comms backfill in Public Health	20,000.00	09/11/2020
TTG17	Bespoke resources for trusted voices /other activities	10,000.00	14/12/2020
TTG18	Project management for lateral flow testing	9,650.00	14/12/2020
TTG19	Various costs for testing cell	1,000.00	14/12/2020
TTG20	Pre-Christmas communications	2,000.00	14/12/2020
TTG21	Public health resources	215,000.00	11/01/2021
TTG22	Drugs & alcohol support	15,000.00	11/01/2021
TTG24	Public Health Day response team	20,000.00	15/02/2021
Total approved schemes		840,532.00	
Spend as at 31st March		503,205.79	31/03/2021
Approved remaining to spend		337,326.21	
Total grant remaining to approve		(968,092.00)	

The table below shows the schemes approved from the Contain Outbreak Management fund

Contain Outbreak Management Fund allocation summary 2020/21				
Total Grant received		£		
		(9,120,850.93)		
Ref	Activity	£	Decision	Date
COMF02	Local contract tracing partnership	153,077.00	CIMT	12/12/2020
COMF04	Postcard to households	70,000.00	CIMT	08/01/2021
COMF05	Port of Poole haulier testing £1k per day January	17,300.00	CIMT	04/01/2021
COMF06	Lateral flow testing for key council staff	370,000.00	CIMT	13/01/2021
COMF07	Behavioural insights work SW plan	17,206.50	CIMT	25/01/2021
COMF08	Rule breaking communications	25,000.00	CIMT	25/01/2021
COMF13	Connected communities co-ordinators posts x 3	105,000.00	CIMT	08/02/2021
COMF14	Promenade social distancing - sand clearance	70,000.00	CIMT	01/02/2021
COMF16	Citizens Advice mobile outreach vehicle	55,000.00	CIMT	08/02/2021
COMF18	Support with transportation to vaccinations for priority residents	13,000.00	CIMT	08/02/2021
COMF22	Best start in life phase 1	125,000.00	CIMT	15/02/2021
COMF24	Business support officers x 3	55,000.00	CIMT	01/03/2021
COMF25	Covid marshals	262,000.00	CIMT	01/03/2021
COMF26	Communications capacity	25,000.00	CIMT	08/03/2021
COMF29	Housing isolation case	1,000.00	Officer	16/03/2021
COMF30	Regulatory services enforcement programme	62,535.00	CIMT	29/03/2021
COMF31	PPE for highways, parks and bereavement	43,000.00	CIMT	29/03/2021
COMF32	Emergency welfare grants (communities)	20,000.00	CIMT	29/03/2021
COMF33	Security for temporary housing for homeless	578,000.00	CIMT	29/03/2021
COMF34	Security patrols waste services	50,000.00	CIMT	29/03/2021
COMF35	Security patrols in community	5,000.00	CIMT	29/03/2021
COMF36	Corporate communications and marketing	9,234.00	CIMT	29/03/2021
COMF37	Customers services	30,467.00	CIMT	29/03/2021
COMF38	PPE	330,000.00	CIMT	29/03/2021
COMF39	Homelessness support for accommodation, security & support worker costs	350,000.00	CIMT	29/03/2021
COMF40	Car park management	137,000.00	CIMT	29/03/2021
COMF41	Car park management - Purchase of no waiting cones	10,000.00	CIMT	29/03/2021
COMF42	Traffic Control room	15,000.00	CIMT	29/03/2021
COMF43	Sandbanks ferry measures	31,000.00	CIMT	29/03/2021
COMF44	Security & enforcement patrols	286,000.00	CIMT	29/03/2021
COMF45	Seafront additional seasonal staffing	107,000.00	CIMT	29/03/2021
COMF46	Signage	60,000.00	CIMT	29/03/2021
COMF47	Seafront additional first aid cover	25,000.00	CIMT	29/03/2021
COMF48	Equipment	30,000.00	CIMT	29/03/2021
COMF49	Communications management	50,000.00	CIMT	29/03/2021
COMF50	Replacement of seafront litter bins	38,000.00	Officer	12/03/2021
COMF51	Leave only footprints and recycling artwork for each bin	3,495.00	Officer	12/03/2021
COMF52	Third party public cleaning company for open spaces	60,000.00	Officer	12/03/2021

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Ref	Activity	£	Decision	Date
COMF53	2 night supervisors at Nuffield site to facilitate tipping	27,000.00	Officer	12/03/2021
COMF54	Increase household waste recycling centre and waste transfer station staffing levels	32,186.00	Officer	12/03/2021
COMF55	Employ traffic CSAS staff to work at recycling centres	58,716.00	Officer	12/03/2021
COMF56	Additional communications messaging required for live updates	25,000.00	Officer	12/03/2021
COMF57	Traffic management officers to cover 8 key sites	315,000.00	Officer	12/03/2021
COMF58	Park and ride for 350 vehicles	112,000.00	Officer	12/03/2021
COMF59	Additional CEO supervisory to support team	50,000.00	Officer	12/03/2021
COMF60	Beach app rapid development to include parking locations	30,000.00	Officer	12/03/2021
COMF61	Security patrols at the beaches on estimated 60 busy days in the summer	80,284.00	Officer	12/03/2021
COMF62	3 Full time data analysts	90,000.00	Officer	12/03/2021
COMF63	Command Structure Lead officer fill /overtime	110,000.00	Officer	12/03/2021
COMF64	Public Toilets - increase in toilet provision	20,000.00	Officer	12/03/2021
COMF65	Private site increase in opening hours (toilets)	15,000.00	Officer	12/03/2021
COMF66	Additional cleansing (toilets)	60,000.00	Officer	12/03/2021
COMF67	Covid compliance and out of hours noise officers x 2	80,000.00	Officer	12/03/2021
COMF68	Additional Covid marshals at train stations and ferry	65,520.00	Officer	12/03/2021
COMF69	Drones for use on key busy days including staff training allowance	77,000.00	Officer	12/03/2021
COMF70	Contingency on core costs in case of significant increase in demand	170,320.00	Officer	12/03/2021
COMF71	Health protection / day response team	404,000.00	Officer	29/03/2021
COMF72	Data science capability	170,000.00	Officer	29/03/2021
COMF74	Enhanced contact tracing	137,242.00	Officer	29/03/2021
COMF75	Communications, trusted voices, behavioural	173,000.00	Officer	29/03/2021
COMF91	Insights	9,000.00	Officer	09/04/2021
COMF92	Customer contact telephony	422,000.00	Officer	19/04/2021
COMF93	Homelessness accommodation	599,000.00	Officer	19/04/2021
COMF94	Resettlement officers	22,000.00	Officer	19/04/2021
COMF95	Cleaning of accommodation	25,000.00	Officer	19/04/2021
COMF96	Children Services	26,000.00	Officer	19/04/2021
COMF97	Administration costs 5%	113,954.98	Officer	19/04/2021
COMF98	Rough sleeper locker project	40,000.00	Officer	23/04/2021
COMF99	Mental health worker	50,000.00	Officer	23/04/2021
Total approved schemes		7,303,537.48		
Spend as at 31st March		2,393,054.54		31/03/2021
Approved remaining to spend		4,910,482.94		
Total grant remaining to approve		(1,817,313.45)		

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Appendix B - BCP Council - Earmarked Reserves

Detail	31/03/20 Actual Balances £000's	Covid Resilience £000's	Transformation £000's	Net movement £000's	31/03/21 Actual Balances £000's	Estimated movement £000's	31/03/22 Estimated Balances £000's
(A) - Financial Resilience Reserves	(13,130)	1,688	10,330	(52,002)	(53,114)	29,854	(23,260)
(B) - Transition and Transformation Reserves	(3,454)	(6,529)	720	(7,071)	(16,334)	11,165	(5,169)
(C) - Asset Investment Strategy Rent, Renewals and Repairs	(2,491)	0	0	276	(2,215)	0	(2,215)
(D) - Insurance Reserve	(3,500)	0	0	0	(3,500)	0	(3,500)
(E) - Held in Partnership for External Organisations	(3,071)	0	0	(614)	(3,685)	1,946	(1,739)
(F) - Required by Statute or Legislation	(3,013)	2,591	0	(125)	(547)	0	(547)
(G) - Planning Related	(1,396)	461	0	(129)	(1,064)	0	(1,064)
(H) - Government Grants	(7,088)	0	0	(1,531)	(8,619)	2,485	(6,134)
(I) - Maintenance	(1,601)	224	0	(75)	(1,452)	583	(869)
(J) - ICT Development & Improvement	(1,203)	380	0	(186)	(1,009)	200	(809)
(K) - Corporate Priorities & Improvements	(2,717)	1,185	0	(564)	(2,096)	135	(1,961)
Sub Total Earmarked Reserve Balance	(42,664)	0	11,050	(62,021)	(93,635)	46,368	(47,267)
(Hi) - Government Grants (Covid)	(11,102)	0	0	(7,346)	(18,448)	16,406	(2,042)
(Hii) - NNDR Covid Grants	0	0	0	(40,409)	(40,409)	39,512	(897)
(Ki) - Covid recovery resources	0	0	0	(1,318)	(1,318)	718	(600)
Sub Total Covid Earmarked Reserve Balance	(11,102)	0	0	(49,073)	(60,175)	56,636	(3,539)
Total Earmarked Reserve Balance	(53,766)	0	11,050	(111,094)	(153,810)	103,004	(50,806)

(A) - Financial Resilience Reserves

	31/03/20 Actual £000's	Covid Resilience £000's	Transformation £000's	Net Movement £000's	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Designed to provide the Council with the ability to manage any emerging issues recognising the Council has been operating for two financial years, of which one was significantly impacted by Covid. Includes reserves to enable the management of the MTFP and resources which provide mitigation against the pandemic relating expenditure.							
Financial Liability Reserve	(5,500)		10,330	(4,830)	0		0
Financial Planning Reserve	(892)			892	0		0
Financial Resilience Reserves	(6,675)	1,688		4,987	0		0
Refinancing of the Capital Programme	0			(25,106)	(25,106)	25,106	0
Review of Inherited Resources	0			(4,748)	(4,748)	4,748	0
Covid 19 Financial Resilience Reserve	0			(9,982)	(9,982)		(9,982)
MTFP Mitigation Reserve	0			(13,228)	(13,228)		(13,228)
Other Financial Resilience Reserves	(63)			13	(50)		(50)
Financial Resilience Reserves	(13,130)	1,688	10,330	(52,002)	(53,114)	29,854	(23,260)

(B) - Transition and Transformation Reserves

	31/03/20 Actual £000's	Covid Resilience £000's	Transformation £000's	Movement £000's	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Resources set aside to support the one-off change costs of associated with creating the new council and meeting the Councils costs associated with the transformation programme.							
Transformation Mitigation Resilience Reserve	0	(6,529)		(7,620)	(14,149)	9,165	(4,984)
Contribution from outside the General Fund towards transformation	0			(2,000)	(2,000)	2,000	0
Transitional and Transformation Costs	(1,181)			1,181	0		0
BCP Programme Resources - Costs originally profiled for 2019/20	(909)		720	189	0		0
BCP Programme Resources - Pay and Reward Strategy	(1,364)			1,179	(185)		(185)
Transition and Transformation Reserves	(3,454)	(6,529)	720	(7,071)	(16,334)	11,165	(5,169)

(C) - Asset Investment Strategy Rent, Renewals and Repairs

	31/03/20 Actual £000's	Covid Resilience £000's	Transformation £000's	Movement £000's	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Resources set aside as part of the process of managing annual fluctuations in the rent, landlord repairs and costs associated with the councils commercial property acquisitions as set out in the Non Treasury Asset Investment Strategy.							
Asset Investment Strategy Rent, Renewals and Repairs	(2,491)			276	(2,215)		(2,215)

(D) - Insurance Reserve

	31/03/20 Actual £000's	Covid Resilience £000's	Transformation £000's	Movement £000's	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Reserve to enable the annual fluctuations in the amounts of excesses payable to be funded without creating an in-year pressures on the services. Subject to ongoing review by an independent third party.							
Insurance Reserve	(3,500)				(3,500)		(3,500)

(E) - Held in Partnership for External Organisations

	31/03/20 Actual £000's	Covid Resilience £000's	Transformation £000's	Movement £000's	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Amounts held in trust on behalf of partners or external third party organisations.							
Dorset Waste Partnership	(202)			0	(202)	30	(172)
Dorset Adult Learning Service	(387)			(177)	(564)	0	(564)
Stour Valley and Poole Partnership	(781)			(274)	(1,055)	1,055	0
CCG Emotional Wellbeing and Mental Health	(655)			247	(408)	250	(158)
Local Economic Partnership	(1)			0	(1)	0	(1)
Flippers Nursery	(89)			0	(89)	0	(89)
Adult Safeguarding Board	(42)			(2)	(44)	42	(2)
Dorset Youth Offending Service Partnership	(367)			(42)	(409)	100	(309)
Music and Arts Education Partnership	(358)			10	(348)	75	(273)
Youth Programme	0			(50)	(50)	50	0
Bournemouth 2026	(98)			98	0	0	0
Bournemouth 2026 - West Howe Bid	(45)			0	(45)	0	(45)
Better Care Fund	0			(270)	(270)	270	0
Brain in hand (Sec 256 with Health)	0			(74)	(74)	74	0
Charter Trustees	(46)			(80)	(126)	0	(126)
Held in Partnership for External Organisations	(3,071)	0	0	(614)	(3,685)	1,946	(1,739)

(F) - Required by Statute or Legislation

	31/03/20 Actual £000's	Covid Resilience £000's	Transformation £000's	Movement £000's	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Amounts which the council is required to hold as a reserve in line with current accounting practice or legislative requirements.							
Building Regulation Account	(128)				(128)		(128)
Bournemouth Library Private Finance Initiative (PFI)	(393)			(145)	(538)		(538)
Carbon Trust	99			20	119		119
Business Rates Levy payments annual variation reserve	(2,591)	2,591			0		0
Required by Statute or Legislation	(3,013)	2,591	0	(125)	(547)	0	(547)

(G) - Planning Related

	31/03/20 Actual £000's	Covid Resilience £000's	Transformation £000's	Movement £000's	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Reserves designed to support planning processes and associated planning activity where expenditure is not incurred on an even annual basis.							
Local Development Plan Reserve	(644)				(644)		(644)
Planning Hearing and Enforcement Reserve	(123)				(123)		(123)
Other Planning Related Reserves	(629)	461		(129)	(297)		(297)
Planning Related	(1,396)	461	0	(129)	(1,064)	0	(1,064)

(H) - Government Grants

	31/03/20 Actual £000's	Covid Resilience £000's	Transformation £000's	Movement £000's	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Amounts which the council is required to hold as a reserve in line with specific grant conditions.							
Government Grants	(7,088)			(1,531)	(8,619)	2,485	(6,134)
COVID 19 Government Grants	(11,102)			(7,346)	(18,448)	16,406	(2,042)
NNDR Covid Grants	0			(40,409)	(40,409)	39,512	(897)
Total Unspent Grants	(18,190)	0	0	(49,286)	(67,476)	58,403	(9,073)

(I) - Maintenance

	31/03/20 Actual £000's	Covid Resilience £000's	Transformation £000's	Movement £000's	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Reserves and sinking funds designed to support maintenance investments in specific services or assets.							
Corporate Maintenance Fund	(400)	149			(251)	251	0
Other Maintenance Related Reserves	(1,201)	75		(75)	(1,201)	332	(869)
Maintenance	(1,601)	224	0	(75)	(1,452)	583	(869)

(J) - ICT Development & Improvement

	31/03/20 Actual £000's	Covid Resilience £000's	Transformation £000's	Movement £000's	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Resources set aside to meet various ICT improvement projects							
ICT Development & Improvement	(1,203)	380		(186)	(1,009)	200	(809)

(K) -Corporate Priorities & Improvements

	31/03/20 Actual £000's	Covid Resilience £000's	Transformation £000's	Movement £000's	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Amounts set a side to deliver various priorities, some of which will be of a historical natured inherited from the predecessor authorities.							
Welfare Reform Reserve / Hardship Fund	(121)			121	0		0
Capital Feasibility and Small Works Fund	(342)			235	(107)		(107)
Local Elections Reserve	(187)			(170)	(357)	(170)	(527)
Other Corporate Priorities & Improvements	(2,067)	1,185		(750)	(1,632)	305	(1,327)
Covid recovery resources	0			(1,318)	(1,318)	718	(600)
Corporate Priorities & Improvements	(2,717)	1,185	0	(1,882)	(3,414)	853	(2,561)

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Appendix B2

A - Proposed swap to CIL	Reasoning
Public Conveniences	This project is currently funded from capital fund approved by legacy council. BCP Council has recently approved the use of £0.3m CIL as funding for public conveniences on the seafront - utilising CIL for the improvement of assets available for community use. It is proposed this legacy approved capital fund allocation is similarly swapped from capital fund to CIL.
Bourne Community Hub	This is a £0.5m approved project to facilitate wider community use of the Bourne Community Hub. This project already benefits from £0.3m of CIL funding. It is proposed that remaining £0.2m reserve allocation (approved by legacy council) is swapped for CIL. This will mean the community project is fully funded from CIL.
Poole Park	£2.3m programme of investment 2020/21 to 2022/23 in improving green flag awarded Poole Park. This project utilises £1.8m Heritage Lottery Fund grant, £0.2m s106 contributions and £0.3m BCP local contribution (currently funded from capital fund). It is proposed that the use of £0.3m capital fund is swapped for CIL - investing CIL in the improvement of public open greenspaces well used by the local community
Christchurch Legacy Play areas	This is a capital project inherited from legacy council for 30 play areas in the Christchurch area (which are to be handed over to parish council). The capital budget approved includes commuted sums to be paid over to the parish council for maintenance of these play areas (£5k per playground over 5 years)
Upton Country Park - Discovery project	This is £0.2m capital fund allocation as BCP local contribution towards ambitious new £1.6m Welcome Centre project at Upton Country Park. The project is funded predominantly from the Heritage Fund (Government Grant) and is expected to result in significantly improved visitor footfall and enhanced visitor experience
Highcliffe Castle and Tea Rooms	This is BCP local contribution towards major refurbishment of heritage asset - with a view to increasing visitor footfall and wedding hire. The rest of the project is funded from external capital grants
Poole Museum HLF Round One Bid	The capital programme includes considerable investment in the historic 'old town' area of Poole - including the Heritage Action Zone, Poole Museum and Scaplen's Court projects. These projects all benefit from significant government grant funding as well as the use of CIL and s106 contributions. The £50k capital reserve allocation is funding approved by legacy council for Poole Museum. It is proposed that this is now swapped for CIL
Christchurch Priory - Heritage Triangle	BCP has statutory landlord responsibilities for the maintenance of walls around land leased from the Priory. These walls are essential to the 'Heritage Triangle' priory area in Christchurch. Investment will ensure protection of this heritage asset and ensure / further promote visitor footfall
Corporate Estate - heritage assets	Building enhancements to heritage assets including Alum Chine Cloisters, Regent Centre
General infrastructure - asset investment	
Additional Community Infrastructure Levy utilisation	

Current BCP reserve allocations				Swap revenue funded reserves for CIL				Swap capital receipts for CIL			
2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
27	388	0	415	27		0	27		388	0	388
0	200	0	200	0	200	0	200				0
142	133	0	275	142		0	142		133	0	133
12	187	0	200	12		0	12		187	0	187
0	147	5	152	0			0		147	5	152
0	132	0	132	0	132	0	132				0
25	24	0	49	25		0	25		24	0	24
135	152	0	287	135		0	135		152	0	152
64	39	0	103	64		0	64		39	0	39
405	1,403	5	1,812	405	332	0	737	0	1,071	5	1,076
405	1,403	5	1,812	405	332	0	737	0	1,071	5	1,076

B - Proposed swap to borrowing	Reasoning
Coastal protection (partnership and Christchurch)	These projects are part of the Council's £48.5m approved coastal protection programme. This programme is currently funded from £46.4m government grant, £1.5m prudential borrowing (repaid over 25 years) and £0.6m previously approved capital fund allocations inherited from legacy authorities, much of which is BCP local contribution towards grant funded works. The council has already approved the principle of swapping future Poole Bay beach management local contributions from capital reserves to borrowing. It is proposed that this principle is applied retrospectively to 2020/21 Poole Bay spend as well as Christchurch coastal protection spend inherited from legacy authority.
Poole Bay Beach Management Programme	
East Cliff Management	
Coastal Protection	
Shore Road - seafront public realm	These projects are part of the £18.1m Seafront Development Programme (excluding feasibility studies) - £14.7m of which is funded from prudential borrowing (service delivery) over 25 years, £2.7m Government grant, £0.3m third party contributions and £0.4m legacy inherited BCP residual capital resource allocations to the beach
Shore Road beach huts	huts, public realm improvements and Canford Cliffs Pavilion projects. It is proposed that these legacy approved capital resource allocations are swapped for prudential borrowing. This would mean these projects are now entirely funded from a combination of government grant and prudential borrowing.
Canford Cliffs Pavilion	
Canford Cliffs new beach huts	
Honeycombe Chine beach huts waterproofing	
Seafront Development Programme	
Mosaic Care System	Council has approved the principle of funding all ICT related spend (BCP annual ICT investment plan as well as one-off ICT for Transformation) from prudential borrowing over 5 years. It is proposed that the £330k legacy inherited capital resource allocations for both the Mosaic Care System and CCTV systems should similarly be funded from prudential borrowing, to provide consistency in funding approach for ICT investment
Christchurch CCTV	
ICT investment	
Holes Bay Development	Capital budget of £16.5m is approved for Holes Bay land acquisition and design development - funded from £7.6m Government & DLEP grant, £0.1m RTB receipts, £8.6m borrowing and £0.15m inherited legacy approved revenue reserve allocation. It is proposed that the inherited legacy approved allocation is swapped to prudential borrowing in line with the rest of the 'non-government funded' elements of the programme
Princess Road (PRS)	The use of £495k capital receipt from the disposal of Oxford Rd (completed April 21) was approved as funding towards Princess Road non-HRA private rented sector housing development. This is a £10.8m programme that is currently funded from £0.5m Government Grant, £0.5m Oxford Rd receipt and £9.8m borrowing (£1.25m of which is funded from land transfer to the HRA). It is proposed that the £0.5m capital receipt currently assumed as funding for the programme is repurposed to fund revenue costs of Transformation (and replaced with borrowing in the capital programme)
Housing	
Car Park improvements	Various inherited legacy council approved small car parking lighting and improvement works funded from capital reserves. The wider capital programme already includes examples of similar highways investment funded from prudential borrowing (as opposed to DfT capital grant). These include £0.5m street lighting and £2.1m Wessex Fields Highways access works.
Corporate Estate - non heritage assets	These include legacy approved capital reserve allocations for Southcote Road and Bournemouth Town Hall building enhancements. The wider capital programme includes examples of similar works being funded from prudential borrowing (for example Bournemouth Pier building renovation £0.3m and Russell Coles £0.1m as well as the main Office Accommodation strategy of £5.7m)
Other	
Additional prudential borrowing requirement	

Current BCP reserve allocations				Swap rev funded reserves for borrowing				Swap capital receipts for borrowing				MTFP impact of new borrowing			
2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
39	383	0	423	39	0	0	39		383		383	2	22	0	24
202	0	0	202	202	0	0	202		0		0	12	0	0	12
3	14	0	17	3	0	0	3		14		14	0	1	0	1
244	397	0	641	244	0	0	244	0	397	0	397	14	23	0	37
104	0	0	104	104	0	0	104	0	0		0	6	0	0	6
66	0	0	66	66	0	0	66	0	0		0	4	0	0	4
0	100	0	100	0	0	0	0	0	100		100	0	6	0	6
1	68	0	70	1	0	0	1	0	68		68	0	4	0	4
0	25	0	25	0	0	0	0	0	25		25				
171	193	0	365	171	0	0	171	0	193	0	193	10	10	0	20
313	0	0	313	313	0	0	313	0	0	0	0	68	0	0	68
17	0	0	17	17	0	0	17	0	0	0	0	4	0	0	4
330	0	0	330	330	0	0	330	0	0	0	0	72	0	0	72
32	118	0	150	32	118	0	150	0	0	0	0	1	5	0	6
0	472	0	472	0	0	0	0	0	472	0	472	0	27	0	27
32	590	0	622	32	118	0	150	0	472	0	472	1	32	0	33
68	47	0	115	68	9		77	0	38		38	4	3	0	7
79	6	0	85	79	0	0	79		6		6				
147	53	0	200	147	9	0	156	0	44	0	44				
924	1,234	0	2,158	924	127	0	1,052	0	1,107	0	1,107	99	66	0	165
1,329	2,637	5	3,971	1,329	459	0	1,788	0	2,178	5	2,182	99	66	0	165

A + B - Total revenue funded reserves and capital receipts released

Financial Impact: Release £1.8m from capital fund and revenue reserves to support Budget 2021/22

Financial Impact: Release £2.2m capital receipts (received post 1st/10) to fund revenue costs of Transformation Programme (flexible use of capital receipts policy)

Financial Impact: £0.1m new MTFP pressure 2021/22, increasing to £0.2m in 2022/23 and 2023/24

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HRA Bournemouth Neighbourhood - Revenue Account 2020/21

	Approved	March	March
	Budget	Outturn	Variance
	£000s	£000s	£000s
Income			
Dwelling Rents	(22,439)	(22,543)	(104)
Non-Dwelling Rents	(147)	(145)	2
Charges for Services and Facilities	(1,532)	(1,930)	(398)
Contributions towards expenditure	(60)	(132)	(72)
Total Income	(24,178)	(24,750)	(572)
Expenditure			
Repairs and Maintenance	5,378	5,112	(266)
Supervision and Management	7,575	6,651	(924)
Rent, rates, taxes and other charges	222	259	37
Bad or Doubtful debts	188	(64)	(252)
Capital financing costs (debt management)	75	75	0
Depreciation	7,253	6,187	(1,066)
Contribution to transformation	1,000	1,000	0
Interest and investment income	2,487	2,249	(238)
Transfer to/from HRA reserve	0	(37)	(37)
Transfer to new builds	0	3,318	3,318
Total Expenditure	24,178	24,750	572
(Surplus) / Deficit	0	0	0

HRA Bournemouth Neighbourhood - Capital Programme 2020/21

	Approved	March	March
	Budget	Outturn	Variance
	£000s	£000s	£000s
Basic Planned Maintenance			
External Doors	300	47	(253)
Boiler Replacement Programme	670	610	(60)
Windows	1,180	1,193	13
Building External – All schemes	700	993	293
Fire Risk Remedial works	600	164	(436)
Electrical Works	130	225	95
Kitchen Replacement Programme	850	523	(327)
Building Envelope (Seddons)	60	15	(45)
Roofing	350	475	125
Bathrooms	950	533	(417)
Disabled Adaptations	700	624	(76)
Various programmes under £100,000	1,116	799	(317)
Capitalised Salaries	331	331	0
Major Projects			
Northbourne Day Centre	962	13	(949)
Barrow Drive Garages	454	369	(85)
Princess Rd Development	1,400	50	(1,350)
Ibbertson Way Garages	662	369	(293)
Luckham Rd/Charminster Rd	1,706	646	(1,060)
Cabbage Patch Car Park	1,700	3	(1,697)
Moorside Road	1,950	447	(1,503)
Templeman House	1,700	122	(1,578)
Purchase and Repair	0	1,105	1,105
New Build & Acquisition TBC	1,147	844	(303)
Total Capital Programme	19,618	10,500	(9,118)

HRA Poole Neighbourhood - Revenue Account 2020/21

	Approved	March	March
	Budget	Outturn	Variance
	£000s	£000s	£000s
Income			
Dwelling Rents	(20,070)	(20,109)	(39)
Non-Dwelling Rents	(41)	(27)	14
Charges for Services and Facilities	(1,553)	(1,659)	(106)
Contributions towards expenditure	(54)	(53)	1
Total Income	(21,718)	(21,848)	(130)
Expenditure			
Repairs and Maintenance	5,368	5,357	(11)
Supervision and Management	4,365	4,628	263
Rent, rates, taxes and other charges	160	160	0
Bad or Doubtful debts	197	181	(16)
Capital financing costs (debt management)	105	105	0
Depreciation Charge	4,861	4,818	(43)
Capital Charges (net)	3,013	3,127	114
Contribution to transformation	1,000	1,000	0
Contribution to HRA reserve	162	28	(134)
Contribution new builds	2,487	2,444	(43)
Total Expenditure	21,718	21,848	130
(Surplus) / Deficit	0	0	0

HRA Poole Neighbourhood - Capital Programme 2020/21

	Approved	March	March
	Budget	Outturn	Variance
	£000s	£000s	£000s
Basic Planned Maintenance			
External Doors	150	97	(53)
Boiler Replacement Programme	1,389	1,014	(375)
Windows	628	548	(80)
Building External – All schemes	290	(4)	(294)
Fire Risk Remedial works	841	721	(120)
Electrical Works	450	209	(241)
Kitchen Replacement Programme	675	521	(154)
Building Envelope (Seddons)	312	243	(69)
Roofing	380	274	(106)
Bathrooms	250	265	15
Various programmes under £100,000	693	620	(73)
Capitalised PHP Salaries	524	533	9
Other Planned Maintenance			
Voids Maintenance	50	0	(50)
Sustainability	100	37	(63)
Contingency	250	0	(250)
PV installations	0	9	9
Sales Admin	26	0	(26)
DA - Stairlifts	10	0	(10)
Disabled Adaptations	350	262	(88)
New Computer System	250	251	1
Major Projects			
Cladding	450	719	269
New Build - Infill Projects	1,100	14	(1,086)
New Build - Montacute	151	57	(94)
Old Town Tower Block Works	7,350	3,695	(3,655)
Herbert Avenue Modular	2,347	5	(2,342)
Small Projects/Acquisitions	1,000	456	(544)
Sheltered Sites Works	0	107	107
Cynthia House	577	63	(514)
Sprinkler Installations	754	422	(332)
Hillborne School Development	285	138	(147)
Other	0	8	8
Total Capital Programme	21,633	11,284	(10,349)

CABINET

Report subject	Youth Justice Service Youth Justice Plan for 2021/22
Meeting date	23 June 2021
Status	Public Report
Executive summary	To present the Youth Justice Plan for 2021/22. There is a statutory requirement to publish an annual Youth Justice Plan which must provide specified information about the local provision of youth justice services. This report summarises the Youth Justice Plan for 2021/22, with a copy of the Plan appended. The Youth Justice Plan needs to be approved by the full Council.
Recommendations	It is RECOMMENDED that: Cabinet endorse the Youth Justice Plan so that Cabinet can recommend its approval to the Full Council
Reason for recommendations	Youth Offending Teams are required to publish an annual Youth Justice Plan which should be approved by the Local Authority for that Youth Offending Team. Dorset Combined Youth Justice Service works across both Bournemouth, Christchurch and Poole Council and Dorset Council. Approval is therefore sought from Bournemouth, Christchurch and Poole Council, as well as from Dorset Council.
Portfolio Holder(s):	Councillor Mike White, Portfolio Holder Children's Services
Corporate Director	Elaine Redding, Corporate Director, Children's Services
Report Authors	David Webb, Manager, Dorset Combined Youth Justice Service
Wards	Council-wide
Classification	For Recommendation

Background

1. Under the Crime and Disorder Act 1998 Youth Offending Teams are required to publish an annual youth justice plan. The Youth Justice Board provides guidance about what must be included in the plan and recommends a structure for the plan. The draft Youth Justice Plan for the Dorset Combined Youth Justice Service is attached at Appendix One. A brief summary of the Youth Justice Plan is provided in this report

Summary of Contents of the Youth Justice Plan 2021/22/

2. The Youth Justice Plan provides information on the resourcing, structure, governance, partnership arrangements and performance of the Dorset Combined Youth Justice Service. The Plan also describes the national and local youth justice context for 2021/22 and sets out our priorities for this year.
3. The Youth Justice Board continue to monitor three 'key performance indicators' for youth justice. The first indicator relates to the rate of young people entering the justice system for the first time. Local performance in this area had declined in the period 2016-2018 but has been improving since then. The latest national data, relating to the 12 months to December 2019, shows a combined pan-Dorset rate of 251 per 100,000 10-17 year olds entering the justice system for the first time. This compares with a figure of 344 per 100,000 10-17 year olds in the year to December 2018. Local data is more up to date and shows a further reduction in first-time entrants in the BCP Council area in the year to March 2021. The improvement is welcome and further steps are planned for 2021/22.
4. The other two national indicators relate to reducing reoffending and minimising the use of custodial sentences. The reoffending rate fluctuates, partly because of the current counting rules for this measure. Our local reoffending rate has for the most part remained below the national rate. Local analysis shows that young people who are more likely to reoffend are also more likely to have more complex speech, language and communication needs and to find it hard to access education or training. The Youth Justice Plan sets out some of the actions that have been taken and future plans to address these issues.
5. Dorset Combined Youth Justice Service has low rates of custodial sentences, below the regional and national averages. Young people who are sentenced to custody have often experienced significant trauma in their earlier life, affecting their current behaviour. In 2020 the Youth Justice Service implemented a plan to become a trauma informed service, using the Youth Justice Board's 'Enhanced Case Management' model. More work is planned for the coming year to embed this approach.
6. The work of the Youth Justice Service in 2020/21 was significantly affected by the pandemic. Team members have mostly been working from home since March 2020, using the IT equipment and infrastructure that was already in place. Contacts with children have taken place both in person and remotely, by video or phone, with good examples of creative and innovative work in difficult circumstances. Team members, including the team's Education Officer, worked closely with colleagues in the local authority and in schools to support children's engagement in education. Over the course of the year we saw a reduction in children entering the justice system. This continued a trend since 2018, making it hard to differentiate the effects of the

pandemic from longer-term trends. Full data on entrants to the justice system and re-offending patterns is not yet available; it is likely to be some time before the impact of the pandemic is understood, including the possible longer-term consequences for child well-being and behaviour.

Options Appraisal

7. Councillors are asked to endorse the Youth Justice Plan for 2021/22 before it is considered by Cabinet. Cabinet will then decide whether to recommend approval of the Youth Justice Plan to the full Council.

Summary of financial implications

8. The Youth Justice Plan reports on the resourcing of the Youth Justice Service (YJS). Local authority and other partner contributions remained static from 2014/15 to 2018/19 when a cost of living increase to local authority contributions was agreed, along with a redistribution of the funding proportions to reflect Local Government Reorganisation. There have been no further cost of living increase in the local authority contributions. The annual Youth Justice Grant reduced from £790,000 in 2014/15 to £607,968 in 2020/21. An increase has been announced for 2021/22, to £653,417.
9. The creation of the pan-Dorset youth offending service in 2015 increased the service's resilience and ability to adapt to reduced funding and increased costs. The management of vacancies, and the deletion of some posts, has enabled a balanced budget to be achieved in the years to 2021.

Summary of legal implications

10. Local authorities are legally required to form a youth offending team with the statutory partners named in the Crime and Disorder Act 1998. The Act also stipulates that youth offending partnerships must submit an annual youth justice plan setting out how youth justice services in their area will be provided and funded; and how the youth offending team will be composed and funded, how it will operate and what functions it will carry out. The Youth Justice Plan for 2021/22 meets these legal obligations.

Summary of human resources implications

11. Local Authority YJS staff members who were previously employed by Poole and Dorset transferred to become employees of Bournemouth Borough Council in 2015. Local Government Reorganisation in April 2019 led to a further TUPE transfer of local authority employees to the new Bournemouth, Christchurch and Poole council. The YJS also includes employees of the partner agencies who have been seconded to work in the team and who remain employed by the partner agency.
12. The Crime and Disorder Act 1998 also contains statutory requirements for the staffing composition of youth offending services. The Youth Justice Plan shows how Dorset Combined Youth Offending Service meets these requirements.

Summary of sustainability impact

13. No adverse environmental impact has been identified. The Youth Justice Plan notes that the Covid-19 pandemic has led to changes in the working arrangements of the Youth Justice Service. These changes include significant reductions in staff travel, both to and from work and to visit service users, with more activities being carried

out remotely. Team members are committed to maintaining some of these changes in our future working arrangements.

Summary of public health implications

14. Young people in contact with youth justice services are known to be more likely than other young people to have unmet or unidentified health needs. The Youth Justice Service includes seconded health workers who work directly with young people and who facilitate their engagement with community health services.

Summary of equality implications

15. It is recognised nationally that young people from minority ethnic groups, and young people in the care of the local authority, are over-represented in the youth justice system and particularly in the youth custodial population. It is also recognised that young people known to the YJS may experience learning difficulties or disabilities, including in respect of speech, language and communication needs. Information from Dorset Combined Youth Justice Service records, summarised in the Youth Justice Plan, shows that these issues of over-representation also apply locally. Actions have been identified in the Youth Justice Plan to address these issues. An Equality Impact Assessment screening process has been completed. No adverse equality impacts were identified.

Summary of risk assessment

16. The Youth Justice Plan sets out local priorities and actions to prevent and reduce offending by young people. These priorities and actions have been developed in response to identified risks and concerns. The recommendation for councillors to endorse the Youth Justice Plan is intended to support the Youth Justice Service to reduce the risks associated with youth offending. No specific risks have been identified as arising from this recommendation

Background papers

None

Appendices

Appendix 1 – Dorset Combined Youth Justice Service Youth Justice Plan 2021/22.

DORSET COMBINED YOUTH JUSTICE SERVICE



National
Probation
Service



Youth Justice Plan

2021/22

Version	Superseded Version(s)	Date	Author	Changes made
V0.2				
V0.1		19.03.21	David Webb	

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Dorset Combined Youth Justice Service Statement of Purpose

Dorset Combined Youth Justice Service works with children in the local youth justice system. Our purpose is to help those children to make positive changes, to keep them safe, to keep other people safe, and to repair the harm caused to victims.

This means we can support the national Youth Justice Board Vision for a 'child first' youth justice system:

A youth justice system that sees children as children, treats them fairly and helps them to build on their strengths so they can make a constructive contribution to society. This will prevent offending, and create safer communities with fewer victims.

Who We Are and What We Do

Dorset Combined Youth Justice Service (DCYJS) is a statutory partnership between Bournemouth, Christchurch and Poole Council, Dorset Council, Dorset Police, National Probation Service Dorset and NHS Dorset Clinical Commissioning Group.

We are a multi-disciplinary team which includes youth justice officers, restorative justice specialists, parenting workers, education and employment workers, police officers, a probation officer, nurses, speech and language therapists and a psychologist.

More information about the Youth Justice Service (YJS) partnership and the members of the YJS team is provided later in this document.

The team works directly with children who have committed criminal offences to help them make positive changes and to reduce the risks to them and to other people. We also work directly with parents and carers to help them support their children to make changes.

We make contact with all victims of crimes committed by the children we work with. We offer those victims the chance to take part in restorative justice processes so we can help to repair the harm they have experienced.

The organisations in the YJS partnership also work together to improve the quality of our local youth justice system, and to ensure that young people who work with the YJS can access the specialist support they need for their care, health and education.

The combination of direct work with children, parents and victims and work to improve our local youth justice and children's services systems enables us to meet our strategic objectives to:

- Reduce the number of children in the youth justice system
- Reduce reoffending by children in the youth justice system
- Improve the safety and well-being of children in the youth justice system
- Reduce and repair the harm caused to victims and the community from child offences (I have added this one)
- Improve outcomes for children in the youth justice system.

Introduction

This document is the Youth Justice Strategic Plan for the Dorset Combined Youth Justice Service for 2021/22. It sets out the key priorities and targets for the service for the next 12 months as required by the Crime & Disorder Act 1998 and overseen by the Youth Justice Board. This Plan has been developed under the direction of the YJS Partnership Board after consultation with YJS staff and taking into account feedback from YJS service users.

The Youth Justice Strategic Plan:

- summarises the YJS structure, governance and partnership arrangements
- outlines the resources available to the YJS
- reviews achievements and developments during 2020/21
- identifies emerging issues and describes the partnership's priorities
- sets out our priorities and actions for improving youth justice outcomes this year.

This document sets out the YJS's strategic plan. A delivery plan underpins this document.

Service Targets

The Dorset Combined YJS target for 2021/22 is to outperform regional and national averages for the three national performance indicators for youth offending which are:

- The number of young people entering the youth justice system for the first time ('First Time Entrants')
- The rate of proven re-offending by young people in the youth justice system
- The use of custodial sentences for young people.

Headline Strategic Priorities for 2021/22

- Continue and develop work to prevent children entering the justice system
- Reduce the rate of Black and Minority Ethnic children entering custody
- Develop joint work with other local services for children to improve outcomes for children in the justice system
- Widen the application of trauma-informed practice to all children working with the Youth Justice Service
- Strengthen the team's work to repair harm and restore relationships

The reasons for identifying these priorities are explained later in this document and are summarised on pages 25-26, with actions to achieve these priorities outlined on pages 26-28.

Structure and Governance: The YJS Partnership Board

The work of the Dorset Combined Youth Justice Service is managed strategically by a Partnership Board. The Partnership Board consists of senior representatives of the statutory partner organisations, together with other relevant local partners.

Membership:

- Dorset Council (current chair)
- Bournemouth, Christchurch and Poole Council (current vice-chair)
- Dorset Police
- Dorset Local Delivery Unit Cluster, National Probation Service
- NHS Dorset Clinical Commissioning Group
- Public Health Dorset
- Dorset Healthcare University Foundation Trust
- Her Majesty's Court and Tribunal service
- Youth Justice Board for England and Wales
- Office of the Police and Crime Commissioner
- Ansbury Guidance

The Partnership Board oversees the development of the Youth Justice Plan, ensuring its links with other local plans.

The YJS Manager reports quarterly to the Partnership Board on progress against agreed performance targets, leading to clear plans for performance improvement. The Board also requests information in response to specific developments and agendas, and monitors the YJS's compliance with data reporting requirements and grant conditions.

Representation by senior leaders from the key partners enables the YJS Manager to resolve any difficulties in multi-agency working at a senior level, and supports effective links at managerial and operational levels.

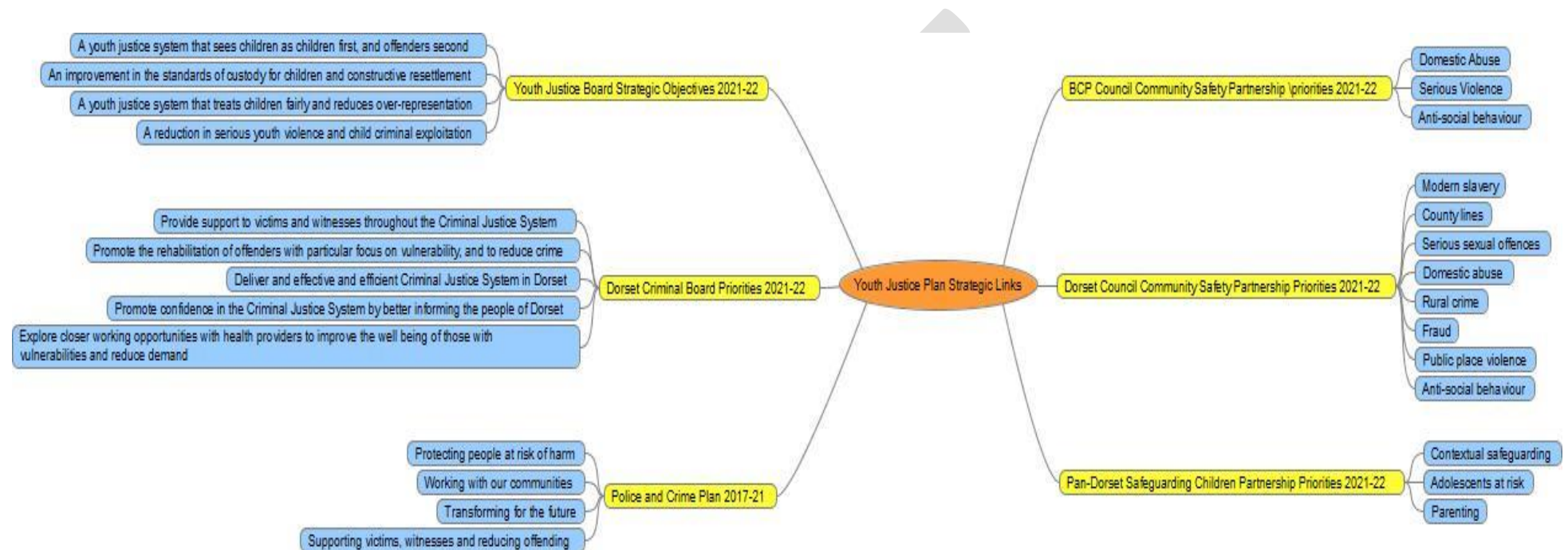
The YJS participates in local multi-agency agreements for information sharing, for safeguarding and for the escalation of concerns.

The Partnership Board oversees activities by partner agencies which contribute to the key youth justice outcomes, particularly in respect of the prevention of offending.

The YJS Partnership Board also provides oversight and governance for local multi-agency protocols in respect of the criminalisation of children in care and the detention of young people in police custody. The YJS Manager chairs multi-agency operational groups for each protocol and reports on progress to the YJS Partnership Board.

The YJS is a statutory partnership working with children in the criminal justice system and the community safety arena. The map on the next page gives an overview of how the YJS fits with other strategic partnerships and plans.

Linking the Youth Justice Service to other Plans and Structures



The membership of the YJS Partnership Board enables the work of the Dorset Combined YJS to be integrated into strategic planning for Safeguarding, Public Protection, Criminal Justice, Community Safety and Health & Well-Being. The YJS Manager sits on the Dorset Criminal Justice Board, attends the two Community Safety Partnerships, the MAPPA Strategic Management Board and the Dorset Council Strategic Alliance for Children and Young People and represents youth offending teams on the 'Wessex' Criminal Justice Board Covid Recovery Group.

Partnership Arrangements

The previous section outlined the strategic links between the YJS and the other strategic groups and partnerships. Similar links exist at operational levels, enabling the YJS to integrate and coordinate its work with the work done by partners such as the two local children's social care services, Special Educational Needs services, other criminal justice agencies, and the Child and Adolescent Mental Health Services across Dorset.

Safeguarding and Public Protection

As well as participating in Child Protection Conferences and Multi-Agency Public Protection Arrangements (MAPPA) meetings in respect of specific individuals and families, YJS managers also attend MARAC meetings, local Community Safety Partnership operational meetings, local complex needs panel meetings and meetings in respect of early help activities in the two local authorities.

Child Exploitation

Children known to the YJS can also be harmed through child exploitation. YJS managers participate actively in the Child Exploitation Strategic and Tactical Groups for each local authority (in Dorset Council this is part of the Children At Risk Or Linked to Exploitation – 'CAROLE' - model). The YJS participates in local multi-agency information sharing arrangements and meetings to identify and protect children at risk of exploitation. A YJS Team Manager attends weekly meetings with the Police 'Impact' team to enable effective joint work for children at risk of exploitation.

Reducing Re-Offending

The YJS Manager chairs the pan-Dorset Reducing Reoffending Strategy Group, reporting to the Dorset Criminal Justice Board and the two Community Safety Partnerships. He also represents south-west youth offending teams on the South West Reducing Reoffending Partnership. Although the group's main focus is on adult offenders, attention is also paid to the youth perspective, particularly for those young people about to transition to adult services, and for the children of adult offenders.

Risk Assessment Panels

The YJS instigates a Risk Assessment Panel process for children under YJS supervision who have been identified as being at high risk of causing serious harm to others, or of experiencing significant harm themselves. These meetings are attended by workers and managers from the other agencies who are working with the child. The aim is to agree the risk assessment and devise, implement and review plans to reduce the risks posed by and to the child.

Harmful Sexual Behaviour

The YJS works with the two local authorities, the Police and health providers to agree the best way to respond to children who have committed harmful sexual behaviour. Some of these children are also known to the local authority social care service so it is important that we coordinate our work and, where possible, take a joint approach. The YJS and the local authorities use recognised assessment and intervention approaches for children who commit harmful sexual behaviour. Currently the YJS Manager is part of a multi-agency

task and finish group, led by the CCG, to improve local provision for children who show harmful sexual behaviour.

Preventing Violent Extremism

All relevant YJS staff have received training in raising awareness of 'Prevent'. A YJS Team Manager has lead responsibility for this area of work and attends the pan-Dorset Prevent Group to ensure that our work is aligned with local initiatives. The YJS has sight of the local assessment of extremism risks. The seconded YJS police officers act as a link to local police processes for sharing intelligence in respect of possible violent extremism.

Young people convicted of extremism related offences will be managed robustly in line with the YJS Risk Policy, with appropriate referral to the local MAPPA process and clear risk management plans, including paired working arrangements and support from the seconded YJS police officers.

Safe Schools and Communities Team

The Safe Schools and Communities Team (SSCT) is a partnership between Dorset Police, the Office of the Police and Crime Commissioner and Dorset Combined YJS. The SSCT plays an important role in preventing offending by young people across Dorset, Bournemouth, Christchurch and Poole. The team provide education, awareness and advice to students, schools and parents. The work of the team is reported to the YJS Partnership Board as an important element of the YOS Partnership's work to prevent youth offending. The SSCT's School Incidents Policy is an important part of local work to reduce the number of children entering the justice system, helping schools to manage incidents without the need for a criminal outcome.

Restorative Justice and Support for Victims

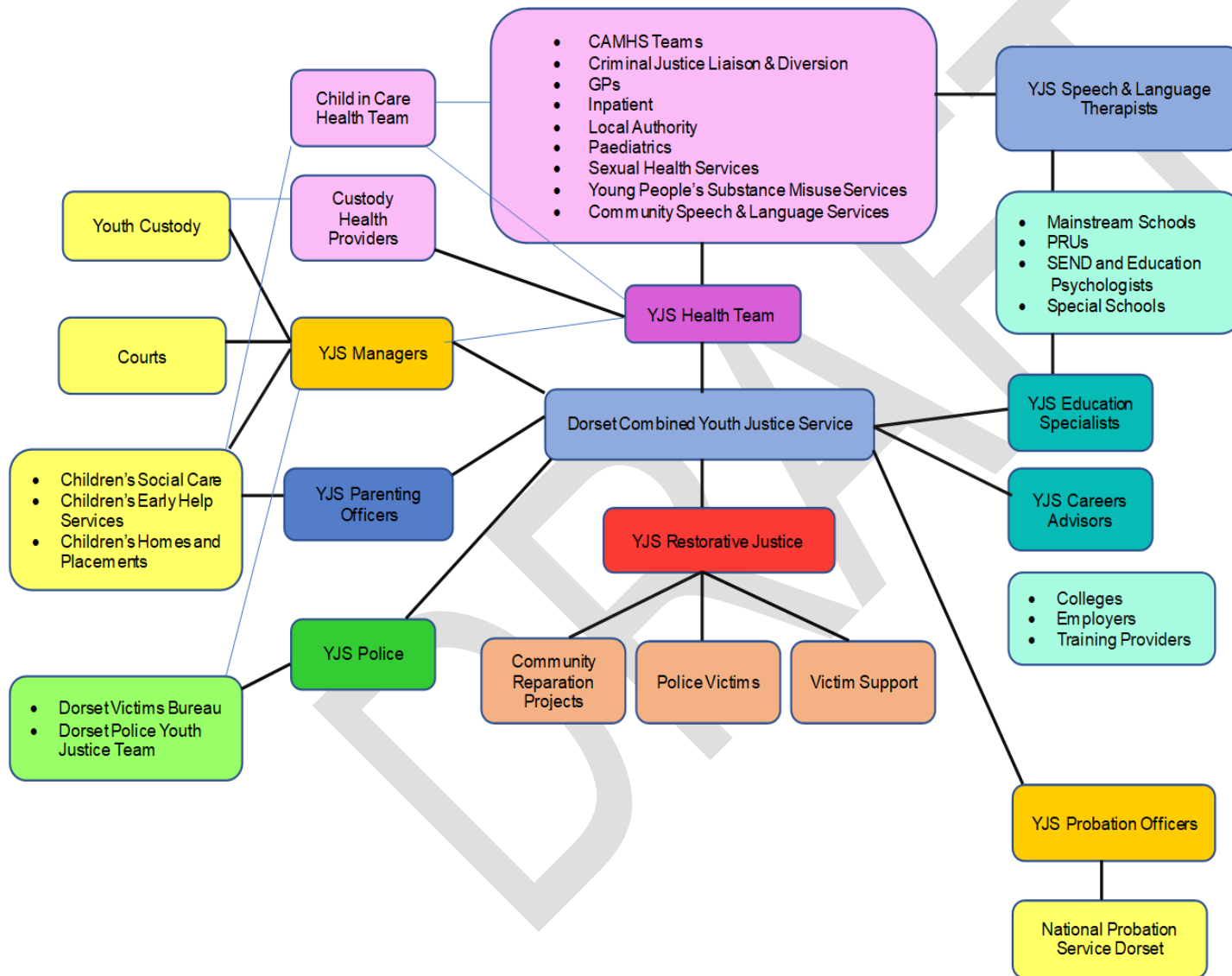
The YJS Restorative Justice Practitioners provide Restorative Justice activities and support for victims of offences committed by young people. The YJS also links with other agencies through the Victims and Witnesses Sub-Group of the Dorset Criminal Justice Board. The YJS plays an important part in delivering the Police and Crime Commissioner's Restorative Justice Strategy for Dorset, taking the lead on offences committed by young people and supporting the development of good practice with other Restorative Justice providers.

Reducing Youth Detentions in Police Custody

The YJS Manager chairs a multi-agency group, reporting to the YJS Partnership Board, which works to ensure that as few young people as possible are detained locally in police custody and to limit the duration of youth custody detentions.

In addition to the team's involvement in these different partnership groups, there is ongoing daily interaction with other local services. These links are illustrated on the following page:

Operational Links between YJS and Partner Agencies



Resources and value for money

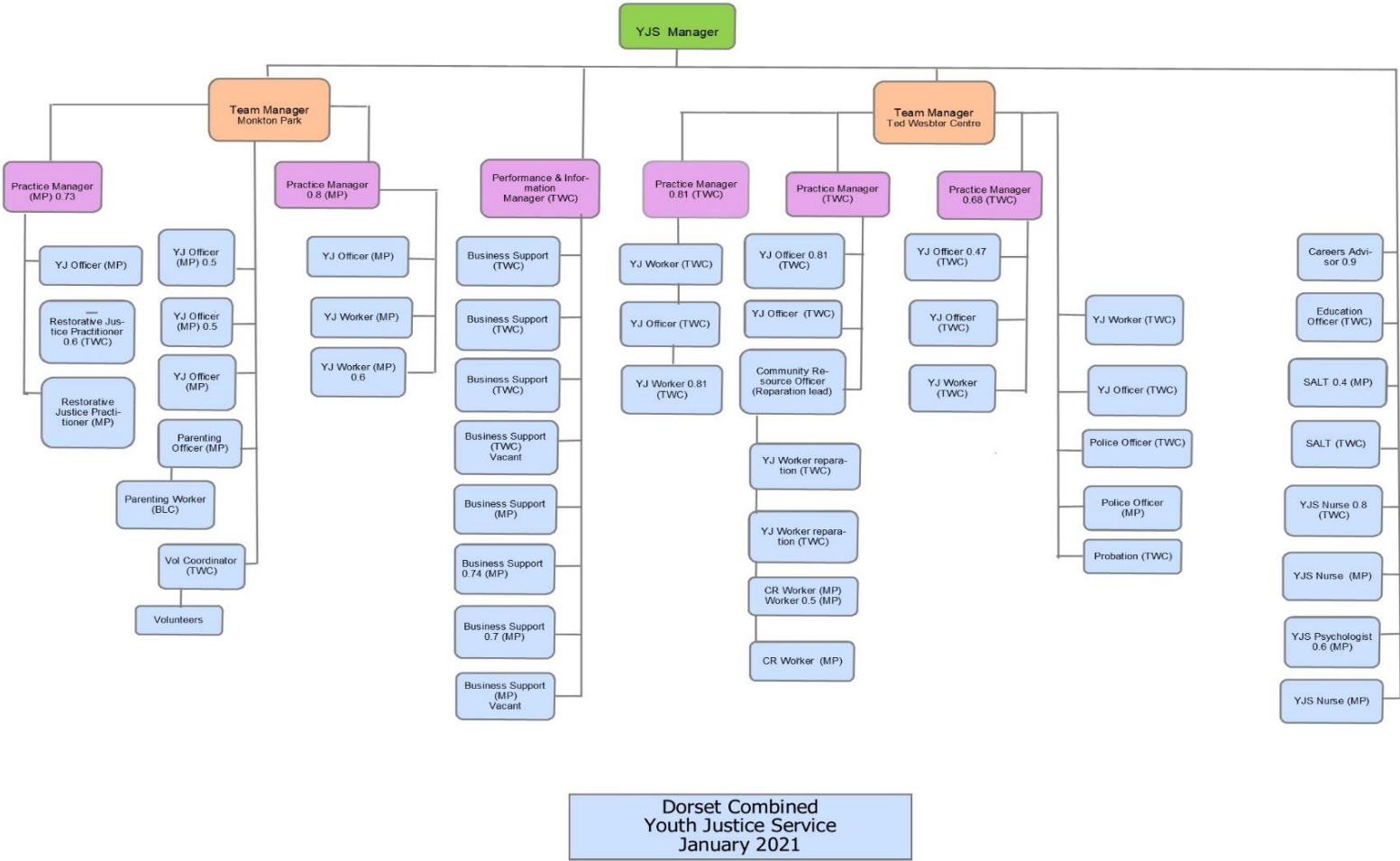
The funding contributions to the YJS partnership budget are listed below. Local authority staff are employed by Bournemouth, Christchurch and Poole Council. Other staff are seconded from Dorset Police, the National Probation Service Dorset and Dorset HealthCare University NHS Foundation Trust. Like all public services, the YJS operates in a context of reducing resources. Ensuring value for money and making best use of resources is a high priority for the service.

Partner Agency	21/22 Revenue excluding recharges	Movement 14/15 to 21/22 – including disaggregation movements between DC and BCP Councils	Staff
Dorset Council	£492,800	£-39,100	
Bournemouth, Christchurch and Poole Council	£577,700	£26,670	
Police and Crime Commissioner for Dorset	£75,301	£-78,149	2.0 Police Officers. Funding reduction from 14/15 to 15/16 reflects funding of SSCT directly by the OPCC to the Police, no longer via the YOS
National Probation Service Dorset	£5,000	£1,826	1.0 Probation Officer (reduction from 2.6 to March 2015, from 2.0 to March 2018 and from 1.5 to March 2020, with adjusted funding contribution, after national review)
Dorset Clinical Commissioning Group	£22,487	£0	2.8 FTE Nurses, 0.8 Psychologist, 1.4 Speech and Language Therapist
Youth Justice Board Good Practice Grant	£653,417	£-136,997	
Total	£1,826,705	£-225,750	

NHS England funding was secured in 2019/20 to support DCYJS becoming a 'trauma-informed service'. Some of this funding has been carried over to support implementation of this model.

Staffing information

This chart shows the YJS structure in January 2021. DCYJS meets the minimum staffing requirements of the Crime and Disorder Act 1998.



YOS Staff

	Male	Female
White British	12	40
White Irish	1	0
White Other	0	1
	13	41

YOS Volunteers

	Male	Female
White British	7	13
White Other	0	1
	7	14

DCYJS Achievements and Performance during 2020/21

As part of our commitment to a 'child first' ethos we changed our service's name this year to Dorset Combined Youth Justice Service. This reflects our determination to see the young people we work with as children not offenders.

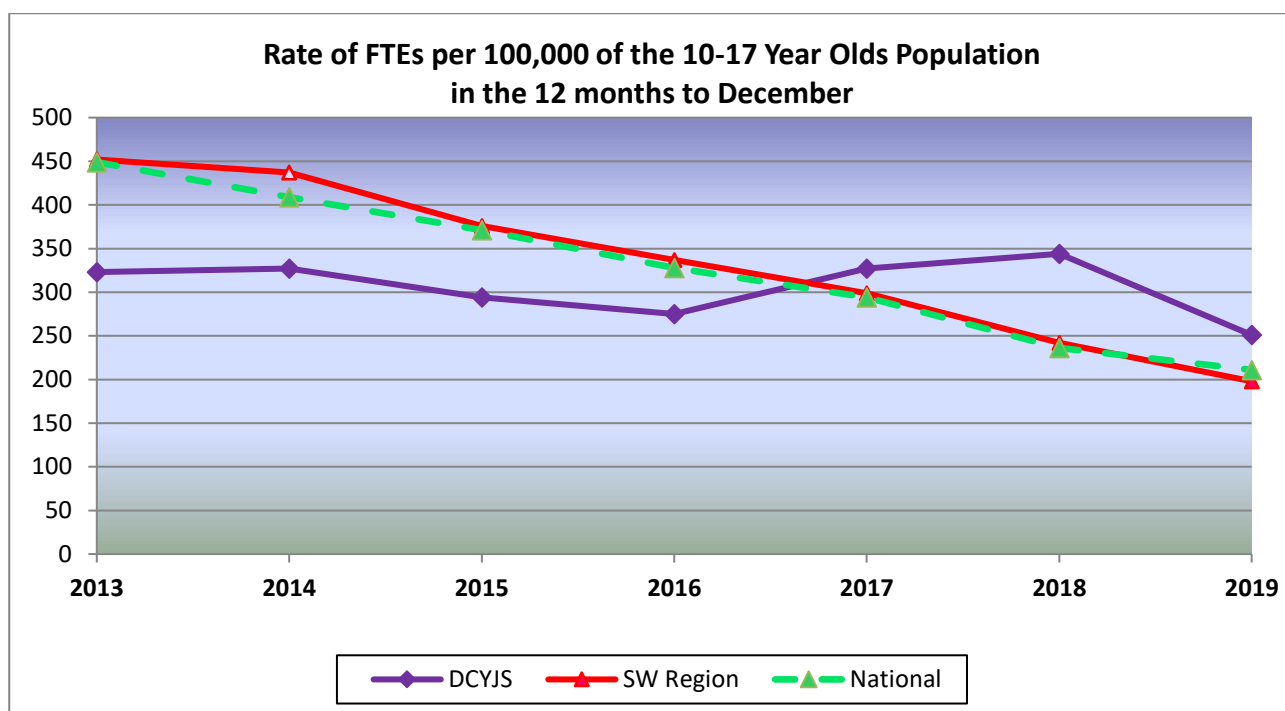
Youth justice work continues to be judged against 3 key performance indicators:

- Reducing First Time Entrants into the Youth Justice System;
- Reducing Re-Offending by young people in the Youth Justice System;
- Appropriately Minimising the use of Custodial Sentences.

National performance data is published quarterly by the Youth Justice Board. There is a time lag on this data and it is not possible to verify the accurate allocation of children to local authority areas. During the pandemic there have been gaps in the national data reporting for first-time entrants and for reducing re-offending, due to capacity issues in the Ministry of Justice. The following sections therefore include local data as well as national data, along with commentary on the figures reported.

First Time Entrants into the Youth Justice System

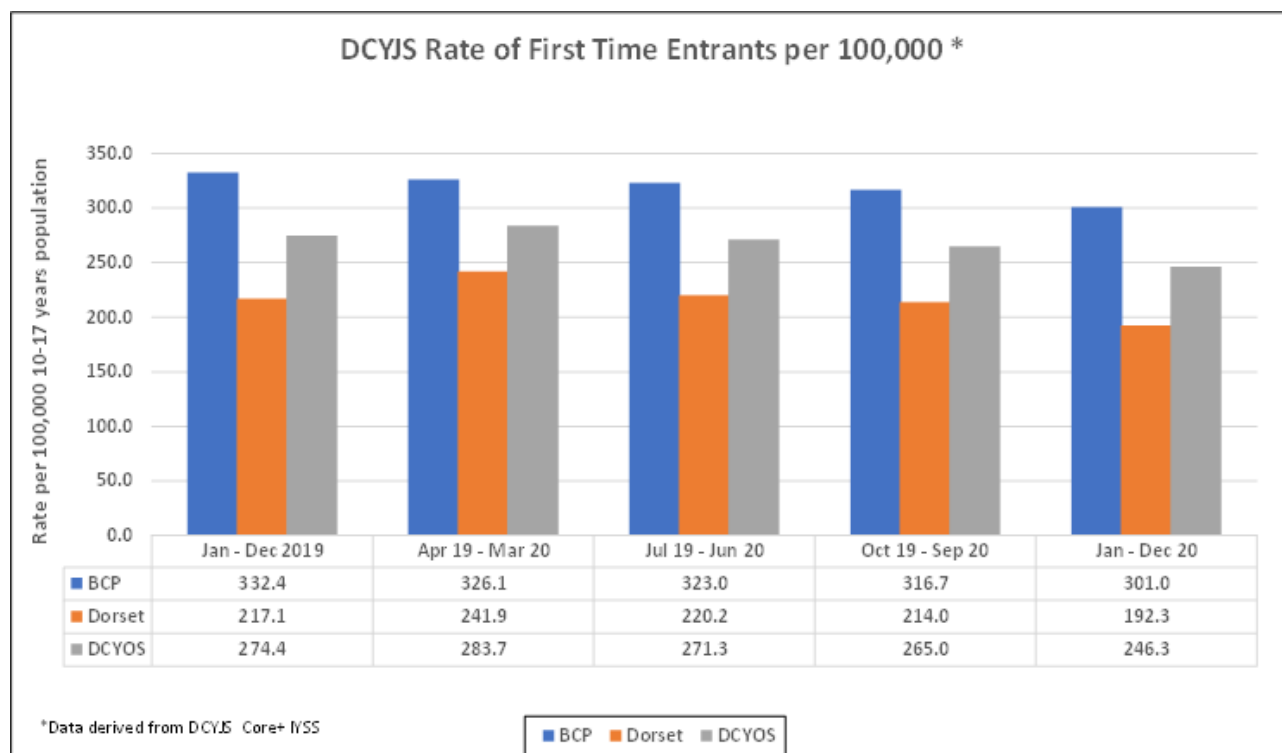
The latest available national performance data shows the following performance for Dorset Combined Youth Justice Service, with the regional and national averages also shown:



The most recent data publication, in March 2021, did not include new figures for first-time entrants meaning that the national data does not yet go beyond 2019.

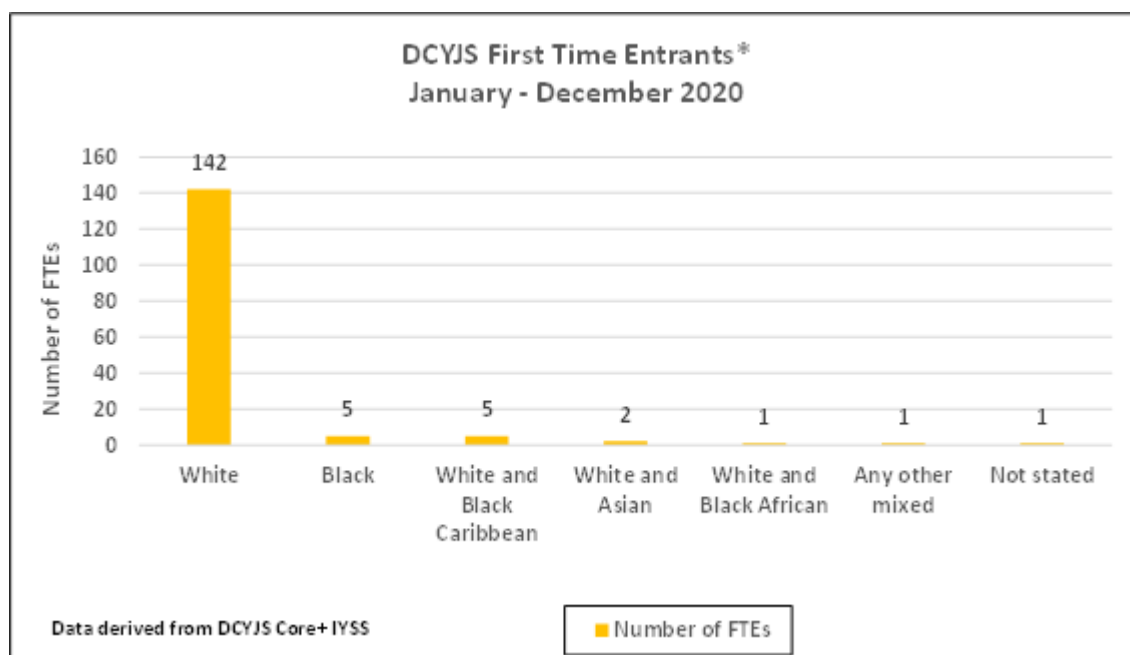
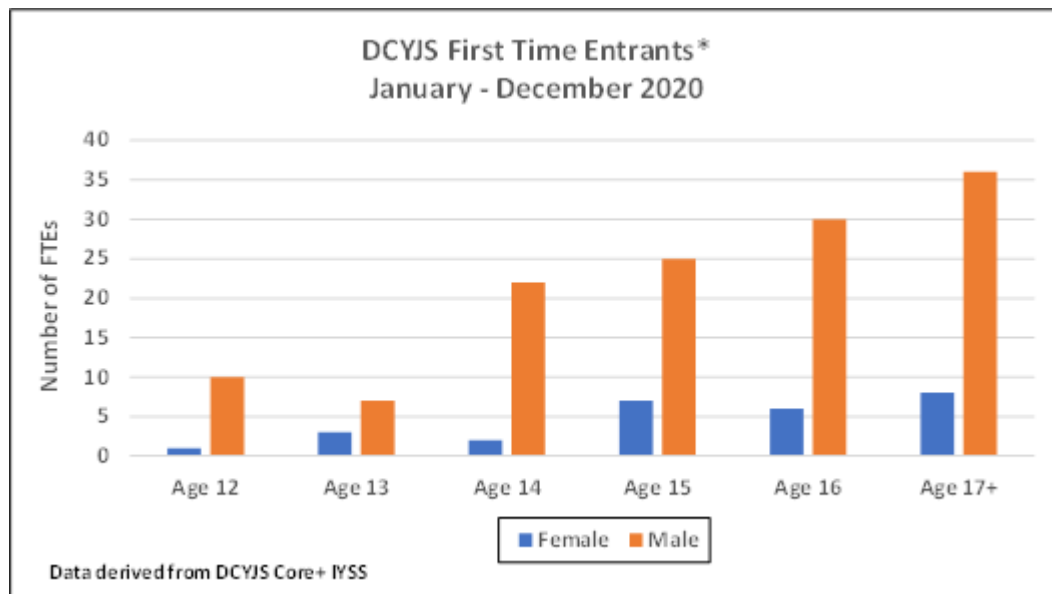
Between late 2016 and late 2018 there was a steady increase in the rate of first time entrants to the youth justice system in Dorset. This coincided with a fall in the regional and national averages for this indicator, meaning that Dorset moved above those benchmark figures.

Information derived from our local case management system shows more recent performance data:



Since late 2018 there has been a downward trend in the rate of first time entrants in Dorset. This trend has continued in the last year with the data derived from our case management system indicating that the rate of first-time entrants is now at its lowest since the merger of our youth offending teams in 2015.

The following tables show the age, gender and ethnicity breakdown of our first-time entrants in the year January to December 2020:



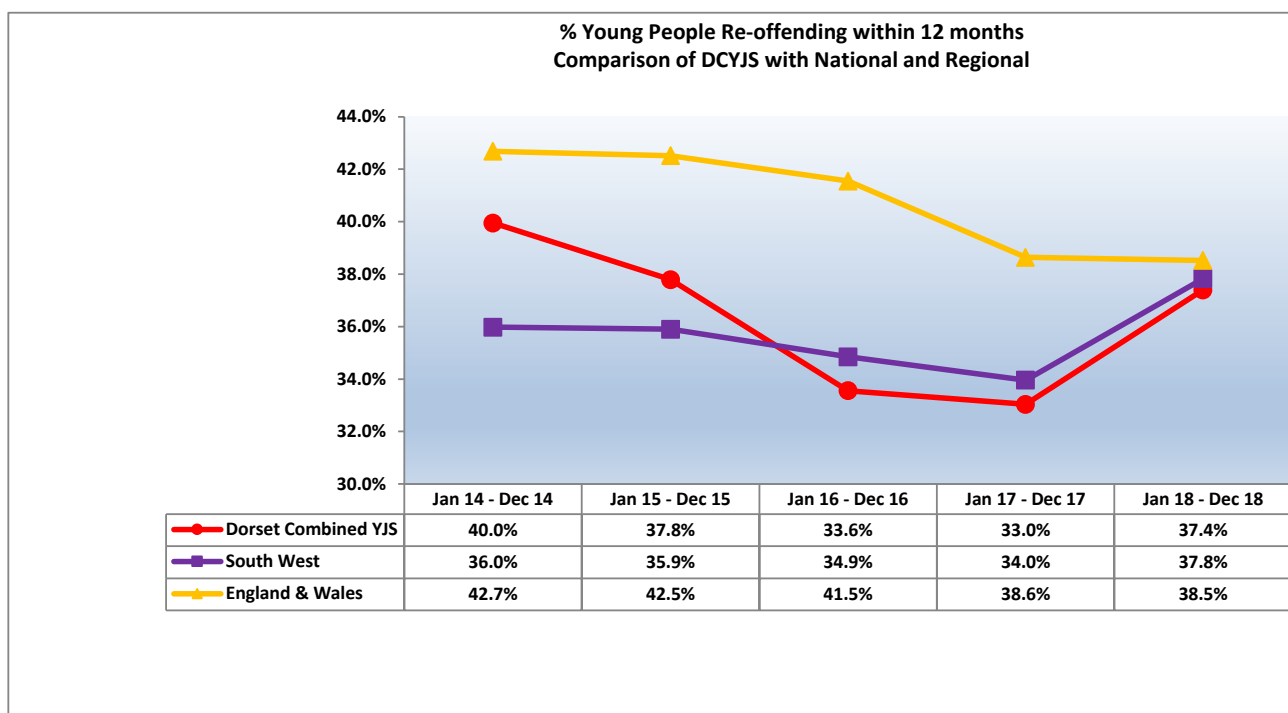
These tables show that 82.8% of the first-time entrants were male, 17.8% were female. 51% of the first-time entrants were aged 16 or 17. In terms of ethnicity, 8.9% were from Black, Asian or Minority Ethnic backgrounds. This is broadly consistent with the proportion of BAME young people in our local population, indicating that BAME children are not over-represented locally at the stage of children entering the justice system.

The following points provide further context for our first-time entrants performance:

- The period from March 2020 was affected by the pandemic, making comparisons with previous years more difficult.
- Arrest rates for children in our local authority areas fell during April 2020 but returned to a more consistent level from May 2020.
- Arrests and 'voluntary attendance' interviews for children in 2020/21 were lower than the previous year.
- In 2019 Dorset Combined Youth Justice Service and Dorset Police reviewed all 'out of court disposal' decisions taken in the year 2018/19 for children who had not previously entered the justice system and found that decisions were consistent and appropriate.
- In May 2020 a new 'Youth Diversion Disposal' was introduced as an option for simple offences of possession of cannabis, providing an additional diversion option.
- Plans for 2021/22 include adding local authority 'Early Help' managers into our weekly decision-making meetings for youth offences, considering wider application of the Youth Diversion Disposal and the appointment of a police officer to coordinate support for children diverted from the justice system.
- Dorset Council's strategic plans for children include a strong emphasis on prevention. Diverting children from the justice system is an important element of this work and DCYJS is working actively with partners in Dorset to increase diversion options and to reduce the criminalisation of children.

Reducing Re-Offending

The national re-offending figures relate to the further re-offending of groups of young people in the 12 months after they received a caution or court conviction. Each quarter a different group of young people is tracked; for example, the most recent data relates to those young people who received a justice outcome in the period January to December 2018.



There is a time lag on the national data, to allow time for reoffending, conviction and police recording, which means that the most recent data relates to young people whose contact with the YJS occurred more than 2 years ago.

Like other youth offending teams, DCYJS also analyses local reoffending data to give us more recent and more nuanced information. This data is reported to the YJS Partnership Board to help inform and shape the partnership's strategic plans.

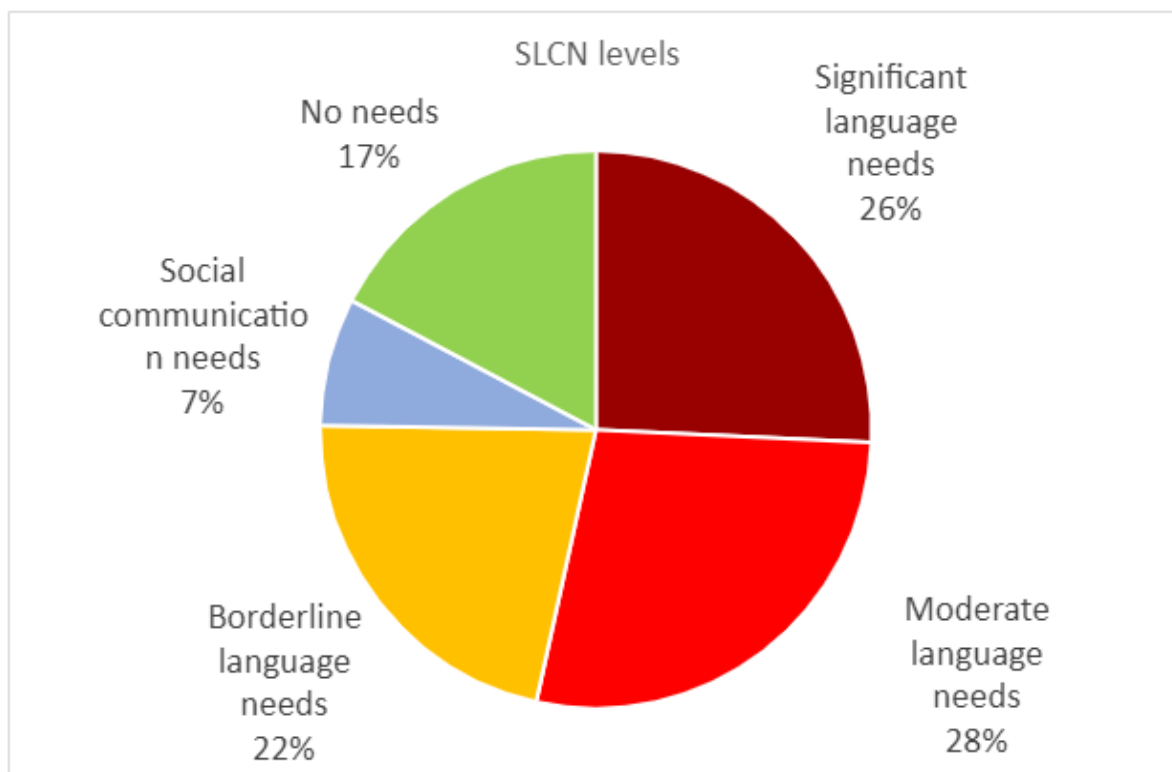
Recent analysis of reoffending information drawn from our local data showed that:

- Same reoffending rate for each gender
- All the reoffenders were aged 14-16
- Most reoffenders lived in Bournemouth or Poole
- Current and previous children in care were more likely to reoffend than children never in care
- Burglary and theft offences together had the highest reoffending rates
- 11/17 reoffenders did so within 3 months

In recent years DCYJS has been developing good practice in responding to the individual needs of each child. Evidence shows that children in the justice system are likely to have speech, language and communication needs and they may well have experienced trauma in their earlier life which affects their current behaviour.

Speech, Language and Communication

The Youth Justice Service Speech and Language Therapist posts have become integral to our work. All young people who receive a court order or a second out of court disposal receive a specialist speech and language assessment.



The preceding chart demonstrates the speech and language needs of the 202 young people assessed over the last two years by the YJS Speech and Language Therapists:

About 80% of children working with the YJS have some level of speech, language and communication needs. Over 50% of the children assessed have a moderate or severe language impairment which is likely to impact on their access to education and talking interventions. In many cases these needs have not been identified before the child enters the justice system. Helping to identify and respond to these needs at an earlier stage could help to reduce the numbers of children entering the justice system.

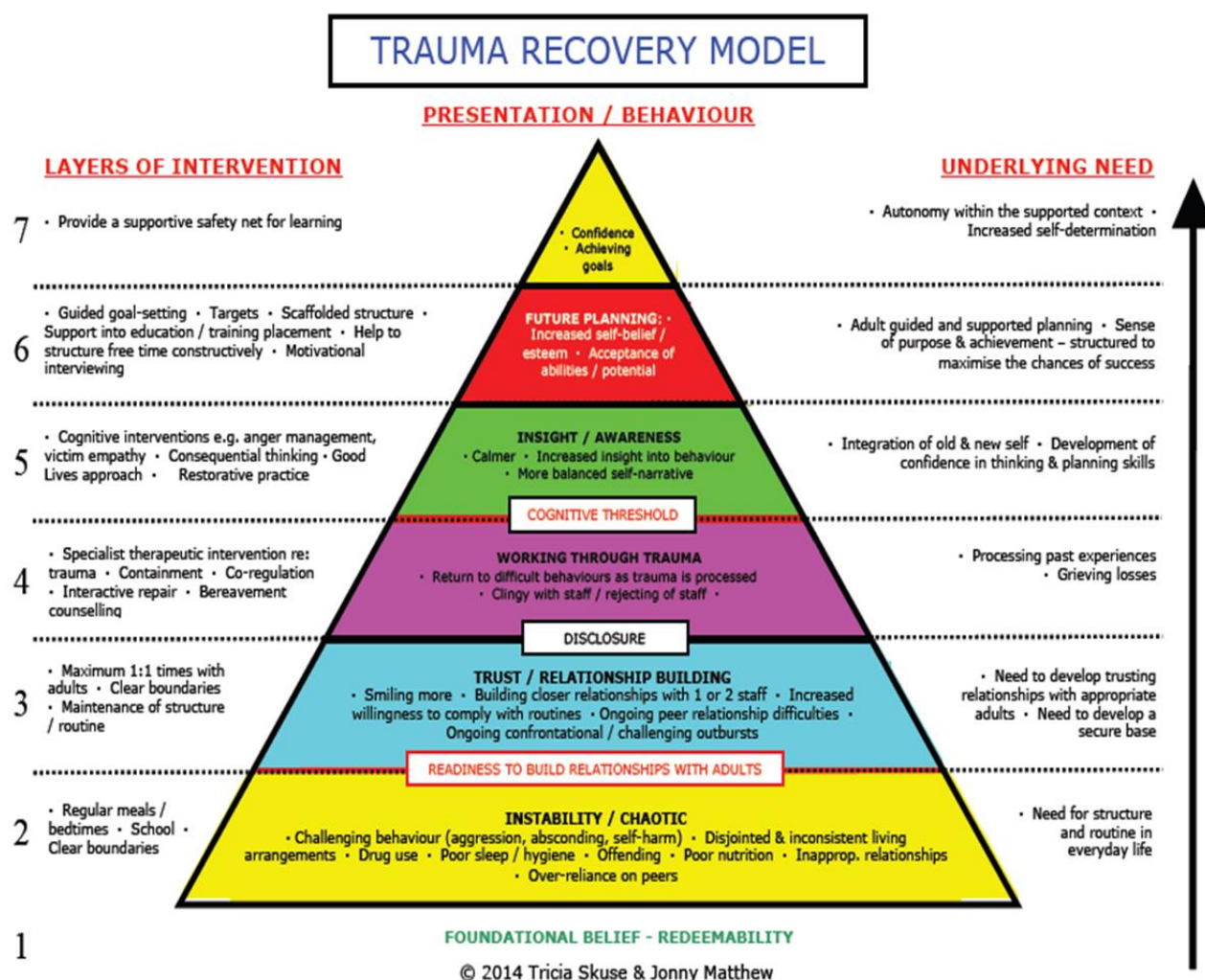
Practitioners in the YJS use information from the child's speech and language assessment to guide how they communicate with the child. Recommendations from the assessments are also shared with other services working with the child, including education providers, and with the child and their family or carers.

Trauma-Informed Practice

In February 2020 all YJS practitioners were trained in trauma-informed practice, leading to the implementation of the Trauma Recovery Model (TRM). The underlying principle is that children who have experienced trauma in their early lives are likely to experience delay in their emotional and cognitive development. This means that interventions with them should respond to their developmental stage rather than their chronological age. The TRM approach is summarised in the following schematic illustration:

The trauma 'lens' is being applied to all the children we work with. Understanding the child's developmental stage helps to make our work more effective. To support this work we have developed guides for how to work with children at different levels of the 'triangle'. An example of one of these guides is appended to this report.

For a small number of children with significant complexity and risk an 'Enhanced Case Management' formulation meeting is convened, chaired by a YJS Practice Manager, led by the YJS Psychologist and attended by practitioners from a range of services working with the child. This leads to a formulation (a working hypothesis, based on the child's story thus far) written by the Psychologist to guide the work with the child. This formulation is shared with other services working alongside the YJS and taken on work at the end of the YJS intervention. In the first year of applying this model formulations, with review meetings, have been undertaken for five children.



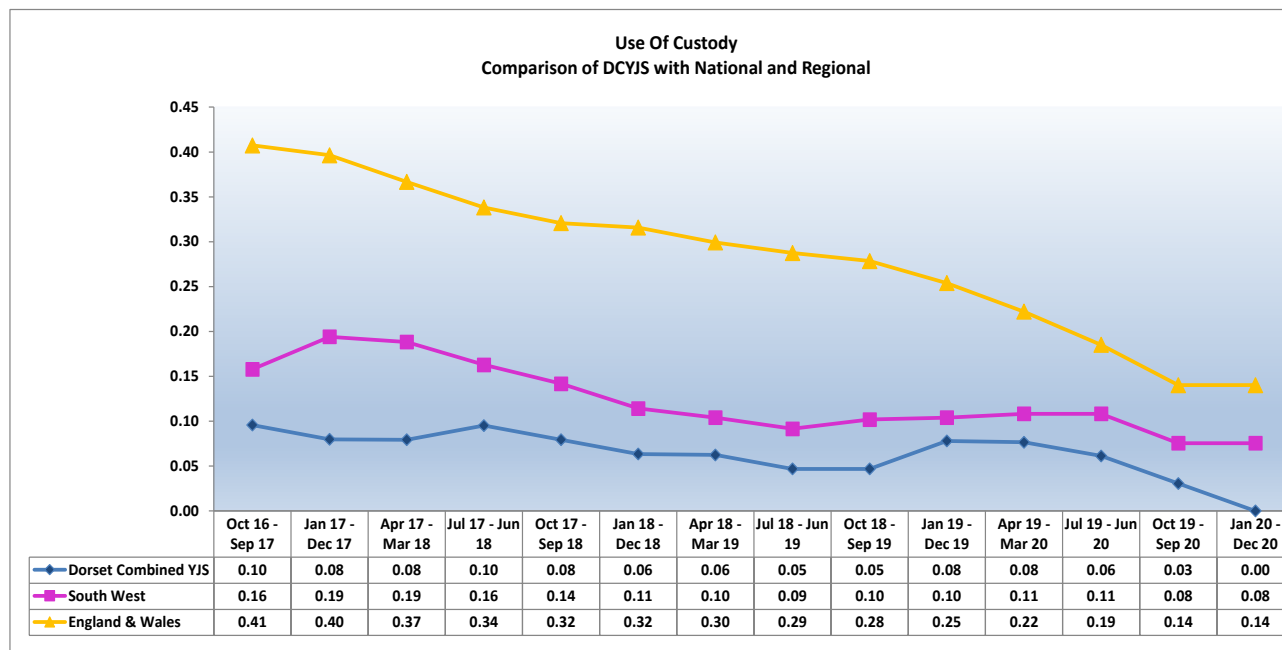
Restorative Justice

The YJS Restorative Justice Practitioners contact all victims of offences by children and offer them a choice of restorative justice options, including face to face Restorative Justice Conferences, 'shuttle' restorative justice where the parties relay messages but do not meet, work by the child to repair the harm caused ('reparation') and letters of explanation.

Some offences committed by children take place in the family home, with other family members being the victim of the offence. A recent initiative has been for the YJS parenting workers to complete the Restorative Justice Conference facilitation training. This helps us apply restorative approaches to our work with family conflict to help repair relationships.

A significant proportion of offences by children feature emergency workers, such as police officers, as the victim. A snapshot of the caseload of our Restorative Justice Practitioners showed that about 25% of the victims they work with are emergency workers. It can be difficult to engage police officers and other emergency workers in restorative justice processes so the YJS is developing a 'standardised approach' to increase the restorative justice options for working with children who have committed these offences. There are a number of strands to this approach, including the seconded YJS Police Officers meeting with the child to explain the impact of these offences and the children raising money for a relevant charity, Blue Light Support. We will develop this area of work further in 2021/22.

Custodial Sentences



We continue to see very low rates of custodial sentences locally, with rates declining further in the year to March 2021. The achievement of low custodial sentence rates reflects work to intervene effectively at earlier stages of the justice system, responses to children that are individualised and integrated with partner agencies, and good work in court to build the confidence of magistrates in the community sentences supervised by DCYJS.

Although numbers of children entering custody are low, there are recurring themes among this group which we are addressing.

'Disproportionality'

Looking back over several years it is concerning that about 50% of local children receiving custodial sentences are Black or Minority Ethnicity (BME). Over the last year we have improved our data analysis which has indicated that BME children are not over-represented among first-time entrants but the proportions increase the further children go into our youth justice system. The Lammy Review (2017) found evidence that BME defendants are less likely to admit guilt for an offence, possibly indicating a lack of trust in the justice system, which means they become ineligible for Out of Court Disposals, entering the justice system at a later stage. Working with Dorset Police we monitor such issues and look for opportunities to divert cases from court.

During the last year DCYJS have also joined a new Disproportionality sub-group of the Dorset Criminal Justice Board to contribute to a cross-system approach, working with partner agencies in Hampshire and Wiltshire. We have also initiated work with colleagues in BCP Council's Children's Services to investigate the representation of BME children in related areas like school exclusions, child exploitation and children in care.

We will continue work in the coming year to understand the experience of BME children in our local justice system and to address issues that lead to over-representation.

Child Exploitation

Analysis of local children entering custody in recent years also shows that the majority have been identified as suffering harm from child exploitation. The YJS works closely with partner agencies, including children's social care teams and Dorset Police, to avoid the inappropriate criminalisation of child exploitation victims and to provide the necessary holistic support. The YJS also works with other agencies under the 'CAROLE' model in Dorset Council and as part of the Community Safety Partnership child exploitation work in Bournemouth, Christchurch and Poole Council, contributing to 'contextual safeguarding' activities to respond to risky locations and to networks of young people and adults as well as work with individual children.

The shifting nature of child exploitation and the complexity of these issues, including judgements about a child's culpability for criminal behaviour associated with their exploitation, means that this is an area of work that we continue to develop.

One element of the response to exploited children in the justice system is the National Referral Mechanism, arising from section 45 of the Modern Slavery Act 2015. The process is intended to establish if there are grounds to confirm that a child is the victim of exploitation, through an initial provisional decision and then a Conclusive Grounds decision taken by the 'Single Competent Authority' in the Home Office. Case law is still being developed to establish how these findings should influence decisions to continue with a prosecution and, if the prosecution does continue, to be taken into account in sentencing decisions. Currently there are significant delays in the NRM decision-making process which is delaying court cases for long periods, with adverse outcomes for the children affected and for the victims of their alleged offences. Our concerns have been shared with the Youth Justice Board. This issue continues to be a priority for 2021/22.

Covid 19: Youth Justice work during the pandemic

Like all services, our plans for 2020/21 were transformed by the pandemic and its impact on daily life.

All YJS staff members have been working from home since the lockdown of March 2020, with occasional, planned visits to our office bases. Attending to the wellbeing of our team members has been a high priority, recognising the impact of working alone, at home, in a time of collective stress and anxiety.

Contact with children, victims and families has mostly been undertaken remotely, using video or telephone contact. Contacts have also been undertaken in person when necessary, with appropriate risk assessments and safety measures. The switch to remote work has led to some creative responses, including the following:

- YJS case managers using online resources with children they are supervising, providing support remotely
- 'virtual' reparation sessions carried out, including work by children at home to make amends for their offence, such as gardening, cooking, making craft items for sale
- ASDAN short courses and like skills challenge courses adapted and supported by YJS practitioners and completed by children at home

- Speech and Language assessments completed by video calls
- Health interventions by YJS nurses, including trauma treatment using Eye Movement Desensitization and Reprocessing, via video calls
- 3 Restorative Justice Conferences completed with the participants taking part virtually.

In the period from May to late July 2020 our local youth courts were closed due to the pandemic, creating a backlog of cases to add to the previous delays in the system. During the autumn we worked with court service colleagues to clear the backlog of cases with youth court timescales improving in early 2021.

Learning Reviews

The YJS adheres to the learning review processes of the Pan-Dorset Safeguarding Children's Partnership and also applies its own learning review procedures. When a child under YJS supervision experiences significant harm, or causes significant harm to others, a learning review process is instigated.

During 2020/21 the YJS has contributed to a Safeguarding Children's Practice Review relating to the death of a Dorset child in care who was living in Somerset. This review is likely to be completed in mid-2021. DCYJS did not work directly with this child but did identify some learning about liaison with other youth offending teams and support for children in care who are placed out of area.

Learning reviews were instigated within DCYJS or through the Safeguarding Children's Partnership in respect of 5 children (3 females and 2 males) all of whom suffered harm while working with DCYJS. Good practice was identified in respect of work to engage with these children. Learning points included the need for a whole family view when different services are working with different family members; improving the effectiveness of multi-agency planning for the child's safety and well-being; enabling the YJS to contribute to decision-making processes about residential placements for children with whom the YJS is working.

The learning points arising from learning reviews are incorporated into the team's ongoing action plan.

Service User Feedback

In the previous year we identified a need to improve our collection of 'spontaneous' feedback from service users and stakeholders. During 2020-21 we received a number of comments, with some themes emerging.

Service users were grateful for help with specific issues, illustrated by these comments:

B has been meeting virtually with the YJS nurse to complete the health assessment and was really pleased that she was doing this and was finding it helpful. She wants to reduce her anxieties.

T's mum was positive about the input from the YJS Education Officer and commented that it had been the most help she has received in terms of home schooling

Thank you for your speech and language report for C, we received it today. I wanted to personally thank you for such an accurate, sympathetic and positive report. You have totally understood C's strengths and challenges more than any other therapeutic report we have had since her ADHD diagnosis. I wish that we could've had this years ago as I feel she would've got so much more value from school with such understanding. ... and you achieved it all via one video call!

Some service users wanted to carry on working with their YJS worker:

D states that he would like his YJS worker to remain involved despite him having completed his YRO....D's mum told me that she thinks his YJS worker has helped Charlie with confidence and to think about how his behaviour affects others.






E's carer reported that if at appeal E's conviction was overturned he hoped that his YJS worker would continue to work with him. He is very appreciative of the work she is covering with him and is learning from this hence wanting the work to continue.

There was also a theme of service users feeling listened to and understood:

F's carer wanted us to know that it was important to her that the YJS parenting worker also understood her experiences and she had told the worker things about her experiences that she had never talked about before but it made her feel better.

"This has been an opportunity for him to gain access to education and support that he would not have had otherwise, his YJS worker has worked well with him" his parent continued to say..."I have regular contact with his worker and she has been very supportive, I know I can talk to her if I have concerns".

We also continue to use feedback surveys to gather service user views but recognise that the response rate is limited. Of those who have responded, the following information shows responses to questions about the quality and impact of the relationship with the YJS worker:

5. My worker thought I would make positive changes to my life:									Response Percent	Response Total
1	Very Dissatisfied								2.27%	1
2	Dissatisfied								2.27%	1
3	Neutral								13.64%	6
4	Satisfied								43.18%	19
5	Very Satisfied								38.64%	17
Statistics	Minimum	1	Mean	4.14	Std. Deviation	0.89	Satisfaction Rate	78.41	answered	44
	Maximum	5	Variance	0.8	Std. Error	0.13			skipped	2

6. My worker listens to my ideas and helps me find my own answers:

									Response Percent	Response Total	
1	Very Dissatisfied								0.00%	0	
2	Dissatisfied			<div></div>					4.44%	2	
3	Neutral			<div></div>					8.89%	4	
4	Satisfied			<div></div>					33.33%	15	
5	Very Satisfied			<div></div>					53.33%	24	
Statistics	Minimum	2	Mean	4.36	Std. Deviation	0.82	Satisfaction Rate		83.89	answered	45
	Maximum	5	Variance	0.67	Std. Error	0.12				skipped	1

7. Working with the YJS made things better for me:

									Response Percent	Response Total	
1	Very Dissatisfied				<div></div>				4.44%	2	
2	Dissatisfied				<div></div>				4.44%	2	
3	Neutral				<div></div>				13.33%	6	
4	Satisfied				<div></div>				40.00%	18	
5	Very Satisfied				<div></div>				37.78%	17	
Statistics		Minimum	1	Mean	4.02	Std. Deviation	1.04	Satisfaction Rate	75.56	answered	45
		Maximum	5	Variance	1.09	Std. Error	0.16				

In 2021/22 we plan to develop our approach to gathering service user feedback to gain views linked to specific areas of our work and to our service priorities.

Summary of local and national issues that inform our priorities for 2021/22

National Context

The Youth Justice Board's 'guiding principle' is for a 'child first' approach to underpin all its work. This will enable it to:

"Prioritise the best interests of children, recognising their needs, capacities, rights and potential.

Build on children's individual strengths and capabilities as a means of developing a pro-social identity for sustainable desistance from crime. This leads to safer communities and fewer victims. All work is constructive and future-focused, built on supportive relationships that empower children to fulfil their potential and make positive contributions to society.

Encourage children's active participation, engagement and wider social inclusion. All work is a meaningful collaboration with children and their supporters.

Promote a childhood removed from the justice system, using prevention, diversion and minimal intervention. All work minimises criminogenic stigma from contact with the system."

To support this work, and to respond to specific current issues, the Youth Justice Board has also appointed 'strategic leads' for

- Over-represented children
- Custody and Resettlement
- Serious Youth Violence and Exploitation

The 'child first' vision and the strategic priorities for over-represented children and reducing youth violence and exploitation have particular resonance for us locally.

Local Context

Both Dorset Council and Bournemouth, Christchurch and Poole Council have developed strategic plans to improve the effectiveness of their work with children. Although there are some issues which are specific to each local authority, there are common themes including:

- Child first approaches that promote the voice of the child
- Joined up services responding to children and families
- The right support at the right time
- Working restoratively
- Relationship and strengths-based practice
- Improving day to day practice.

Service developments in the two local authorities that relate closely to the work of DCYJS include the creation of the Complex Safeguarding Team in BCP Council (working with children suffering significant harm from exploitation). In Dorset Council the strong emphasis on prevention work links with the DCYJS priority to reduce first-time entrants

into the justice system, aligned with the work of the Harbour Project (providing multi-disciplinary support to adolescents at risk of entering care or requiring other specialist services). It is a priority in 2021/22 for DCYJS to further develop its joint work with these services.

Other statutory partners also have strategic priorities that are relevant to the work of DCYJS, including:

- Reintegration of the National Probation Service and the Community Rehabilitation Company, to include effective transitions for youths entering the adult justice system
- Dorset Police and DCYJS continuing work to reduce first-time entrants, including the addition of local authority Early Help managers into the weekly decision-making panel for children receiving Out of Court Disposals
- Reducing the over-representation of Black, Asian and Minority Ethnic people in our local justice system
- A system-wide partnership approach to meeting the mental health and wellbeing needs of children and young people in Dorset
- Recovery from the court delays and difficulties caused or exacerbated by the Covid-19 pandemic.

Strategic Priorities for 2021-22

The strategic priorities for the Dorset Combined Youth Justice Service align with:

- our three main performance indicators
- the strategic priorities of the Youth Justice Board
- the strategic priorities of the DCYJS partnership organisations
- areas identified for YJS improvement, based on outcomes of performance monitoring, learning reviews and feedback from YJS staff and service users.

The DCYJS strategic priorities can be grouped under the following headings:

- System improvement
- Practice improvement

System Improvement

Continue and develop work to prevent children entering the justice system

- Add Early Help representatives to weekly Out of Court Disposal decision-making meetings to strengthen diversion options
- Work with the new police officer role to support children and families after diversion from the justice system
- Consolidate the use of the Youth Diversion Disposal and consider expanding its application to other offence types
- Work with partners to enable the assessment of Speech, Language and Communication Needs for children at risk of school exclusion.

Reduce the rate of Black and Minority Children entering custody

- Ensure all youth justice work is undertaken from an anti-racist perspective
- Gather the views of BME children and their families on their experience of the justice system and take appropriate actions to build trust and improve confidence
- Work with partner agencies to monitor outcomes for BME children across children's services systems
- Join with Local Criminal Justice Board partners across Dorset, Wiltshire and Hampshire to report on and compare outcomes for BME children and adults in the justice system
- Apply the Lammy principle of 'explain or reform' in response to evidence of any disproportionately negative outcomes for BME children

Develop joint work with other local services for children to improve outcomes for children in the justice system

- Strengthen links and multi-disciplinary collaboration with the Harbour project in Dorset for teenagers needing additional support to achieve the best outcomes
- Strengthen links and joint working with the Complex Safeguarding Team in Bournemouth, Christchurch and Poole and with other partners to safeguard children who are suffering harm from exploitation
- Join with agencies in community safety, criminal justice and children's services to understand and develop effective responses to children carrying weapons
- Work with partners to establish a multi-agency strategic approach to the use of the National Referral Mechanism (NRM) for children suspected of criminal offences in the context of being exploited
- Work with local authority children's social care colleagues to improve joint support for children in care placed out of area and receiving youth justice interventions
- Confirm joint working arrangements with the new SEND teams in each local authority to improve access to suitable education for children in the youth justice system
- Finish work with colleagues in health, education and social care services to develop a more integrated and comprehensive response to children who show harmful sexual behaviour.

Practice Improvement

Widen the application of trauma-informed practice to all children working with the Youth Justice Service

- Develop a consistent approach to the use of trauma perspectives in YJS assessments and plans
- Establish a standard framework for health team consultations with YJS case managers to summarise the impact of past trauma and to guide engagement with the child

- Complete and promote the 'trauma guide' documents for responses to children at different levels of the 'trauma triangle'
- Build practitioner confidence and knowledge about how to adapt interventions to meet the child's emotional and cognitive development.

Strengthen the team's work to repair harm and restore relationships

- Develop and embed the 'standardised approach' for restorative justice responses to offences against emergency workers
- Develop a more robust Unpaid Work option for children on Youth Rehabilitation Orders
- Extend links between reparation, Unpaid Work and positive activities that enhance children's strengths and their education opportunities
- Support other services to apply restorative approaches in their work

These headline priority areas will be supported by a more detailed team action plan, including more specific targets and measures, which will be implemented and developed during the year.

Covid-19

This plan has been written during the third covid-19 'lockdown'. Like all services, DCYJS has radically changed its working arrangements and working practices in response to the pandemic. As we move into the recovery and rebuilding phases, we will review the changes we have made so that we can identify the new ways of working that should be sustained in the longer term. Priority will be given to ensuring effective work with children, carers and victims while taking necessary health precautions and to supporting the well-being and safety of our workers and volunteers.

Approval

Signatures of YJS Board Chair and YJS Manager

Theresa Leavy (YJS Board Chair)
Executive Director People - Children
Dorset Council

Signed:

Date:

David Webb
Dorset Combined Youth Justice Service Manager
Bournemouth, Christchurch and Poole Council

Signed:

Date:

Appendix A – Glossary of Terms

AssetPlus	Nationally Accredited Assessment Tool
BAME	Black, Asian and Minority Ethnic
CAMHS	Child and Adolescent Mental Health Services
CJS	Criminal Justice System
CSP	Community Safety Partnership
ETE	Education Training and Employment
FTE	First Time Entrant into the Youth Justice System
ISS	Intensive Supervision and Surveillance
IT	Information Technology
LSCB	Local Safeguarding Children's Board
MAPPA	Multi-Agency Public Protection Arrangements
NEET	Not in Education, Employment or Training
O OCD	Out Of Court Disposals
PCC	Police & Crime Commissioner
RJ	Restorative Justice
SEND	Special Educational Needs and Disabilities
SSCT	Safe Schools and Communities Team
VLO	Victim Liaison Officer
YJ	Youth Justice
YJB	Youth Justice Board
YOS/YOT	Youth Offending Service/Team
YRD	Youth Restorative Disposal
YRO	Youth Rehabilitation Order

Appendix B – Example of the YJS ‘trauma level guides’ to help practitioners respond to the young person’s current functioning

Level 2

I need to trust you before I can learn from you.

Core principles of a Trauma-informed approach

- Safety.
- Trustworthiness & transparency.
- Peer support.
- Collaboration & mutuality.
- Empowerment & choice.
- Predictability, reliability and consistency

Activity ideas

I can deal with more variety and novelty. Play is a good way of building our relationship:

- Simple card or board games.
- Ball games.
- “alongside” activities; making something together, watching things together.

Don’t worry about “work” at this stage. Relationship is the work. Remember PACE: Playful, Accepting, Curious, Empathetic. (Hughes, 2006)

Non-verbal communication

Use your non-verbal communication to increase shared emotion (Bomber, 2020):

- Smile and keep your face expressive. Use laughter and silliness in your interaction.
- Use varied intonation. Monotone voices are harder to tune in to.
- Introduce some playful body language using animated gesture.
- Place yourself at the same level as me.
- I might be able to manage being face to face more now.

Verbal communication

I may be able to take in some information from you and offer some more information about myself:

- I might still find it difficult to retain long stretches of information. Keep what you say short.
- If you need to give more information, draw or write the main points. (McLachlan & Elks, 2018)
- Continue to listen actively. Notice what I am telling you, either with my words or behaviour, and respond to it (“you are telling me you don’t want to do that yet”).
- Be curious about what I am telling you and model this out loud; “I wonder if it felt like I was testing you, and that stressed you out a bit?” (Bomber, 2020)
- Introduce humour, but not sarcasm. (Yehuda, 2016)
- “why” and “how” reasoning is probably still hard for me. Ask me to describe things with questions like “what happened?”, “who was there?” (McLachlan & Elks, 2018)
- Show me I am kept in mind when we are not together. You could send a text between appointments or tell me that something reminded you of me (Bomber, 2009).

Level

I need to trust you before I can learn from you.

Responding to emotions

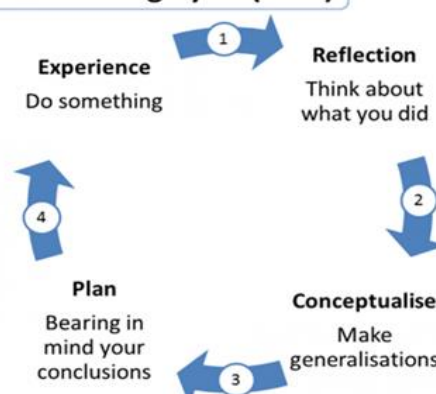
You might be able to start to help me regulate my emotions.

- Acknowledge and accept the emotion. Don't try to distract or persuade me.
- Say less. It is hard for me to process language when I am upset or agitated.
- Show me you understand by matching my affect. You can use some of the same facial expressions and gestures and speak at the same rate as me. If your emotion seems very different to mine, I might think you don't get it (Hughes, 2009).
- Give me space and keep your body language non-threatening.
- Name the emotion; "you're really angry about this". Naming feelings is a step towards regulating them (Zeidner, Matthews & Roberts, 2009).
- When I am calm, we might be able to talk about what has happened. You could make suggestions with "I wonder..."

Reflective Questions for practitioners

- What key things did you learn from this appointment?
- How did you address any issues or problems that arose?
- What would you do differently, if anything, next time around?
- How has it impacted on your practice with this young person?
- Are there any changes you can quickly apply to your practice?
- Are you able to support yourself and other colleagues better?
- What can you do to meet any gaps in your knowledge, skills and understanding?

Experiential Learning Cycle (Kolb)



Appendix B

References:

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CABINET



Report subject	Council Sustainable Fleet Management Strategy and Fleet Replacement Programme
Meeting date	23 June 2021
Status	Public Report
Executive summary	<p>The report seeks endorsement of Bournemouth Christchurch & Poole Council's first Sustainable Fleet Management Strategy that will raise awareness of these high profile and high value corporate assets, communicate governance arrangements to ensure the fulfilment of the councils legal obligations as a vehicle Operator Licence holder whilst detailing the roles and responsibilities of those who operate/maintain them. It will also provide clear decision making processes to deliver an integrated corporate fleet management service.</p> <p>Underpinning this strategy is the requirement for a sustainable (legally, financially, and environmentally) Fleet Asset Replacement Programme. A financing programme required to fund the replacement of core vehicles, plant and equipment as they come to the end of their economic life.</p> <p>If approved, this will form the basis of an ambitious council wide Fleet Management De-Carbonising Strategy and Replacement Programme for the next 3 years, 2021 – 2024, that proposes to balance investment in the necessary alternative fuel technology and infrastructure to support a significant increase of 104, from the current 13 Ultra Low Emissions Vehicles (ULEV) purchased and operated by the council, as well as a reduction in CO2 emissions of non ULEV's producing a combined CO2 saving of 3,062 tonnes. This is to support the council's 2030 carbon neutral declaration against as yet unknowns of the council's ongoing corporate transformation programme and asset and accommodation strategy.</p>
Recommendations	<p>It is RECOMMENDED that:</p> <ul style="list-style-type: none"> a) Members endorse the Sustainable Fleet Management Strategy, acknowledging the necessity for an initial 3 year phased approach towards achieving an ultra-low emission fleet and the future key infrastructure decisions required that will determine its direction and success. b) Members endorse the move to using Hydrotreated

	<p>Vegetable Oil (HVO) as a replacement for conventional diesel throughout the council vehicle fleet. Approving commencement of procurement for the provision of HVO fuel and the supply. This cleaner, less polluting fuel results in a significant CO2 emission reduction.</p> <p>c) Members approve the £0.39m capital spend necessary to fund the supporting infrastructure investment to realise significant increases in ULEV's purchases, to be funded from capital grant</p> <p>d) Members approve the Fleet Replacement Plan 2021 – 2024 and authorise the procurement of the remaining vehicles in the plan as vehicle lives expire.</p> <p>Cabinet recommend that Council approve;</p> <p>e) Members approve the use of new prudential borrowing for the Fleet Replacement Plan and recognise the impact of this on the annual revenue budget requirement.</p>
Reason for recommendations	<p>The proposed Fleet Replacement Plan and Sustainable Fleet Management Strategy set out the vital ambitious foundations towards achieving sustainable fleet management for BCP Council and a commitment towards its ambition of becoming carbon neutral by 2030.</p> <p>Failure to approve the Fleet Replacement Plan and associated Sustainable Fleet Management Strategy places the authority at risk as vehicles reach end of life of repeated statutory service failure, associated reputational damage, increased revenue budget pressure and potential for breach of its Operator Licence compliance.</p>

Portfolio Holder(s):	<p>Cllr Mark Anderson, Portfolio Holder for Environment</p> <p>Cllr Mike Greene, Cabinet Member for Transport and Sustainability</p>
Corporate Director	Kate Ryan, Director Environment & Communities
Report Authors	<p>Kate Langdown – Service Director</p> <p>Mark Parsons – Transport & Operating Centres Manager</p> <p>Shirley Haider – Management Accountant</p> <p>Tina Worthing – Finance Manager</p> <p>Steve Wade – Management Accountant</p>

	Russell Smith – Accountant Mike Morris – Senior Property Manager
Wards	Not applicable
Classification	For Recommendation & Decision

1. Background

- 1.1 On the 17 January 2020 a report entitled 'Transition to a Sustainable Fleet Strategy' was considered by Cabinet with the following recommendations made:
- a) the development of a rationalised, long-term BCP Sustainable Fleet Strategy be endorsed;
 - (b) the financial impact of the varied approach to fleet replacement by legacy Councils on the BCP Sustainable Fleet Strategy be acknowledged;

2. Sustainable Fleet Management Strategy

- 2.1 The developed Sustainable Fleet Management Strategy provides a pathway approach that will help to ensure BCP Council has safe, reliable, cost effective and carbon reduced vehicles, plant and associated equipment, at the right time and at the right cost to support the strategic, corporate and service objectives of the Council and to support good service delivery
- 2.2 Vehicles/plant and mechanised equipment are corporate assets; they have a capital value, require revenue to operate and maintain and necessitate statutory safety inspections to comply with various regulations. Environment Services (Fleet Services) are responsible for the purchase, maintenance, repair and disposal of all such assets owned by BCP Council these being:
- large goods vehicles
 - vans and pick ups
 - minibuses
 - heavy plant and lifting equipment.
 - grounds maintenance equipment
 - depot plant
 - trailers and tractors
- 2.3 The summary live asset replacement needs schedule is shown in Appendix A – Fleet Replacement Plan. Please note this schedule has been formulated using the best available data and condition assessments at the time of undertaking. However, it may be necessary to amend/reprioritise vehicles to purchase due to emerging vehicle failure or service need and, as such, is a live document.

- 2.4 The plan will be adapted throughout its lifetime in response to the council's transformation agenda via service units with the ambition to realise overall reductions in the number of assets utilised by the council where achievable. Any increase in assets held against the plan, for example to support income generation or growth demand, will only be supported via the production of an approved business case and identified funding.
- 2.5 The council, through this strategy, will raise awareness of these important corporate assets, establish governance arrangements, defined roles and responsibilities and will provide clear decision-making processes to deliver an integrated corporate fleet management service.

3. Climate & Ecological Emergency Response

- 3.1 In July 2019 the council declared a Climate and Ecological Emergency making a formal commitment to doing all it can to achieve the target of becoming carbon neutral by 2030. This strategy creates an ambitious starting pathway towards greening the council's fleet of vehicles and other associated mechanised equipment to minimise the environmental and health impacts they cause, without compromising on the quality and efficient services we deliver daily to our residents.
- 3.2 As work progresses at pace with the council's transformation programme and accommodation strategy, it is recognised both will impact our future operating models. This is coupled with industry uncertainty around the direction of future Ultra Low Emissions Vehicles (ULEV's) technology, particularly in terms of Large Goods Vehicles (LGV's), where the marketplace is yet to mature. Additionally, some types of vehicles are not yet widely available and new market entrants' longevity and fitness for purpose remain, in part unproven. It is therefore proposed that the council's Sustainable Fleet Replacement Strategy is delivered in 2 phases:
- Phase 1. An initial 3-year commitment that sets out an ambitious beginning of our pathway towards greening our fleet of vehicles:
 - utilising existing operating centres with a considered investment in infrastructure and supply upgrades that will be required to deliver a significant increase in ULEV's
 - widespread switch to alternative sustainable fuels Hydrotreated Vegetable Oil (HVO) replacing conventional fossil fuel diesel across the non ULEV council fleet wherever supported by vehicle manufacturers.
 - introduction of pilots for home charging of BCP vehicles that operate directly from employees' homes.
 - Phase 2. Will be to review the learning and success from phase one and re-strategize for 2025 onwards as required in response to both organisational and industry advancements that will influence the longer-term vehicle replacement plan. This will include a further Council report that will seek approval for a revised strategy and for funding for the next tranche of vehicle replacements.

Investment in Electric Vehicles (EV)

- 3.3 The 3-year programme seeks to ambitiously build on the existing 13 EV fleet currently operated by the council. Between 2021 & 2024 the replacement plan

proposes to procure a further 104 electric vehicles within an overall total of 369 fleet replacements required in this period.

3.4 Proposed ULEV purchases CO2 savings

Replacement Year	No of ULEV Proposed	Yearly CO2 kg reduction	Cumulative CO2 kg reduction
2021/22	80	279,722.54	279,722.54
2022/23	13	98,565.39	378,287.93
2023/24	11	17,827.63	396,115.56
Total 104		396 tonne CO2 reduction	

- 3.5 To achieve this the council must invest in necessary infrastructure. To date 19 x 7.2kw chargers have already been installed and a further 3 units already approved to support previously approved vehicle replacement needs funded via the Office of Low Emission Vehicle grant funding.
- 3.6 Site surveys have been undertaken to determine need and appropriateness. The strategy proposes an investment of £0.39m to realise the electric vehicle ambition.
- 3.7 In realising the electric vehicle ambition, it should be noted that an element of the infrastructure investment will be location specific installation and will not be transferable to another site should the council decide to move its depot provision in the future. Of the identified £0.39m infrastructure cost it is estimated only £0.15m will be transferrable to a new site. It is proposed to fund this from the MHCLG Waste Infrastructure fund.

Investment in Sustainable fuel - Hydrotreated Vegetable Oil (HVO)

- 3.8 The strategy proposes the widespread replacement of conventional fossil fuel diesel with HVO. This follows successful council trials and will enable the council to achieve up to 90% reduction in tailpipe emissions amongst vehicles not yet in need of replacement, or where there is unavailability in the marketplace or operational uncertainty about replacing a vehicle with an EV alternative.
- 3.9 HVO is a paraffinic fuel that is chemically similar to conventional fossil fuel diesel and complies with European Standard EN1590. It is also a renewable energy source, produced from 100% sustainable renewable waste feedstocks coming from waste cooking oil, residues etc.
- 3.10 HVO can be introduced into most diesel engines without any mechanical modifications and as such is labelled “drop in fuels”. Of our current 3,358t CO2 fleet emissions, in addition to the proposed EV conversions achieving 396t by 2024 a change to HVO could produce a 2,666t CO2 saving from 22/23. These combined changes should reduce emissions by more than 91%.

- 3.11 The proposed adoption and procurement specification prerequisite of HVO across the council fleet would be specified as an accredited fuel under the Zemo Partnership Renewable Fuels Assurance Scheme for high -blend renewable fuels, that complements the safe guards included in the Renewable Transport Fuel Obligation (RTFO). The assurance criteria are based on life cycle GHG emissions, feedstock sustainability and supply chain traceability.

The first full year effect of conversion will be 2022/23.

- 3.12 Revenue implications of a procurement move to HVO is likely to be 10 – 15% more than conventional fossil fuel diesel at present, however, it is anticipated over future years this gap will likely reduce as Government continue to disincentivise fossil fuel usage.
- 3.13 The figure below shows the combined financial impact of the plan to convert some vehicles to ULEV and the remainder to HVO, and then continue to replace converted HVO vehicles with ULEV, reducing the fuel costs in future years.

Cumulative Fuel Savings

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
Fuel cost	1,472	1,467	1,524	1,497	1,488	1,438	1,408	1,398	1,237	1,010
Annual change		(5)	57	(27)	(9)	(50)	(30)	(10)	(161)	(227)
Cumulative Impact		(5)	52	25	16	(34)	(64)	(74)	(235)	(462)
Fuel Savings (Diesel/HVO)		(5)	(3)	(35)	(43)	(107)	(148)	(170)	(348)	(595)
ULEV Charging Costs			55	60	59	73	84	96	113	133
Net		(5)	52	25	16	(34)	(64)	(74)	(235)	(462)

Note:

Conversion of the fleet to HVO in 2022/23 means very little fuel savings achieved in that year.

2024/25 onwards figures are based on future years modelled EV purchases achieving 85% EV conversion of the vehicle fleet (based on current marketplace availability) and assumes zero inflation. This will be subject to a Phase Two fleet replacement report decision in 2024.

Pilot Employee Home Charging Scheme

- 3.14 To enable the future adoption of more electric vehicles across the council fleet and provide solutions to current council owned site charging limitations, a home charging scheme pilot will be launched.

- 3.15 The pilot, if successful, will be used to inform the development of the council's policy and processes with appropriate consideration of the legal, financial, environmental and safety related factors such as charge point payment mechanisms, paving the way for a wider roll-out of vehicles that for operational reasons are taken home by employees. If successful, the scheme could enable the council to increase its future electric fleet by a further 113 home charged based vehicles when they are due to be replaced.
- 3.16 The full strategy is detailed in Appendix B – Sustainable Fleet Management Strategy.

4. Funding Strategy

- 4.1 The £31.1m Fleet Replacement Plan identified in figure 1 covers the years 2020 – 2024. £4.18 million has already been approved and spent in 2020. Approval is sought for the £26.92 million element of the plan covering the period 2021 - 2024 After the application of existing available budget, is proposed to fund this from prudential borrowing. The CIPFA Prudential Code for Capital Finance stipulates that a council can utilise prudential borrowing to finance capital expenditure where: “it is supported by a robust business case that demonstrates that both the borrowing capital and associated interest repayments can be funded over the life of the asset”. Repayment of new borrowing is required to commence in the first full year after borrowing is taken out. It is proposed this will be facilitated through annual ‘vehicle specific’ borrowing repayment budgets established within base budgets, that spread the cost of upfront borrowing over 8 years (the average life of vehicles in the Plan).
- 4.2 Originally the estimated vehicle spend for 2020/21 was £7.3m, actual spend is £4.18m. The revenue budget for repayment of the borrowing for these items is already provided for centrally and is therefore fully funded. The balance of purchases has been slipped into 2021/22. This has had the effect of reducing the impact of the anticipated prudential borrowing requirement of the plan in 2022/23 and increasing it for 2023/24.
- 4.3 Figure 1 below demonstrates the revenue impact of the plan over the next three years. The borrowing requirement in relation to vehicles purchased in 2020/21 is already provided for through existing budgets. The replacement plan from 2021/22 onwards has £2.289m of revenue budget to support the borrowing need (for example lease / hire vehicle budgets for vehicles acquired through the plan, revenue budget provision in relation to Christchurch fleet), although some of this is one-off in nature. The additional annual requirement for 2022/23 is £0.63m, increasing to £2.4m in 2023/24

Figure 1	2020/21 £k	2021/22 £k	2022/23 £k	2023/24 £k	Total £k
Prudential borrowing requirement (repay from following year)					
Fleet Strategy	4,148	17,801	5,498	3,655	31,102
Total new borrowing	4,148	17,801	5,498	3,655	31,102
Annual borrowing repayment including interest @ 3%	0	591	3,127	3,910	7,628
Annual borrowing repayment	0	591	3,127	3,910	7,628
Leasing budgets	0	0	(145)	(228)	(373)
Prudential borrowing budgets	0	(591)	(885)	(885)	(2,361)
ULEV/HVO savings		0	0	0	0
Recharges to HRA / Capital	0	0	(115)	(115)	(230)
Vehicle related revenue budgets	0	(591)	(1,145)	(1,228)	(2,964)
One off surplus from previous year		0	(560)		(560)
Application of historic vehicle capital receipts			(291)		(291)
Application of future vehicle capital receipts			(293)	(73)	(366)
One-off funding	0	0	(1,144)	(73)	(1,217)
Annual revenue cost (inc risk premium)	0	(0)	838	2,609	3,447
Risk premium (diff betwn interest @ 3% and 1.43%)	0	(38)	(204)	(255)	(497)
Annual revenue cost (exc risk premium)	0	(39)	634	2,354	2,950

- 4.4 There is currently a provision of £1.647m in the MTFP for 2022/23, with a further increase of £0.47m in 2023/24. These provisions can now be revised, reducing the increase in budget for 2022/23 by £1.013m, and increasing the budget by an additional £1.25m in 2023/24 to match the requirements in Figure 1. The planned purchases of £3.65m in 2023/24 will require an additional £0.9m of budget provision in 2024/25.

	2020/21 £k	2021/22 £k	2022/23 £k	2023/24 £k	Total £k
MTFP proposal as at February 2021	0	0	1,647	470	2,117
Change proposed	0	0	(1,013)	1,250	237
Revised MTFP proposal June 2021	0	0	634	1,720	2,354

As shown in 3.13 once the conversion to ULEV and HVO are bedded in, revenue savings will start to be achieved, estimated at £.034m in 2025/26 increasing to £0.462m by 2029/30. Subject to Phase Two fleet procurement decision report in 2024.

- 4.5 Members are reminded that the reason BCP Council finds itself in this financial position is because of the differences in funding approaches used by legacy authorities. Bournemouth Borough Council historically utilised a combination of capital grant funding, one-off reserve allocations or one-off in year revenue savings to finance fleet purchases. In Christchurch a mixed approach to fleet funding was used with a proportion of fleet funded from ongoing revenue budget, others from one-off capital resource. The results of this approach are that insufficient revenue vehicle budgets were set aside in legacy revenue budgets through which to fund the replacement at life expiry. BCP Council has therefore inherited a largely ageing fleet with inadequate revenue budget provision set aside through which to fund its replacement.
- 4.6 The council retains the option of utilising capital grant funding to acquire a proportion of the fleet. This would reduce the borrowing requirement and subsequent impact on the MTFP. Whilst it would offer some 'breathing space', it is not a permanent and financially sustainable solution as the same funding pressures / issues would still emerge 8 years from now.
- 4.7 The council could also consider postponing the acquisition of some vehicles to later years – utilising more leased / hired vehicles in the interim. This is not deemed to be cost effective as the cost of hiring vehicles is proven to be more expensive than outright acquisition.

5 Financial Risks

- 5.1 Fleet cost estimates within the plan are based on recent vehicle acquisition prices, awarded either off competitive procurement frameworks or after a fully open procurement exercise. Whilst some allowance is made for likely inflationary increases in vehicle acquisition price, final capital outlay will only be known once the procurement process for each vehicle is completed. There is therefore an underlying financial risk that capital outlay in the Plan is undervalued.
- 5.2 All capital receipts from selling vehicles to be replaced will be recycled back into the funding of the ongoing replacement programme. The plan assumes a level of residual value on vehicles of around 1.5% of purchase price. Should these residual values not be realised, the budget required to cover the borrowing repayments would need to be increased. The percentage applied is deemed to be highly prudent and should be attainable across the entire fleet.
- 5.3 The MTFP pressure makes no allowance for risk premium. In line with the Council's Invest to Save framework, a low risk rate of 3% is applied to borrowing repayments, where the project relies on future income streams to repay the borrowing. As there is

no reliance on future income in this instance the risk premium has been excluded from net revenue pressure funding being sought.

- 5.4 Some or all of the new prudential borrowing requirement is likely to be affected through new PWLB loans. Members will be aware that the PWLB is in the process of consulting on changes to the PWLB borrowing framework. Proposed changes will restrict the circumstances in which a Council can access PWLB borrowing. The consultation makes it clear, however, that Councils can still access PWLB borrowing for capital spend that falls into one of the following categories:

- Service delivery
- Housing
- Regeneration
- Refinancing (of historic PWLB debt)

The Fleet Replacement Plan falls under the “Service Delivery” category. The Council therefore assumes continued access to PWLB borrowing to finance the Plan if required.

6. VFM Assessment

- 6.1 All vehicles within the plan have been rigorously scrutinised and challenged with regard to the future necessity of replacement need and will be again ahead of the year replacement is due. All vehicles in the plan will be acquired through an open and transparent competitive procurement process.
- 6.2. The council considers the outright acquisition of vehicles to be more cost effective than a lease / hire option, and it also offers greater service flexibility. This is supported by marketplace monitoring. Fleet Management Officers will continue to periodically sample model procurement options with Financial and Procurement Services
- 6.3 The plan optimises expected vehicle lifespans – vehicles are intended to be replaced only when vehicle lives expire. Repairs and maintenance budgets are consistent with this approach.

7. Summary of legal implications

- 7.1 BCP Council is required to adhere with Transport legislation which is intrinsically connected to a providing a safe and compliant fleet:
- The Road Traffic Act 1998 Section 74
 - The Goods Vehicle Licence of Operators 1995
 - Traffic Act 1968
- 7.2 Proactive investment in the Fleet Replacement Programme reduces the risk of failure to comply with the requirements of the Operator’s Licence and associated legislation.

8. Summary of human resources implications

- 8.1 There are no human resources implications arising from this report

9. Summary of sustainability impact

- 9.1 The purchase of new vehicles has an environmental impact in terms of the use of materials used to make the vehicles and embodied emissions from the manufacturing process. However, the replacement of aged Euro 4 and 5 diesel assets with electric, hybrid, petrol and (where no practical alternative exists) Euro 6 diesel will result in a significant reduction in the emissions of all types of pollutants from the Councils' fleet, which will contribute positively to improving air quality across the conurbation.
- 9.2 Adopting HVO as the primary fuel for council fleet assets not proposed to be replaced by EV at this time will reduce CO2 tailpipe emissions by up to 90% thereby make a significant contribution towards reducing the council's scope 1 emissions and commitment to being carbon neutral by 2030.

10. Summary of public health implications

- 10.1 The Fleet Replacement Programme will help ensure vehicles are replaced in a timely manner to take advantage of the latest emissions, telematics and safety related technology to improve public safety and local air quality.
- 10.2 Removing diesel fuel as the primary fuel source for council vehicles to HVO fuel will positively result in fewer exhaust emissions and result in improved air quality and therefore better public health.
- 10.3 A switch to Electric Vehicles produces a reduction in operating noise and associated quality of life. As an example, an ERCV operates at 60 decibels versus a diesel equivalent operates at 100 decibels.

11. Summary of equality implications

- 11.1 There are no specific issues arising from this Fleet Replacement Programme report. Vehicle specifications are assessed to consider equality implications as part of the procurement process.
- 11.2 A full equality impact assessment relating to employee at home electric vehicle charging will be undertaken in advance of the pilot.

12. Summary of risk assessment

- 12.1 Failure to replace vehicles, plant and equipment in a timely manner increases the likelihood of equipment related incidents that could result in fatality, serious injury, prosecution (including the potential for corporate manslaughter) and serious loss of reputation.
- 12.2 Poor fleet management can have a serious detrimental effect on service units ability to deliver services cost effectively. The current combined fleet assets are approximately £38m in value and, with an annual operating budget of £4.2m fleet is a significant component to ensuring business continuity and providing support for growth.
- 12.3 Climate & Ecological Emergency Declaration, delays in securing capital funding to support decarbonising the Council fleet and investment in associated infrastructure will result in the Council not achieving its 2030 carbon neutral ambition and targets will need to be revised to reflect this.

- 12.4 Ability to achieve EV conversion as planned will be dependent upon Scottish & Southern Electrics (SSE) ability to resource the infrastructure upgrade requirements within the timescales needed. Whilst discussions have been held and quotations received this cannot be confirmed until a formal works order is placed.

13. Background papers

Transition to a Sustainable Fleet Strategy (Published works)

Covid-19 Fleet Procurement Decision Record (CIMT)

Appendices

Appendix A Live Summary Fleet Replacement Programme

Appendix B Proposed Sustainable Fleet Management Strategy

Appendix C Decision Impact Assessment

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APPENDIX A - FLEET SERVICES REPLACEMENT PLAN

Estimated cost					Number of vehicles				Items of plant			
	2021/22 £k	2022/23 £k	2023/24 £k	Total £k	2021/22	2022/23	2023/24	Total	2021/22	2022/23	2023/24	Total
Environment & Community												
Environment												
Bereavement	94	0	0	94	4	0	0	4	0	0	0	
Cleansing	927	534	106	1,567	19	6	1	26	3	0	0	3
Fleet	275	55	0	330	8	2	0	10	2	0	0	2
Grounds	3,432	1,498	818	5,747	50	15	11	76	454	119	100	673
HWRC	194	150	214	558	1	1	2	4	0	0	0	0
Refuse	5,765	2,435	185	8,385	29	11	1	41	4	0	0	4
Highways	3,547	86	90	3,723	31	3	1	35	12	0	2	14
Housing												
Corporate Works Team	273	65	0	338	8	2	0	10	2	0	0	2
Facilities Management	160	0	0	160	1	0	0	1	4	0	0	4
Housing	120	0	0	120	4	0	0	4	2	0	0	2
In House Team	784	98	1,085	1,967	27	4	37	68	1	0	0	1
Communities												
Regulatory	80	25	0	105	3	1	0	4	0	0	0	0
Regeneration & Economy												
Destination & Culture												
Culture	35	0	25	60	1	0	1	2	0	0	0	0
Seafront	256	0	95	350	7	0	4	11	3	0	0	3
Upton Country Park	51	0	1	52	3	0	0	3	0	0	1	1
Growth & Infrastructure												
Engineers	136	52	61	249	7	2	1	10	0	0	1	1
Parking	401	44	0	445	15	4	0	19	3	0	0	3
Passenger Transport	975	328	951	2,254	7	7	9	23	2	0	0	2
Resources												
IT	25	0	0	25	1	0	0	1	0	0	0	0
Mayoralty	0	90	0	90	0	2	0	2	0	0	0	0
SVPP	0	39	0	39	0	2	0	2	0	0	0	0
Adult Social Care												
Social Services	176	0	0	176	8	0	0	8	0	0	0	0
Transportation	95	0	25	120	4	0	1	5	0	0	0	0
Total	17,801	5,498	3,655	26,954	238	62	69	369	492	119	104	715

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Sustainable Fleet Management Strategy 2021 – 2024

Forward

I am pleased to introduce Bournemouth, Christchurch and Poole Council's first Sustainable Fleet Management Strategy. Its aim is to ensure services have compliant assets in the right place at the right time and that offer value for money. Very importantly through the adoption of a measured evidenced based approach Fleet Services will make ambitious strides to support the council's commitment to become carbon neutral by 2030.

Our fleet and equipment are vital assets in the delivery of services to our residents, businesses and visitors. The high-profile brand of BCP Council vehicles amongst our communities has implications for the council's reputation. A well maintained and efficient fleet contributes to public confidence in the council.

All vehicles and equipment must be fit for purpose and need to be managed effectively to support our services and ensure the health and safety of staff, customers and the wider community.

The timely procurement and management of these assets is key to delivering the council's five priorities:

- Sustainable Environment
- Dynamic Places
- Connected Communities
- Brighter Futures
- Fulfilled Lives.

This strategy provides the framework for the procurement, management and maintenance of all the vehicles, plant and mechanical equipment operated and required by the council. It also helps the council to deliver its services and meet its regulatory obligations as a Department of Transport Operator Licence holder.

Its success will be dependent on securing long term financial commitment and the support and co-operation of all employees to ensure our asset portfolio is always operated efficiently, responsibly, and sustainably.

Councillor Mike Greene

Portfolio Holder for Transport & Sustainability

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Vision and Objectives

Effective management of fleet related assets is critical to the delivery and performance of council services. This Sustainable Fleet Management Strategy sets out and controls the management of council fleet related assets.

Our vision is to provide effective fleet procurement, management, and a workshop maintenance service, enabling our users to deliver safe, reliable and cost-effective services to our communities, with a commitment to significantly reducing our reliance on fossil fuels and to make our assets environmentally sustainable

The objectives of the Sustainable Fleet Management Strategy are:

- i. Assets fit for purpose - All vehicles/plant and equipment will be 'fit for purpose' in terms of condition and suitability for the intended use.
- ii. Safety - The vehicle/plant or equipment must secure the minimum health and safety risk to our staff and members of the public.
- iii. Assets used effectively – Assets will be treated as a corporate resource, and the need to own/maintain the vehicles/equipment will be regularly challenged with users and the performance of assets will be monitored and reported with the aim of eliminating unnecessary expenditure.
- iv. Sustainability - Assets, which run efficiently, maximise value for money, are environmentally and energy efficient contributing directly to delivering reductions in carbon emissions inclusive of the environmental life cycle of the vehicle and component parts (including fuel).
- v. Centralised financial management - All asset expenditure will be managed by Fleet Services via an agreed sustainable replacement/maintenance plan, appropriately funded from dedicated service revenue budget allocations. Fleet Services will work with services when additional/high cost assets are required that are outside of the approved replacement/maintenance plan to determine if the need can be met through existing wider fleet assets or confirm the need for service units to identify funds to cover such items.

Note: This strategy is not intended to cover the council's grey fleet - Vehicles that are owned and driven by an employee for business purposes. Separate future policies and processes are to be considered to address grey fleet and sustainable travel.

Fleet Services Profile

The current assets comprise of 611 vehicles.

This is made up of a diverse range of vehicles from small vans, light goods caged and tipper vans, tail-lift box vehicles, mini-sweepers, minibuses, gritters and tippers, skip loaders and a range of heavy goods vehicles.

These assets are critical for delivering statutory frontline and income generating services which include:

- collection of waste and cleansing services including commercial
- maintenance of roads, cycleways/footpaths and winter operations
- passenger transport provision
- maintenance of open spaces including beaches
- maintenance of public buildings the council's housing stock.

In addition, there are a further 801 items of plant and equipment necessary to deliver our core services.

Fleet Operating Budget

Current capital assets £38.9 million

The council's overall annual fleet operating budget is £4,603,330

Item	Spend	Notes
Vehicle fuel	£1,472,030	Existing vehicle fleet Based on £1.10 pl
Servicing and maintenance	£1,283,100	Includes labour and centre operating costs
Parts and materials	£1,133,300	Includes external works
Leasing and hire charges	£603,100	
Licences	£111,800	

Note – Insurance is excluded as it is part of the council's overall insurance premium.

Corporate Fleet Assets Roles and Responsibilities

Fleet Services

Overarching responsibility for the compliance of all requirements associated with the council's Vehicle Operators Licence and for the delivery of strategic fleet procurement, maintenance, and management.

Fleet Services will provide advice and guidance for all departments within the council on all aspects related to vehicle, plant and equipment assets operation related matters, including provision of driver training where required.

Directorates/Service Units

Timely identification and clear communication of requirements to deliver services including the pursuit of alternative environmentally suitable modes of travel. Production of evidence-based business cases including financial commitment to seek amendments to fleet portfolio. Managing staff to ensure they comply with BCP Council policies and procedures, Transport and Road Traffic laws. Suitably manage drivers to ensure adherence to regulations and that there is no damage to the assets in their control and that the safety of themselves and others is not compromised in any way.

Drivers/Operators

Compliance with all elements of BCP Council's driver policies, transport and road traffic laws. Use the assets in accordance with operating instructions and return them in good condition. Provide feedback via their service unit on the suitability of vehicles currently in service and any demo vehicles they are asked to trial.

BCP Council will ensure it develops a robust Vehicle Usage Policy and that it is reviewed periodically to maintain its integrity and effectiveness. The Vehicle Usage Policy's aim will be to clearly set out standards of driving conduct for staff to ensure their own and others safety. This will include the monitoring of drivers' hours, driver licences, and fitness to drive, vehicle use and accident reporting. Council vehicles include council owned, leased or hired vehicles.

Strategic Procurement

Provide specialist advice and support to Fleet Services and lead manage the procurement process and compliance with BCP Council and public procurement regulations.

Financial Services

Work with Fleet Services and service units to produce, maintain and monitor a sustainable financial plan to support the strategy to ensure approved budgets are not exceeded. Provide appropriate financial analysis on business cases, work with Fleet Services and service units to identify appropriate funding for additional assets outside of the approved plan and challenge to ensure maximum efficiency and sustainability.

Key Functions of the Fleet Services Team

Act as holder of Operator's Licence ('O' Licence) on behalf of the Council maintaining safe and compliant assets.

Our operations are highly regulated and must adhere to the 'O' Licence terms and conditions, European Directives, health and safety legislation, Driver & Vehicle Standards Agency (DVSA) and Driver & Vehicle Licensing Agency (DVLA) rules and regulations as well as BCP Council policies and guidelines covering vehicles and driver usage. Running a modern fleet is a safety critical operation that must ensure employee and public safety. This is achieved through best practice in vehicle inspection, maintenance, operation and procurement.

The general requirements of the 'O' Licence cover:

- laws relating to driving and vehicle operation are observed
- vehicle maintenance arrangements
- drivers' hours and records management
- vehicle overloading
- maintaining our operating centres
- provision of sufficient financial resource
- professional competence
- good repute.

Maintenance of in-house fleet and plant assets via in house workshops and external providers that support the enabling of front-line services to deliver their service requirements

Our workshops and support team employ 36 full time employees (FTEs) and currently operate across four locations - Southcote Depot Bournemouth, Hatchpond Depot Poole, King's Park Depot Bournemouth (satellite site) and Grange Road Christchurch (satellite site)

Accident damage repairs will be arranged in liaison with the council's insurers. External vehicle body shop repair facilities will be used for accident damage repair and the work inspected by Fleet Services for compliance with standards.

Warranty repairs will be undertaken both internally and externally wherever most effective in the circumstances to minimise downtime.

The frequency of servicing can vary depending on the type of vehicle, this is governed by the terms of the council's Operators Licence, manufacturers recommendation and safety related compliance in general terms the frequencies are:

- annual service for all types
- annual MOT for all Large Goods Vehicles (LGV) and small vehicles + three years
- six weekly inspections / for O licence (LGV & Public Service Vehicles PSV)
- six monthly inspections for light commercials
- yearly services for small plant

Professional advice to users on vehicle specification and operation

We will work in partnership with service users to identify suitable replacement types, combining the expert knowledge and experience of service users to that of the fleet teams technical staff to ensure we secure the right product correctly specified to meet current and anticipated future needs. Fleet Services will arrange and manage suitable vehicle and technology demonstrators that will enable services to sample the current market, providing access to the latest technical advances in vehicle and vehicle management technology.

We will ensure vehicles are supplied with training, certification, support packages and warranties to ensure operators utilise vehicles and equipment safely, and managers are equipped to maximise any potential efficiencies and savings through the use of auxiliary systems – such as equipment telemetry and CCTV.

Manage vehicle procurement and branding for service users

Procurement of approved replacement vehicles will be subject to BCP Council Procurement Rules/Financial Regulations and EU Public Procurement Regulations.

There are several framework agreements available to us that can provide the service with a range of potential suppliers. Alternatively, and increasingly proving advantageous we can conduct our own bespoke procurement exercise. The options for procurement will be regularly reviewed by Procurement and Financial Services to ensure the most appropriate and cost-effective methods are used.

The evaluation and award criteria of the most appropriate vehicles/plant or equipment to select will include purchase costs, whole life running costs, spare parts, warranty provision and environmental credentials including full life cycle.

It is important that our vehicles comply with our brand guidelines and present a professional and consistent face to our surrounding communities. Only the BCP Council logo should appear on council vehicles – not individual directorate or service names.

Storage and supply of fuel

Fuel is supplied from three bunkered sites. The procurement and distribution of this fuel is managed by Environment Services.

Fuel management is key to monitoring vehicle use and detailed reporting is required to report on and manage CO2 emissions. Work is underway to consolidate fuel system telemetry and establish a direct link into Fleets management system *Tranman* which will provide detailed reporting on fuel use by type, class and service area.

Combined fuel use for the current BCP Council vehicle fleet excluding small plant equipment is estimated at 1.34 million litres which equates to approximately 3358 tonnes of CO2. Based on current diesel blend (7%)

Provision of a corporate vehicle hire facility

We will arrange car hire for any period over 12 days to ensure the vehicle appears on fourth directive insurance database. Hires for less than 12 days should be dealt with by individual service units directly via the corporately approved provider. All other hired vehicles are arranged centrally by Fleet Services, including commercial vehicles, to ensure compliance with insurance and Operators Licence requirements. All large commercial vehicles over 3500kgs have a safety inspection prior to service unit operation under 'best practice'.

Provision of core driver/operator training

Our driver / operator training is undertaken by our in-house training team Fleet Training Services. This training has been developed to fulfil our health and safety responsibilities, statutory duty and to provide staff with the skills they need to undertake their roles.

We are a Joint Approvals Unit for Periodic Training (JAUPT) accredited training centre this enables us to deliver Driver Certificate of Professional Competence training straight to our teams and in a way that ensures as little disruption to services as possible. We also have qualified instructors / assessors accredited with Independent Training Standards Scheme & Register (ITSSAR) delivering plant and machinery training.

Income generation via safety inspections and MOTs

We are an established and trusted organisation offering competitive prices. Our vehicle technicians are fully skilled in both light and heavy vehicles and are committed to carbon reduction and environmental sustainability.

We offer regular inspections and MOT classes 4 ,5 & 7 vehicles to businesses and private vehicle owners offering a full service and repair facility via our skilled fitters.

We provide a testing service for licensed taxis operating within the authority's area, in conjunction with and at the request of the licensing section of the council.

Disposal

Prior to disposal of vehicles at the end of their useful lives with the council, we will remove council equipment and livery. Prior to pre-sale, we undertake roadworthiness checks to maximise potential sale proceeds. Once de-commissioned, vehicles will be sold at auction using approved providers, or direct to public and private organisations where value for money can be demonstrated.

Proceeds from any sales of vehicles will be credited to the Fleet Asset Replacement Fund. Vehicles which are deemed to be beyond any use and have reached the end of life will be disposed of through recognised accredited vehicle dismantlers.

Fleet Asset Replacement and Management Process

We have identified our current core fleet assets needs via the formation of a live register. Service units have and will continue to be required to confirm a continuing need for the assets. We must invest in such assets to enable the delivery of our core functions and responsibilities. For additional new vehicles or vehicle modifications/enhancements service units must provide an approved business case clearly demonstrating the necessary ongoing funding is in place or which other parts of their fleet profile is to be reduced to accommodate any increased funding costs.

The financial investment required to support such a large and diverse asset replacement programme must not be underestimated and poses a very real challenge, with only minimal capital allocations secured significant additional funding is necessary to keep services operational. With demands exceeding available financial resources the need for a robust replacement plan is essential to prioritise replacements based on necessity.

The asset register will identify assets coming to end of operating life and/or when an asset is coming to the end of its funding arrangement or when cost of replacement has risen. Fleet Services will engage with service units to determine if there is an ongoing future need and if so, explore marketplace advances to inform replacement options including Ultra Low Emission Vehicles (ULEV).

Replacement factor considerations:

- condition of vehicle
- mileage of vehicle
- age of vehicle
- service unit's requirement needs
- whole life costs incurred to date
- projected future maintenance costs if retention a consideration
- existing fuel type and carbon impact
- alternative marketplace fuelling options available and viable
- carbon footprint of repair versus new.

Replacement Financing Strategy and Operating Budget

The approved live replacement strategy will be funded from prudential borrowing. This has the benefit of spreading the financial impact of fleet acquisition over the useful life of the asset and ensures the financial sustainability of the fleet. This is because ongoing revenue budgets are established for borrowing repayments, from which future vehicle replacements are funded when vehicle lives expire. The Prudential Code for Capital Finance stipulates that a council can undertake prudential borrowing:

- I. to finance capital expenditure
- II. where it is supported by a robust business case that demonstrates that both the borrowing capital and associated interest repayments can be funded over the life of the asset.

In line with the council's 'invest to save' framework, prudential borrowing would be repaid over the useful life of each vehicle, at a 'low risk' borrowing rate currently of 3 per cent.

The funding required to operate and maintain the approved fleet will be through an approved revenue budget allocation held centrally by Fleet Services with support from Financial Services and will take account of the known requirements. Any additional/exceptional requirements will need funding from other sources and will be agreed with services prior to any purchases/works taking place. Increasing costs affecting many assets e.g. fuel prices will be dealt with through the council's annual budget setting process.

Decarbonising Our Vehicle Fleet 2021 – 2024

July 2019 saw the council declare a Climate and Ecological Emergency making a formal commitment to doing all it can to achieve the target of becoming carbon neutral by 2030.

The way in which council vehicles are operated and renewed is seen as a vital part of our response to the climate emergency and the expectation that council become a leader in the fight to reduce the conurbations carbon emissions.

The Government's Road to Zero Strategy and Ten Point Green Industrial Revolution presents us all with a challenge to drastically reduce our carbon emissions by 2030. For our fleet management, that means taking a 4-step approach to sustainability:

- collecting accurate data around vehicle use
- managing and reducing demand
- switching to Hydrotreated Vegetable Oil (HVO) a paraffinic, premium quality second-generation renewable fuel that provides a cleaner-burning alternative for use in diesel engines. Whilst not the full solution it offers a significant important interim intervention in reducing greenhouse gas emissions by up to 90%.while other technologies are developed.
- investing in ultra low-emission vehicles (ULEVs) and infrastructure where accessible and proven in the marketplace

Our initial 3 year strategy sets out an exciting beginning of our pathway towards greening our fleet of vehicles to minimise the environmental and health impacts they cause, without compromising on the quality and efficient services we deliver daily to our residents.

Green vehicle technology is developing rapidly all the time and the purpose of this strategy is not to second guess what future technology will emerge within the marketplace or predict our corporate transformation programme outcomes including understanding how and where services will be delivered across our conurbation. At the heart of this strategy is a bold aim to significantly reduce our current carbon emissions and transition as many of our vehicles to be a ULEV fleet over the forthcoming 3 years where these are marketplace available and proven effective, as well as promoting healthier forms of travel such as walking and cycling.

Marketplace overview

Industry acknowledges that the ULEV marketplace is yet to mature particularly in terms of the large goods vehicle fleet with some types of vehicles not widely available. Whilst over the past year development of the larger type of vehicle has expanded onto the market, these new market entrants' longevity and fitness for purpose remains in part unproven, however rapid progress is now being made.

As part of the Government's Green Industrial Revolution, and following extensive consultation with car manufacturers and sellers, the Prime Minister has confirmed that the UK will end the sale of new petrol and diesel cars and vans by 2030, ten years earlier than planned. However, it will allow the sale of hybrid cars and vans that can drive a significant distance with no carbon coming out of the tailpipe until 2035. Government is also committed to launch a consultation on the phase out of new diesel Heavy Goods Vehicles (HGVs) to put the UK in the vanguard of zero emission freight with a potential focus on hydrogen. No date has been set yet.

Challenging our approach

The council corporate vehicle fleet assets comprise of 611 vehicles with currently only 2% of the overall fleet being an ULEV.

Profile includes:

- 216 light goods vehicles
- 184 small vans
- 114 Heavy Goods Vehicles
- 48 Minibuses
- 19 Road sweepers
- 21 Cars/motorbikes
- 9 Forklifts/Cherry pickers

Our vehicles currently principally run on Diesel or Petrol with an increasing number of small vans being replaced with electric as standard. The vehicle fleet has been assessed as emitting 3,358 tonnes of carbon on average each year which accounts for 42% of our known direct (Scope 1) CO2 emissions. Total Scope 1 emissions are reported as 7942.3 tonnes per annum.

As an organisation we have already undertaken numerous initiatives to develop more sustainable forms of fleet management including; adoption of fully electric small vans, implementation of grant funded fleet vehicle electric charge points, adoption of bio diesel fuel stocks, driver behaviour monitoring and training, the broader use of telematics and route optimisation software, adoption of electric waste collection vehicle bin lifts, promotion of clean air roadshows including promotion of electric bikes and electric cargo bikes, as well as reducing overall fleet numbers through identification of duplicate resources or via service redesign.

We have secured further Office for Low Emission Vehicle (OLEV) grant funding to increase the number of existing charge points from 9 to 22 with 19 units installed to date, to support ongoing procurement of proven electric small fleet. The work to install these further charging points has started with our own accredited Facilities Management Services team providing the equipment and installation work required.

Locations:

Hatchpond Depot	8
Southcote Road Depot	5
Bournemouth Town Hall	2
Poole Civic Centre	3
Grange Rd Depot	1
Kingland Road Car Park	1
Dalling Rd Depot	1
Kings Park Depot	1

Pathway to Achieve a Zero Tail Pipe Emissions Fleet

Our pathway details a series of steps to be fully considered before procurement is pursued.

- a. Where possible, in the first instance the fleet will continue to be rationalised as transformation programmes develop, ensuring that vehicle utilisation is maximised whilst balancing a growing conurbation and the operational needs of service units.

- b. To compliment the fleet profile and encourage alternatives to services the introduction of a pool of electric bikes will be evaluated to encourage active travel where it is safe and appropriate to service delivery to do so.
- c. When a vehicle is due to be replaced, it will be replaced with an ultra-low emission vehicle (ULEV) as the vehicle of preference e.g. small van fleet. Essentially, and with consideration to existing council infrastructure and current availability, these are likely to be full electric vehicles or a petrol hybrid configuration at the present time.
- d. When a ULEV is not available, economically viable or cannot secure the necessary supporting infrastructure needs, the replacement vehicle will as a minimum be Clean Air Zone compliant, and fuelled via Hydrotreated Vegetable Oil (HVO) fuel which provides a straightforward alternative to diesel to significantly lower carbon emissions by as much as 90%.
- e. Once vehicles are clean air zone compliant and/or where manufacturer supported fuelled via HVO fuel, where possible the lifecycle will be extended whilst balancing the day to day maintenance costs until alternative fuelling options become common place in the marketplace and suitability is understood.

Ultra Low Emission Vehicle Procurement Programme

Whilst ambitious, this strategy takes a measured approach in investing our limited funds in the rapidly evolving area of electric or other ultra low emissions vehicle (ULEV) technology and recognises that the council is not best placed to stay on the cutting edge of technology development.

Electric vehicle infrastructure requirements are scalable, and our relatively small geography mitigates some of the concerns about electric vehicle range for being a suitable ULEV technology pathway for the council to pursue at this time.

In September 2019 all council buildings across Bournemouth, Christchurch and Poole switched to be powered on 100% renewable electricity – including our operating depots.

The electricity procured is supplied by energy company Npower and it is a fully audited Renewable Energy Guarantees Origin (REGO) certified product. It is generated from wind and hydro sources.

The council, however like any organisation looking to invest in a large number of electric vehicles faces a challenge: charging infrastructure and capacity. Surveys of our sites suggest the capacity is limited to only charge a small number of vehicles, this is not due to the power supply of the site but because of the local grid and insufficient supply capacity.

To realise this 3 year strategy and achieve 104 new ULEV replacements including Large Goods Vehicles (LGV's) significantly bolstering the 13 vehicles already forming part of our ULEV fleet, investment in enabling infrastructure is key and will necessitate funding to upgrade the substation at an existing depot to address the current incoming main capacity limitations of 100kw to achieve 500kw, a large capacity network, a standard EV charger is rated at 7.2 kw and a larger chargers at 40kw / 50kw.

Investigation have shown that axillary sites can generally accommodate between 2 – 3 chargers without the need for infrastructure upgrades although each proposed location will need to be surveyed for confirmation.

How Electric Vehicles Stack Up – Investing in our Future

Electric vehicles are only one of several ULEV technologies within the transport marketplace but are one of the most advanced and readily available. Replacing existing petrol or diesel vehicles with electric vehicles (EVs) brings the environmental benefits of lowering carbon emissions and reducing local air pollution.

Small electric vehicles now achieve cost parity with conventional vehicles in the UK. Cost is no longer a barrier to purchase with councils achieving savings in vehicle running costs, with some research showing a typical electric vehicle saving its operator roughly £100 in fuel for every 1,000 miles driven, when compared to petrol or diesel.

Development continues throughout the motor industry with new market entrants emerging in increasing numbers now including the Large Goods Vehicle market.

Pilot Employee Home Charging Scheme

To enable the future adoption of more electric vehicles across the council fleet and provide solutions to current council owned site charging limitations, a home charging scheme pilot will be launched. Employees who have off-road parking at their home and require a council vehicle to fulfil their employment will be sought to volunteer for the pilot. The council will fit the charge units and pay a reimbursement to the employee aligned to the electricity rate to charge the vehicle. If the employee leaves the authority, the council will remove the unit.

The pilot if successful will be used to inform the development of the council's policy and processes, with appropriate consideration of the legal, financial, environmental, and safety related factors such as on charge point payment mechanisms, paving the way for a wider roll-out.

Home charging if proved successful could enable the council to increase its electric vehicle fleet by up to a further 113 home-based vehicles.

Fuelling Investment Switch - Hydrotreated Vegetable Oil

Given the urgency of the climate crisis, there isn't enough time to wait for our vehicles to reach their end of economic life replacement timelines or ongoing increase in marketplace EV uptake to make a significant reduction in our local emissions. The future remains uncertain, in that technology is developing all the time and the purpose of the fleet strategy is not to second guess the future technology; switching to renewable, paraffinic fuels offers a straightforward and immediate solution. It will also support a circular economy, as the HVO fuel is produced from sustainable feedstock, including waste cooking oil.

Our aim is for our vehicles to be ultra-low emission vehicles (ULEVs) by 2030. Ideally this will be achieved by using electric, hydrogen, compressed natural gas (CNG) or other emerging technologies which have zero tailpipe emissions. However, current vehicle technology and local supporting infrastructure does not currently widely support this vision, particularly for the heavy goods vehicles. In response our strategy proposes using renewable fuels to minimise emissions during this transition.

During trials, the fuel has performed well from an operational point of view. HVO requires no additional maintenance or changes to operational procedure as it is used as a direct replacement for conventional diesel so there is no price differential for the vehicles themselves. The fuel costs more per litre than mineral diesel so there is no whole life cost saving however, it represents a cost-effective option for reducing fleet carbon emissions.

Carbon (CO₂) emissions from the combined Councils' fleet of vehicles represent 42% of the organisations Scope 1 CO₂ emissions, approximately 3,358 tonnes in total. HVO is a paraffinic fuel that is chemically similar to conventional fossil fuel diesel and complies with European Standard EN1590 it can reduce greenhouse emissions by up to 90% depending on the blend.

The council will seek to procure its bulk fuels contract to make HVO its primary road fuel for all vehicles where supported by vehicle manufacturers. A procurement process can be specified as required to be an accredited fuel under the Zemo Partnership Renewable Fuels Assurance Scheme for high -blend renewable fuels, that complements the safeguards included in the Renewable Transport Fuel Obligation (RTFO). The assurance criteria are based on life cycle GHG emissions, feedstock sustainability and supply chain traceability.

In the event of any disruption to supply of HVO the vehicles would revert to using fossil diesel so there is no risk to operational services.

Learning from others

Throughout our journey we will proactively work with partners and external organisations to continue to help shape our future direction, learning with and from others responding to this challenging global issue.

Key Targets and Measures

Regulatory Compliance:

- Operator Licence Compliance
- achieve DVSA Earned Recognition Accredited Operator by 2023.

Environmental Measures:

- report on number and percentage of alternative fuelled vehicles procured
- report on number of alternative fuelled trialled vehicles
- report on emission impact by service units
- report on HVO fuel procured
- trial e-cargo bike usage amongst service units
- overall reported reduction in reliance of fossil fuels.

Infrastructure Reviews:

- undertake transformation depot accommodation review, fuelling infrastructure improvements to support pathway to sustainable fleet
- development of an at home charging options paper

Strategic Procurement

- deliver fleet replacement plan incorporating the sustainability, ethical & environment considerations decision impact assessment
- tender HVO fuel contract as primary fuel source for council owned vehicles where not
- tender short term hire contract
- tender vehicle parts contract
- tender personal protective equipment (PPE) contract.

Policy Development

- develop Driver User Policy in conjunction with Human Resources
- develop Drugs & Alcohol Policy in conjunction with Human Resources
- consolidate Accident Reporting & Repair Procedures
- develop Shared User Agreement Policy.

Staff Development

- reintroduction of workshop apprentices
- upskilling workforce to support emerging fleet technology advances
- annual BCP Council Driver Certificate of Professional Competence compliance.

This strategy will be reviewed annually by Officers to ensure it remains fit for purpose.

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Proposal Title: Sustainable Fleet Management Strategy

Impact Summary

Climate Change & Energy	Green - Only positive impacts identified
Communities & Culture	No Impact Identified
Waste & Resource Use	Green - Only positive impacts identified
Economy	Green - Only positive impacts identified
Health & Wellbeing	Green - Only positive impacts identified
Learning & Skills	Green - Only positive impacts identified
Natural Environment	Green - Only positive impacts identified
Sustainable Procurement	Green - Only positive impacts identified
Transport & Accessibility	Green - Only positive impacts identified



Major negative impacts identified



Minor negative impacts identified / unknown impacts



Only positive impacts identified



No positive or negative impacts identified

Answers provided indicate that the score for the carbon footprint of the proposal is: **4**

The Carbon Footprint is banded as follows:

0-4

Low

5-9

Moderate

10-14

High

Proposal ID: **232**

Proposal Title: **Sustainable Fleet Management Strategy**

Type of Proposal: **Strategy**

Brief description:

3 year council fleet asset replacement strategy to ensure ongoing service resilience of key front line service provision. The strategy seeks to support the council's 2030 carbon neutral commitment. Ambitiously proposing to invest in electric vehicle technology and switching from diesel fossil fuel to Hydrotreated Vegetable Oil to significantly reduce local CO2 emissions from Council operated vehicles

Proposer's Name: **Kate Langdown**

Proposer's Directorate: **Environment & Community**

Proposer's Service Unit: **Environment**

Estimated cost (£): **Between £25K and OJEU threshold**

If know, the cost amount (£):

Ward(s) Affected (if applicable):

All Wards

Sustainable Development Goals (SDGs) supported by the proposal:

3. Good Health and Well Being 7. Affordable and Clean Energy 9. Industry, Innovation and Infrastructure 13. Climate Action

Proposal Title: Sustainable Fleet Management Strategy

Climate Change & Energy

Is the proposal likely to have any impacts (positive or negative) on addressing the causes and effects of climate change? **Yes**

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Has the proposal accounted for the potential impacts of climate change, e.g. flooding, storms or heatwaves? **Yes**
- 2) Does it assist reducing CO2 and other Green House Gas (GHG) emissions? E.g. reduction in energy or transport use, or waste produced. **Yes**
- 3) Will it increase energy efficiency (e.g. increased efficiency standards / better design / improved construction technologies / choice of materials) and/or reduce energy consumption? **Partially**
- 4) Will it increase the amount of energy obtained from renewable and low carbon sources? **Yes**

How was the overall impact of the proposal on its ability to positively address the cause and effects of climate change rated?

Green - Only positive impacts identified

The reasoning for the answer (details of impacts including evidence and knowledge gaps):
The replacement strategy proposes a procurement move to electric vehicles (104 vehicles over 3 years) where these are marketplace available and life trial new market entrants for suitability within infrastructure investment limitations.

The strategy also proposes a procurement switch from fossil fuels to Hydrotreated Vegetable Oil across the council fleet assets which will significantly reduce co2 emissions

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

Trials of Hydrotreated Vegetable Oil have proved successful with no detriment to operational performance

Proposal Title: Sustainable Fleet Management Strategy

Communities & Culture

Is the proposal likely to impact (positively or negatively) on the development of safe, vibrant, inclusive and engaged communities? **No**

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

The council fleet sustainable fleet management strategy will not impact communities & culture with the exception of ensuring service continuity within communities, reduced operating noise and CO2 emissions

1) Will it help maintain and expand vibrant voluntary and community organisations? **No**

2) Will it promote a safe community environment?

3) Will it promote and develop cultural activities? **No**

How would the overall impact of the proposal on the development of safe, vibrant, inclusive and engaged communities be rated?

No Impact Identified

Reasoning for the answer (details of impacts including evidence and knowledge gaps):

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

Proposal Title: Sustainable Fleet Management Strategy**Waste & Resource Use**

Is the proposal likely to have any impacts (positive or negative) on waste resource use or production and consumption? **Yes**

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

HVO is a fossil free product made of 100% renewable raw materials

Electricity supply to support EV fleet has already been procured as part of a council wide switch and is supplied by energy company Npower and it is a fully audited Renewable Energy Guarantees Origin (REGO) certified product. It is generated from wind and hydro sources.

- 1) Will it prevent waste or promote the reduction, re-use, recycling or recovery of materials? **Partially**
- 2) Will it use sustainable production methods or reduce the need for resources? **Partially**
- 3) Will it manage the extraction and use of raw materials in ways that minimise depletion and cause no serious environmental damage? **Partially**
- 4) Will it help to reduce the amount of water abstracted and / or used? **No**

How would the overall impact of the proposal on the sustainable production and consumption of natural resources be rated? **Green - Only positive impacts identified**

The reasoning for the answer (details of impacts including evidence and knowledge gaps):

HVO is a fossil free product made of 100% renewable raw materials

Electricity supply to support EV fleet has already been procured as part of a council wide switch and is supplied by energy company Npower and it is a fully audited Renewable Energy Guarantees Origin (REGO) certified product. It is generated from wind and hydro sources.

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

As above

Proposal Title: Sustainable Fleet Management Strategy

Economy

Is the proposal likely to impact (positively or negatively) on the area's ability to support, maintain and grow a sustainable, diverse and thriving economy? **Yes**

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will the proposal encourage local business creation and / or growth?

Not Relevant

- 2) Will the proposal enable local jobs to be created or retained?

Not Relevant

- 3) Will the proposal promote sustainable business practices?

Yes

How would the overall impact of the proposal on it's potential to support and maintain a sustainable, diverse and thriving economy be rated?

Green - Only positive impacts identified

The reasoning for the answer (details of impacts including evidence and knowledge gaps)

Through the strategy the council will demonstrate its leadership commitment to tackling the climate emergency and embracement of marketplace advances in electric vehicle technology which in turn may provide encouragement and confidence within the local economy to invest in sustainable operating solutions.

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc)

N/A

Proposal Title: Sustainable Fleet Management Strategy

Health & Wellbeing

Is the proposal likely to impact (positively or negatively) on the creation of a inclusive and healthy social and physical environmental for all?

Yes

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will the proposal contribute to improving the health and wellbeing of residents?

Yes

- 2) Will the proposal contribute to reducing inequalities in health between different communities or groups?

Not Relevant

- 3) Will the proposal contribute to a healthier and more sustainable physical environment?

Yes

How would the overall impact of the proposal on the creation of a fair and healthy social and physical environmental for all be rated?

Green - Only positive impacts identified

The reasoning for the answer (details of impacts including evidence and knowledge gaps):

The strategy will significantly reduce CO2 emissions from Council operated vehicles, improved air quality in the local environment and reduced noise from operating vehicles

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

N/A

Proposal Title: Sustainable Fleet Management Strategy

Learning & Skills

Is the proposal likely to impact (positively or negatively) on a culture of ongoing engagement and excellence in learning and skills? **Don't Know**

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

Strategy is not linked to skills and learning outcomes

- 1) Will it provide and/or improve opportunities for formal learning?
Not Relevant
- 2) Will it provide and/or improve community learning and development?
Not Relevant
- 3) Will it provide and/or improve opportunities for apprenticeships and other skill based learning?
Partially

How would the overall impact of the proposal on the encouragement of learning and skills be rated? **Green - Only positive impacts identified**

The reasoning for the answer (details of impacts including evidence and knowledge gaps):

Fleet services offers apprenticeship opportunities as the sector moves forward with ULEV the skill base will shift to recognise the environmental impact of vehicles and the important role new vehicle types and technology are playing in tackling climate change

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

N/A

Proposal Title: Sustainable Fleet Management Strategy**Natural Environment**

Is the proposal likely to impact (positively or negatively) on the protection or enhancement of local biodiversity or the access to and quality of natural environments?

Yes

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will it help protect and improve biodiversity i.e. habitats or species (including designated and non-designated)? **Partially**
- 2) Will it improve access to and connectivity of local green spaces whilst protecting and enhancing them? **Not Relevant**
- 3) Will it help protect and enhance the landscape quality and character?
Not Relevant
- 4) Will it help to protect and enhance the quality of the area's air, water and land?
Yes

How would the overall impact of your proposal on the protection and enhancement of natural environments be rated?

Green - Only positive impacts identified

The reasoning for the answer (details of impacts including evidence and knowledge gaps):

The strategy proposes to delivery significantly reduce CO2 emissions from council operated fleet and improved air quality and reduced roadside emissions protecting roadside biodiversity

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

N/A

Proposal Title: Sustainable Fleet Management Strategy

Sustainable Procurement

Is the proposal likely to involve the procurement of goods or services which risk negative impact on resources (including power, water, raw material extraction), natural environment or labour markets (e.g. welfare standards)?

Yes

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

Has or is it intended that the Strategic Procurement team be consulted?

Yes – already underway

If the Strategic Procurement team was not consulted, then the explanation for this is:

- 1) Do the Government Buying Standards (GBS) apply to goods and/or services that are planned to be bought?

Yes

- 2) Has sustainable resource use (e.g. energy & water consumption, waste streams, minerals use) been considered for whole life-cycle of the product/service?

Yes

- 3) Has the issue of carbon reduction (e.g. energy sources, transport issues) and adaptation (e.g. resilience against extreme weather events) been considered in the supply chain?

Yes

- 4) Is the product/service fairly traded i.e. ensures good working conditions, social benefits e.g. Fairtrade or similar standards?

Partially

- 5) Has the lotting strategy been optimised to improve prospects for local suppliers and SMEs?

Not Relevant

- 6) If aspects of the requirement are unsustainable then is continued improvement factored into your contract with KPIs, and will this be monitored?

Not Relevant

How is the overall impact of your proposal on procurement which supports sustainable resource use, environmental protection and progressive labour standards been rated?

Green - Only positive impacts identified

The reasoning for the answer (details of impacts including evidence and knowledge gaps):

Working with Strategic Procurement Team

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

3 year fleet replacement strategy

Proposal Title: Sustainable Fleet Management Strategy**Transport & Accessibility**

Is the proposal likely to have any impacts (positive or negative) on the provision of sustainable, accessible, affordable and safe transport services - improving links to jobs, schools, health and other services? **Yes**

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

.

- 1) Will it support and encourage the provision of sustainable and accessible modes of transport (including walking, cycling, bus, trains and low emission vehicles)?

Yes

- 2) Will it reduce the distances needed to travel to access work, leisure and other services?

Partially

- 3) Will it encourage affordable and safe transport options?

No

How would the overall impact of your proposal on the provision of sustainable, accessible, affordable and safe transport services be rated?

Green - Only positive impacts identified

The reasoning for the answer (details of impacts including evidence and knowledge gaps):

Home charging pilot will help inform options to increase direct home to work travel reducing avoidable travel.

The Strategy will increase the number of Electric vehicle operated by the Council as part of its ULEV commitment in reducing CO2

Details of proposed mitigation and monitoring (inc. timescales, responsible officers, related business plans etc):



Audit & Governance Committee

Report Subject	Treasury Management Monitoring Outturn 2020/21 and update for Quarter 1 2021/22
Meeting date	29 July 2021
Status	Public
Executive summary	<p>This report sets out the monitoring of the Council's Treasury Management function for the period 1 April 2020 to 31 March 2021.</p> <p>A surplus of £18k has been achieved through a reduced need to carry out temporary borrowing due to high cash balances generated from funding paid in advance associated with the government's response to the pandemic.</p> <p>The report also sets out the Quarter One performance for 2021/22 which forecasts an underspend of £171k due to a lower requirement for temporary borrowing.</p> <p>Further to the standard update the reports seeks approval to a minor adjustment to the Councils minimum revenue provision policy as well as seeking endorsement to increase our borrowing head room in line with the proposal set out in the financial strategy supporting the proposed 2022/23 budget as endorsed by Cabinet.</p>
Recommendations	<p>It is recommended that Audit & Governance Committee:</p> <ol style="list-style-type: none"> 1) note the reported activity of the Treasury Management function for 2020/21 2) note the reported activity of the Treasury Management function for April to June 2021 3) note and endorse the update on borrowing set out from paragraph 23-29 4) approve and recommend to Full Council the revised prudential indicators set out in table 8 and the proposed adjustment to the Council Minimum Revenue Provision policy as set out in paragraph 32.
Reasons for recommendations	<p>It is a requirement under the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Code of Practice that regular monitoring of the Treasury Management function is reported to Members.</p> <p>Council are required to approve any changes to the prudential indicators based on a recommendation from the Audit & Governance Committee.</p>

Portfolio Holder	Councillor Drew Mellor, Leader, Finance & Transformation
Corporate Director	Graham Farrant, Chief Executive
Service Director	Adam Richens - Chief Financial Officer
Classification	For information and recommendation
Report author	Matthew Filmer, Finance Manager - Corporate ☎ 01202 128503 ✉ matthew.filmer@bcpcouncil.gov.uk

Background Detail

1. Treasury Management is defined as the management of the Council's cash flows, its borrowings and investments, the management of the associated risks and the pursuit of the optimum performance or return consistent with those risks.
2. The Treasury Management function operates in accordance with The Chartered Institute of Public Finance and Accountancy (CIPFA) 'Treasury Management in the Public Services' Code of Practice (2011).
3. The Treasury Management function manages the Council's cash flow by exercising effective cash management and ensuring that the bank balance is as close to nil as possible. The objective is to ensure that bank charges are kept to a minimum whilst maximising interest earned. A sound understanding of the Council's business and cash flow cycles enables funds to be managed efficiently.
4. This report considers the treasury management activities in relation to the Treasury Management Strategy. Also included is a summary of the current economic climate, an overview of the estimated performance of the treasury function, an update on the borrowing strategy, investments and compliance with prudential indicators.

Economic Background

5. The 24 June Monetary Policy Committee (MPC) meeting voted unanimously to keep the Bank Rate unchanged at 0.10%. They voted by a majority of 8-1 to continue unchanged the existing programme of UK government bond purchases of £875bn which is due to end by the end of this year.
6. The MPC noted the developing upside risks in the UK to both activity and inflation. In particular the MPC still appears willing to ride out the inevitable spike in inflation over the next six months as it thinks it will be short-lived and caused by one-off reopening price rises and supply shortages relative to demand - boosted by consumers having built up huge savings of around £145bn during lockdown.
7. The UK latest inflation rate hit 2.5% in the year to June, the highest for nearly three years, as the unlocking of the UK economy continued. The Consumer Prices Index measure of inflation rose from 2.1% in May. On a monthly basis, the Consumer Price Index (CPI) rose by 0.5% in June 2021, compared with a rise of 0.1% in June 2020. The Office for National Statistics (ONS) said that the largest factor pushing inflation upwards was transport costs such as fuel, as well as

higher prices for clothes, food and footwear. The data came a day after it was revealed that US inflation had risen to 5.4%.

8. The rate is higher than the Bank of England's 2% inflation target for a second month. This is fuelling the debate about whether interest rates need to go up sooner, with economists predicting inflation could reach nearly 4% this year.

Interest Rates

9. Table 1 below which is produced by the authority's treasury consultants Link Asset Services illustrates that there is an expectation, albeit tentatively that the bank rate will only increase in September 2023 with Public Works Loan Board (PWLb) borrowing rates continuing to edge up very marginally over that period.

Table 1: Interest rate projection (Link Asset Services)

Link Group Interest Rate View		10.5.21											
		Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
BANK RATE 3 month ave earnings 6 month ave earnings 12 month ave earnings 5 yr PWLB 10 yr PWLB 25 yr PWLB 50 yr PWLB		0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.25	0.25	0.25
		0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.30	0.30	0.30
		0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.20	0.30	0.40	0.40	0.40
		0.20	0.20	0.20	0.20	0.20	0.20	0.30	0.30	0.40	0.50	0.50	0.50
		1.20	1.20	1.30	1.30	1.30	1.40	1.40	1.40	1.40	1.50	1.50	1.50
		1.70	1.70	1.70	1.80	1.80	1.90	1.90	1.90	2.00	2.00	2.00	2.00
		2.20	2.20	2.30	2.40	2.40	2.40	2.50	2.50	2.50	2.50	2.50	2.60
		2.00	2.00	2.10	2.20	2.20	2.20	2.30	2.30	2.30	2.30	2.30	2.40

Treasury Management Performance 2020/21

10. Table 2 below shows the final overall treasury management position for 2020/21. Investment income fell short of the budget set for 2020/21 by £11k. This was down to historically low interest rates being earned on the Council investments.
11. The interest paid on borrowing was £29k under budget. This was mainly driven by the reduced need to carry out temporary borrowing. The Government had provided significant cash resources due COVID19 which meant cash balances throughout the year were higher than assumed in the budget setting.

Table 2: Treasury Management Performance 2020/21

	Actuals 2020/21 £'000	Budget 2020/21 £'000	Variance 2020/21 £'000
<u>Expenditure</u>			
Interest Paid on Borrowings	1,771	1,800	(29)
<u>Income</u>			
Investment Interest Received	(174)	(185)	11
Total	1,597	1,615	(18)

Borrowing

12. The Council has adopted a two-pool approach to debt management, separating the debts of the General Fund (Pool 1) and the Housing Revenue Account (HRA) (Pool 2). The HRA pool is a combination of both the Poole and Bournemouth Neighbourhood HRA accounts.
13. Table 3 below shows the closing level of borrowing for the Council.

Table 3: Council Borrowings as at 31 March 2021

Initial Loan Value £'000	Interest Rate	Balance as at 31 Mar 2021 £'000	Maturity Date	General Fund Pool £'000	HRA Pool £'000	Source
Short Term Borrowing						
10,000	0.90%	10,000	26-Apr-2021	10,000	-	Nottingham City Council
5,000	0.85%	5,000	28-Apr-2021	5,000	-	Wokingham Borough Council
5,000	0.19%	5,000	30-Apr-2021	5,000	-	Portsmouth City Council
10,000	0.19%	10,000	24-May-2021	10,000	-	South Yorkshire Pensions Authority
5,000	0.19%	5,000	24-May-2021	5,000	-	Solihull MBC
2,000	8.00%	2,000	25-Nov-2021	-	2,000	PWLB
37,000	1.72% <i>Average Rate</i>	37,000		35,000	2,000	
Long Term Borrowing						
2,000	8.00%	2,000	25-Nov-2022	-	2,000	PWLB
5,000	2.66%	1,042	22-Aug-2023	-	1,042	PWLB
5,000	4.45%	5,000	24-Sep-2030	-	5,000	PWLB
5,000	4.45%	5,000	24-Nov-2031	5,000	-	PWLB
5,000	4.75%	5,000	24-Sep-2032	-	5,000	PWLB
5,000	4.45%	5,000	24-Nov-2032	5,000	-	PWLB
5,000	4.75%	5,000	24-Sep-2033	-	5,000	PWLB
5,000	4.60%	5,000	23-Feb-2035	-	5,000	PWLB
5,000	4.72%	5,000	22-Aug-2036	-	5,000	PWLB
5,000	2.80%	5,000	20-Jun-2041	5,000	-	PWLB
5,000	2.80%	5,000	20-Jun-2041	5,000	-	PWLB
2,500	6.75%	2,500	06-Mar-2056	-	2,500	PWLB
1,500	6.75%	1,500	13-Mar-2057	-	1,500	PWLB
1,500	5.88%	1,500	07-Mar-2058	-	1,500	PWLB
42,488	3.48%	42,488	28-Mar-2062	-	42,488	PWLB
43,908	3.48%	43,908	28-Mar-2062	-	43,908	PWLB
143,896		139,938		20,000	119,938	
22,625	2.26% + RPI Annually	17,046	17-Oct-2039	17,046	-	Prudential Assurance Co
3,673	0.00%	507	01-Apr-2023	507	-	Salix
207,194		194,491		72,553	121,938	

Investments

14. During the year, cash surpluses are invested by the Treasury Management team through direct dealing or money brokers with approved counterparties. The Council's counterparty list i.e. the list of organisations that it has been agreed that the Council can invest with has become increasingly restricted in recent years

due to the economic climate and the criteria used to select appropriate organisations.

15. A full list of investments held by the authority as at 31 March 2021 is shown in Table 4 below.

Table 4: Investment Summary as at 31 March 2021

Investments	Maturity Date	Principal Amount £	Interest %
<u>Fixed Term Deposits</u>			
Cheshire East Council	22-Apr-2021	5,000,000	0.10%
Surrey County Council	26-Apr-2021	10,000,000	0.10%
Lloyds Bank	14-May-2021	15,180,472	0.10%
Rugby Borough Council	11-Jun-2021	5,000,000	0.17%
Close Brothers	29-Sep-2021	10,000,000	0.25%
Sub Total		45,180,472	
<u>Call Account</u>			
Handelsbanken	instant access	11,505,000	0.01%
Total		56,685,472	

16. The Treasury Management function has continued to achieve higher average returns of 0.17% for the period 1 April 2020 to 31 March 2021 for its combined investment compared to the average 7-day benchmark rate of (0.07%).

Treasury Management Performance 2021/22

17. Table 5 below shows the overall treasury management position for 2021/22. The current forecast is an underspend of £171k on interest payable budgets. This is due to higher cash balances than assumed when setting the budget. The Government continue to provide funding to the Council in relation to the Covid-19 pandemic such as financial support to businesses which the Council will distribute over a period of time.

Table 5: Treasury Management performance 2021/22

	Forecast 2021/22 £'000	Budget 2021/22 £'000	Variance 2021/22 £'000
<u>Expenditure</u>			
Interest Paid on Borrowings	3,010	3,181	(171)
<u>Income</u>			
Investment Interest Received	(45)	(45)	0
Total	2,965	3,136	(171)

Borrowing

18. Table 6 below shows the closing level of borrowing for the Council.

Table 6: Council Borrowings as at 30 June 2021

Initial Loan Value £'000	Interest Rate	Balance as at 30 June 2021 £'000	Maturity Date	General Fund Pool £'000	HRA Pool £'000	Source
Short Term Borrowing						
2,000	8.00%	2,000	25-Nov-2021	-	2,000	PWLB
2,000	8.00% <i>Average Rate</i>	2,000		-	2,000	
Long Term Borrowing						
2,000	8.00%	2,000	25-Nov-2022	-	2,000	PWLB
5,000	2.66%	1,042	22-Aug-2023	-	1,042	PWLB
5,000	4.45%	5,000	24-Sep-2030	-	5,000	PWLB
5,000	4.45%	5,000	24-Nov-2031	5,000	-	PWLB
5,000	4.75%	5,000	24-Sep-2032	-	5,000	PWLB
5,000	4.45%	5,000	24-Nov-2032	5,000	-	PWLB
5,000	4.75%	5,000	24-Sep-2033	-	5,000	PWLB
5,000	4.60%	5,000	23-Feb-2035	-	5,000	PWLB
5,000	4.72%	5,000	22-Aug-2036	-	5,000	PWLB
5,000	2.80%	5,000	20-Jun-2041	5,000	-	PWLB
5,000	2.80%	5,000	20-Jun-2041	5,000	-	PWLB
2,500	6.75%	2,500	06-Mar-2056	-	2,500	PWLB
1,500	6.75%	1,500	13-Mar-2057	-	1,500	PWLB
1,500	5.88%	1,500	07-Mar-2058	-	1,500	PWLB
42,488	3.48%	42,488	28-Mar-2062	-	42,488	PWLB
43,908	3.48%	43,908	28-Mar-2062	-	43,908	PWLB
143,896		139,938		20,000	119,938	
49,000	2.83%	49,000	24-May-2068	49,000	-	Phoenix Life Limited
22,625	2.26% + RPI Annually	16,858	17-Oct-2039	16,858	-	Prudential Assurance Co
3,673	0.00%	381	01-Apr-2023	381	-	Salix
221,194		208,177		86,239	121,938	

Investments

19. A full list of investments held by the authority as at 30 June 2021 is shown in Table 7 overleaf.

Table 7: Investment Summary as at 30 June 2021

Investments	Maturity Date	Principal Amount £	Interest %
<u>Fixed Term Deposits</u>			
Close Brothers	29-Sep-2021	10,000,000	0.25%
Goldman Sachs International Bank	05-Nov-2021	15,000,000	0.25%
Close Brothers	24-Nov-2021	12,800,000	0.25%
Sub Total		37,800,000	
<u>Call Account</u>			
Santander UK	120 day notice	22,825,000	0.25%
Handelsbanken	instant access	27,090,000	0.01%
Aberdeen Standard Liquidity Fund	instant access	10,325,000	0.01%
Total		98,040,000	

Prudential Indicators

20. The Treasury Management Prudential Code Indicators were set as part of the 2020/21 & 2021/22 Treasury Management Strategy. It can be confirmed that all indicators have been complied with during all of 2020/21 and the period 1 April 2021 to 30 June 2021.

Compliance with Policy

21. The Treasury Management activities of the Council are regularly audited both internally and externally to ensure compliance with the Council's Financial Regulations. The recent internal audit in September 2020 rated the Treasury Management function as "Substantial" assurance which means that there is a sound control framework which is designed to achieve the service objectives, with key controls being consistently applied.
22. The Treasury Management Strategy requires that surplus funds are placed with major financial institutions but that no more than 25% (AA- Rated Institutions) or 20% (A to A- Rated) of the investment holding is placed with any one major financial institution at the time the investment takes place. It can be confirmed that the Treasury Management Strategy has been complied with during the period 1 April 2020 to 30 June 2021.

Debt Headroom

23. The Committee was made aware on 21 January 2021 through the Treasury Management update that the Council was looking to refinance its capital investment programme significantly in response to the financial challenge presented by the global public health emergency. This process focussed on

switching capital reserve allocations within projects to in most cases prudential borrowing.

24. The implication of this change was allowed for in the Councils Treasury Management Strategy 2021/22.
25. Further to this change the Council has continued to explore its ambition to invest in its local community and regenerate areas of the conurbation as expressed thorough its “Big Plan”. The large-scale projects which underpin such ambition will, by and large, need to be funded through increased borrowing if the Council is to retain ownership of the assets created.
26. To ensure that the level of borrowing remains prudent and at scale to the size of the authority, the Finance team have carried out extensive analysis of what impact these ambitions will have on the Council’s Capital Financing Requirement (CFR). This has then been compared to all upper tier authorities CFR’s to see where the Council would be situated. Appendix 1 to this report sets out this benchmarking work.
27. This analysis has then allowed us to set a self-imposed level of debt which enshrines the need for borrowing to remain prudent and affordable. The intention would be to move to the mid-point of all upper tier authorities as a percentage of net revenue expenditure. Such an approach has enabled the Council to determine that it will have debt headroom of £212 million on the 31 March 2024 compared to its 31 March 2024 forecast position.
28. This provides the parameters for the additional amount available to the Council to support its regeneration and big plan ambitions. This amount is additional to the £184 million already set aside via prudential borrowing in the capital programme to support service delivery, housing and regeneration schemes over the next three years such as those the being delivered to increase its housing stock and the schemes being delivered by the Bournemouth Development Company (BDC).
29. It is important that Audit and Governance committee are aware and confident of the implications of this decision on the Council. To ensure we remain compliant under statutory limit determined under section 3 (1) of the Local Government Act 2003, we are required to revise the borrowing prudential indicators within the Treasury Management Strategy for 2021/22. As part of the regulatory framework, Full Council is required to approve these revised indicators set out in table 8 below:

Table 8: Revised Treasury Indicators: limits to borrowing activity

	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m
Operational boundary	550	797	855	855
Authorised limit	600	847	905	905

Minimum Revenue Provision

30. The Council is under a duty to annually set aside revenue funds for the prudential repayment of outstanding capital borrowing in accordance with provisions set out in CIPFA's Prudential Code and Ministry of Housing, Communities and Local Government's (MHCLG) Statutory Guidance on Minimum Revenue Provision. The setting aside of revenue funds for the future repayment of outstanding borrowing is referred to as a Minimum Revenue Provision (MRP) charge.
31. It is proposed that alongside the Council agreed MRP policy set out in the 2021/22 Treasury Management Strategy that a small amendment is made to allow flexibility around assets under construction.
32. Assets under construction which have yet to fully deliver their expected benefits will not be subject to MRP charges to the Revenue Account until such time as they become operational for a full accounting year. Accordingly, on becoming operational, the charge for MRP will not commence until the following financial year.
33. As part of the regulatory framework, Full Council is required to approve a Minimum Revenue Provision (MRP) Policy.

Summary of Financial/Resource Implications

34. Financial implications are as outlined within the report.

Summary of Legal Implications

35. There are no known legal implications.

Summary of Equalities and Diversity Impact

36. The Treasury Management activity does not directly impact on any of the services provided by the Council or how those services are structured. The success of the function will have an impact on the extent to which sufficient financial resources are available to fund services to all members of the community.

Summary of Risk Assessment

37. The Treasury Management Policy seeks to consider and minimise various risks encountered when investing surplus cash through the money markets. The aim in accordance with the CIPFA Code of Practice for Treasury Management is to place a greater emphasis on the security and liquidity of funds rather than the return gained on investments. The main perceived risks associated with treasury management are discussed below.

Credit Risks

38. Risk that a counterparty will default, fully or partially, on an investment placed with them. There were no counterparty defaults during the year to date, the Council's position is that it will invest the majority of its cash in the main UK Banks which are considered to be relatively risk adverse and have been heavily protected by the UK Government over the last few years. The strategy is being constantly monitored and may change if UK Bank Long Term ratings fall below acceptable levels.

Liquidity Risks

39. Aims to ensure that the Council has sufficient cash available when it is needed. This was actively managed throughout the year and there are no liquidity issues to report.

Re-financing Risks

40. Managing the exposure to replacing financial instruments (borrowings) as and when they mature. The Council continues to monitor premiums and discounts in relation to redeeming debt early. Only if interest rates result in a discount that will benefit the Council would early redemption be considered.

Interest Rate Risks

41. Exposure to interest rate movements on its borrowings and investments. The Council is protected from rate movements once a loan or investment is agreed as the vast majority of transactions are secured at a fixed rate.

Price Risk

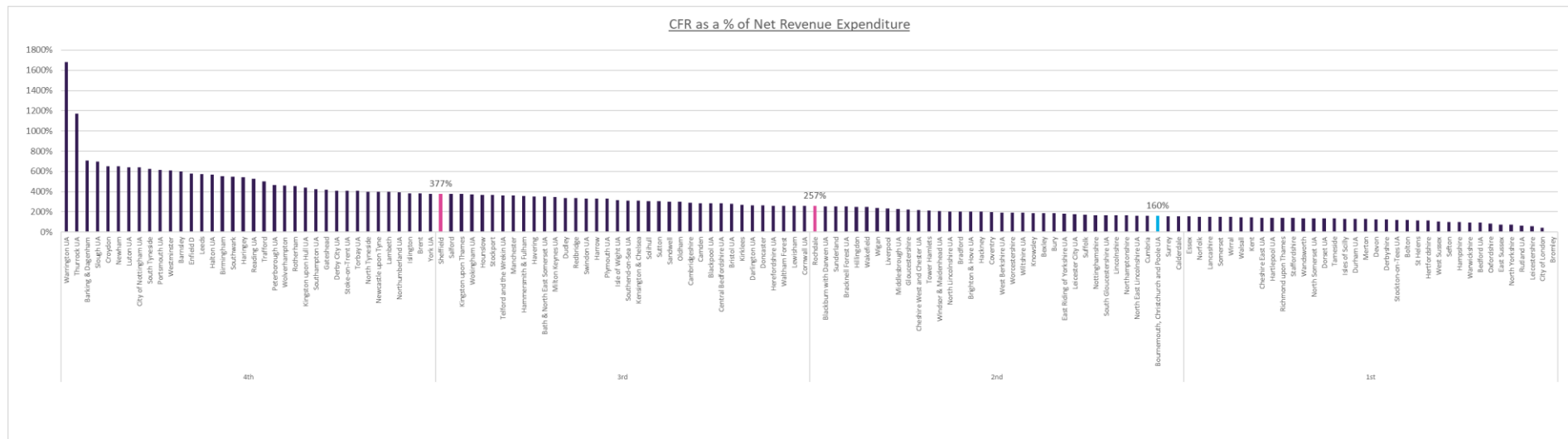
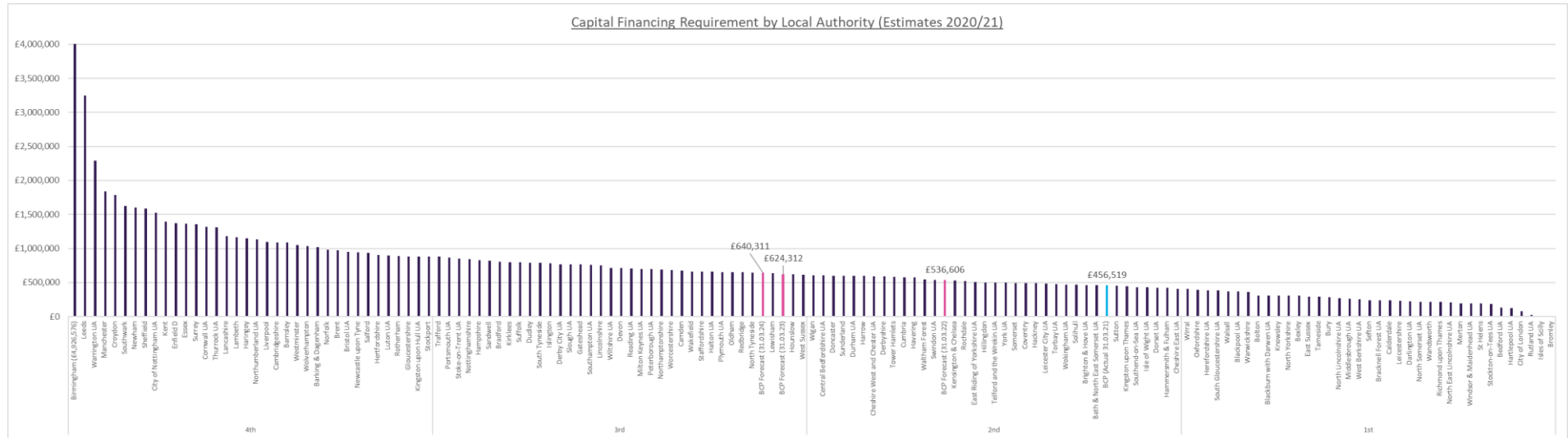
42. Relates to changes in the value of an investment due to variation in price. The Council does not invest in Gilts or any other investments that would lead to a reduction in the principal value repaid on maturity.

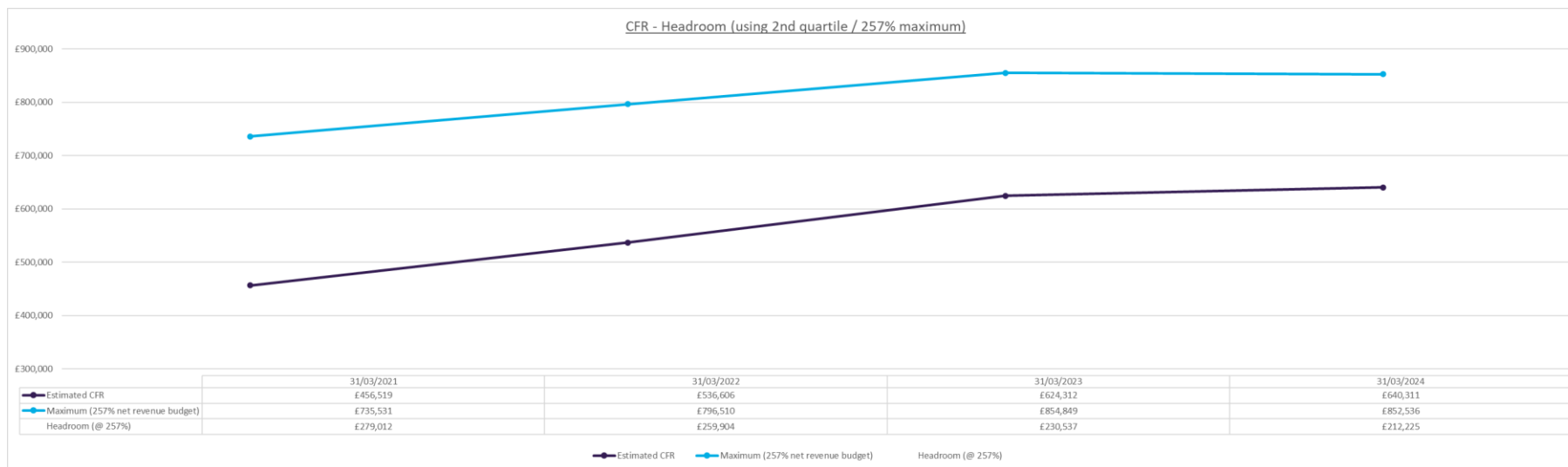
Background papers

43. Treasury Management report to Full Council on 23 February 2021
<https://democracy.bcpccouncil.gov.uk/documents/g4287/Public%20reports%20pack%2023rd-Feb-2021%2019.00%20Council.pdf?T=10>

Appendices

Appendix 1 - BCP Council Debt Benchmarking





Capital Financing Requirement Summary Forecasting 2021/22

	General Fund	HRA (Poole)	HRA (Bournemouth)	Total
	£'000	£'000	£'000	£'000
CFR 1st April 2020 (actual)	308,103	83,052	57,292	448,448
Capital Investment	22,980	0	0	22,980
Capital Receipt set aside to repay borrowing	(892)	(427)	(4,264)	(4,690)
GF and HRA Transfers	(2,239)	(261)	2,500	0
Revenue provision for repayment of borrowing (MRP)	(9,327)	0	0	(9,327)
CFR 31st March 2021 (actual)	318,625	82,365	55,529	456,519
Capital Investment	46,634	16,500	0	63,134
Outside capital programme / potential commitments	27,819	0	0	27,819
Capital Receipt set aside to repay borrowing	0	(400)	(400)	(800)
GF and HRA Transfers	(4,650)	0	4,650	0
Revenue provision for repayment of borrowing (MRP)	(13,041)	0	0	(13,041)
CFR 31st March 2022 (estimate)	377,362	98,465	59,779	535,606
Capital Investment	14,388	8,000	13,500	35,888
Outside capital programme / potential commitments	65,900	0	0	65,900
Capital Receipt set aside to repay borrowing	0	(400)	(400)	(800)
GF and HRA Transfers	0	0	0	0
Revenue provision for repayment of borrowing (MRP)	(15,703)	0	0	(15,703)
CFR 31st March 2023 (estimate)	445,368	106,065	72,879	624,312
Capital Investment	2,311	7,700	9,100	19,111
Outside capital programme / potential commitments	10,000	0	0	10,000
Capital Receipt set aside to repay borrowing	0	(400)	(400)	(800)
GF and HRA Transfers	0	0	0	0
Revenue provision for repayment of borrowing (MRP)	(17,930)	0	0	(17,930)
CFR 31st March 2024 (estimate)	445,367	113,365	81,579	640,311
Capital Investment	163	0	0	163
Outside capital programme / potential commitments	10,000	0	0	10,000
Capital Receipt set aside to repay borrowing	0	(400)	(400)	(800)
GF and HRA Transfers	0	0	0	0
Revenue provision for repayment of borrowing (MRP)	(17,930)	0	0	(17,930)
CFR 31st March 2025 (estimate)	443,218	112,965	81,179	637,362

CABINET



Report subject	Carters Quay Housing and Regeneration Scheme Poole
Meeting date	1 September 2021
Status	Public with confidential Appendix A
Executive summary	<p>This report presents the opportunity to acquire a Build to Rent (BTR) residential scheme in Carters Quay Poole. The acquisition of the scheme by the Council will provide 161 new homes and ancillary ground floor residential amenity and commercial space.</p> <p>This scheme will support the delivery of the Council's housing targets and deliver on the ambition to move the regeneration of the Holes Bay site forward, both of which are cornerstones of the Council's "Big Plan".</p> <p>The proposed acquisition has been considered by the Council's newly formed Urban Regeneration Company (URC). which has carried out a design review. A number of their recommended design improvements will be made to the scheme within the agreed budget.</p> <p>The confidential appendix to this report considers the detailed purchase terms and the financial business case for proceeding. It concludes that, subject to the delivery and operational risks (including the treasury management risk), it will deliver an overall positive return for the Council.</p> <p>It is proposed that the purchase is funded using prudential borrowing and will be within the recently increased parameters of the Council's prudential indicators as proposed to Council on the 14 September 2021. The revisions to the Councils prudential indicators were in accordance with the financial strategy adopted to support the Councils future ambitions and were endorsed by the Audit & Governance Committee at its meeting on 29 July 2021.</p> <p>The BTR scheme will be operated via the Council's wholly owned company, Seascope Homes and Property Limited and supports the ambitions of this company to increase its operational exposure within the BTR market across the BCP area.</p> <p>This scheme will support the Council's Corporate Plan objective to 'create Dynamic Places through strategic regeneration or redevelopment opportunities' and will also deliver significant socio-economic benefits.</p>

<p>Recommendations</p>	<p>It is RECOMMENDED that Cabinet:</p> <ul style="list-style-type: none"> (a) Approves the acquisition of the land and buildings known as Carters Quay outlined in red on the attached plan marked Appendix B, which will include the consented Build to Rent residential housing scheme as described in para 1 of this report; (b) Approves the payment of the purchase price for Carters Quay as set out in the confidential Appendix A; (c) Authorises the Corporate Property Officer in consultation with the Leader of the Council, the Council's Section 151 and Monitoring Officer to agree the detailed provisions of all legal structure and documentation and enter into the relevant contract/(s); (d) approves the intention to grant up to 50-year lease to Seascope Homes and Property Limited subject to their board approval on terms to be agreed by the Corporate Property Officer, in consultation with the Monitoring Officer; and <p>That Cabinet recommends to Council that:</p> <ul style="list-style-type: none"> (a) the Capital Investment Programme be amended to include provision for this acquisition to be funded by prudential borrowing, as detailed in the confidential part of this report, and authorises the Section 151 Officer, in consultation with the Portfolio Holder for Finance, to determine the detailed funding arrangements for the forward purchase of the BTR scheme
<p>Reason for recommendations</p>	<p>To kick start the regeneration of the wider Holes Bay, Poole area through the delivery of this new high quality residential led development.</p> <p>To contribute to the Council's Corporate vision, specifically helping to create dynamic places, investing in the homes our communities need, revitalising and re-inventing our high streets and local centres in line with the vision set out in the Big Plan.</p> <p>The proposals are in accordance with the Capital Investment Strategy (Non-Treasury) 2020-2025 (CIS) objectives and the criteria adopted by Cabinet on 18 March 2020. They are also consistent with the HM Treasury consultation response to the document: 'Public Works Loan Board: Future lending terms' which came into effect on 26 November 2020.</p>

Portfolio Holder(s):	Councillor Philip Broadhead, Portfolio Holder for Regeneration, Economy and Strategic Planning.
Director	Dave Anderson, Interim Director of Delivery
Report Authors	Sarah Longthorpe, Strategic Projects & Investment Manager
Wards	Hamworthy
Classification	For Decision

Background

1. The Council has the opportunity to acquire Phases 4,5,6 Carters Quay, located on the waterfront at Hamworthy, Poole. The developer obtained planning permission in November 2018 for a mixed-use scheme consisting of 161 homes, ancillary residential amenity and commercial space.
2. It is important to note that this scheme is strategically important to the Council to enable it to meet its Housing Targets and to support the wider regeneration of Poole.
3. This BTR development is immediately adjacent to the Council owned Holes Bay site and its acquisition would provide an opportunity to accelerate the regeneration of this area whilst enabling the Council to retain control of the quality and place-making integration.
4. The Council acquired Holes Bay, the largest brownfield regeneration site in the South West in September 2020 following a successful £5m Local Growth fund investment from the Dorset Local Enterprise Partnership (LEP). This 40-acre site has been vacant following the demolition of the former Holes Bay power station in 1994 and has been designated as an important area for future regeneration and investment by the Council. It has been identified as a key priority site for the Council's newly formed Urban Regeneration Company (URC).
5. As a result, the URC officers have reviewed the consented scheme at Carters Quay and are considering design enhancements that could be made to ensure it complements the wider regeneration aspirations for Holes Bay. It is proposed that any cost neutral variations to the consented scheme will be negotiated and included in the development agreement, within the existing budget.
6. The BTR scheme is designed across four blocks of accommodation consisting of a mix of 1,2 and 3 bed homes. The proposed mix of accommodation is 62 x 1 bed, 96 x 2 bed and 3 x 3 bed apartments. The range of accommodation is aimed at young professionals but can accommodate differing needs and it is proposed that all the homes in the scheme will be offered for rent at market rates.

7. The completed development will also include 846m² of commercial space, of which 368m² is proposed to be let on commercial terms and the balance utilised for ancillary residential uses linked to the flats above.
8. The development incorporates 168 car parking spaces, predominately in an undercroft, and cycle storage for 161 bicycles.
9. Subject to satisfying pre-commencement conditions the developer anticipates starting on site in Spring 2022 with a two-year build programme with completion anticipated in Summer 2024.
10. The Council is proposing to purchase the entire completed development from the developer. The purchase will be funded using prudential borrowing from the Public Works Loan Board (PWLb). It will be managed as a BTR scheme.
11. The Council will be required to enter into an Agreement for Sale for the purchase of the land and completed buildings. The agreement will detail the contractual obligations and a deferred payment schedule setting out how the funds will be drawn down during the build period. It is proposed that finalisation of the heads of terms for these contracts is delegated to the Corporate Property Officer (Chief Executive) and Monitoring Officer (Director of Law and Governance) in consultation with the Leader of the Council.
12. Since the Council is not able to grant Assured Shorthold Tenancies, it is proposed the homes will be managed and operated by the Council's wholly owned housing management company, Seascope Homes and Property Limited (SHP), on a long lease of up to 50 years which is already set up to provide such services and is successfully managing 46 BTR homes at Treetops, St Stephens Road and 81 other properties.
13. SHP board approval will be required to add these properties into the company's portfolio as and when they are completed and to agree the terms of the lease.
14. Increasing the Council's BTR offer is a fundamental objective of SHP's business plan and the acquisition of these additional homes will support company growth.
15. Investing in more BTR homes will improve tenant choice in the local marketplace and will ensure access to high quality, professionally managed, private-rented homes. It is anticipated that, combined with low entry and exit costs for tenants, the homes will appeal to an increasingly mobile, professional workforce.
16. The scheme was considered by the Council's Investment Panel against the criteria of the Capital Investment Strategy (Non-Treasury) 2020-25 (CIS) and in the context of the Council's existing investment portfolio asset base and sector exposure. The panel collectively determined that it was appropriate for the Council to focus its interests on this residential scheme as it provides 161 new homes and is strategically fundamental to the delivery of the regeneration of the Holes Bay area.
17. The ward members for Hamworthy have been consulted and are supportive of the Council pursuing this opportunity.
18. The medium-term impact of COVID-19 on the residential BTR market sector is unknown at this stage. The Royal Institute of Chartered Surveyors (RICS)

have issued guidance to its valuers highlighting that less weight can be attached to previous market evidence for comparison purposes, to inform opinions of value.

19. Indeed, the current response to COVID-19 means that it is faced with an unprecedented set of circumstances on which to base a judgement. Consequently, less certainty and a higher degree of caution will be attached to valuations than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, RICS has recommend that valuations are kept under frequent review.
20. Officers have procured an independent RICS market valuation report from Gerald Eve on the scheme being acquired. The findings of this report are summarised in the confidential appendix to this report.
21. There is substantial anecdotal evidence of the movement of people from larger cities to seaside resorts and more rural areas following lockdown and the acceleration of remote working patterns. This may increase demand for these properties boosting sales prices and rents.

Options Appraisal

22. Do nothing/Not to purchase the investment asset. The developer would progress the development once they had sourced finance/third party operator. We have also considered alternative options for this scheme, including using income-strips to support the funding and re-designing the scheme. Income strip sometimes referred to as a lease wrap is where the Council uses its covenant strength to provide a guaranteed return to the funder and is responsible for all operational income and expenditure. However recent CIPFA/PWLB guidance would suggest such products are poor value for money and an imprudent use of public funding and therefore strongly discouraged.

Summary of financial implications

23. The confidential financial report in Appendix A considers the detailed terms for the acquisition and the financial business case for proceeding.
24. The impact on the Council's budget for 22/23 and Medium-Term Financial Plan (MTFP) will be within the range as detailed below:-

Year	Annual impact on MTFP	Prevailing PWLB Model (2.05%)	Low Risk Invest to Save Low Risk Model (3%)
		£	£
2022/23	Preconstruction costs	125,789	125,789
2023/24	Preconstruction costs	273,441	273,441
2024/25	Net (surplus) pressure	157,828	463,449

2025/26	Net (surplus) pressure	(156,814)	148,807
2026/27	Net (surplus) pressure	(258,668)	46,953
	5-year (surplus) pressure total	141,533	1,058,396

25. Based on the two alternative models presented over the 5 years of the Council's MTFP the impact would be in the range of a £0.141 million or £1.058 million financial pressure. However, over the 50-year asset life period both models present a positive financial impact of £41.312 million (prevailing PWLB) and £26.031 million (Invest to Save). Breakeven is achieved in the prevailing PWLB model in year 4 but not until year 26 in the low risk 3% model. Clearly the Council retains the ability to disinvest in the asset at any time and benefit from any capital growth. At the end of this period, the Council will own the asset with no outstanding loans.
26. Historically the Council would make a judgement on whether to invest based on the invest to save low risk option (3%) and then set out the potential further gain that may arise if the Council was able to secure the debt at the prevailing PWLB rate. The business case attached (appendix A) has been prepared based on an assessment on whether to invest using the prevailing PWLB rate and recognises how this position might change (worsen) if the low-risk option (3%) was adopted. This is a reversal of the historical method of presentation.
27. Clearly both models will carry a treasury management risk that the interest rate will increase and could exceed the level assumed until the debt is secured. The model has been prepared on the basis that in isolation the Council would obtain short-term borrowing for the construction period and then secure longer-term loan to finance the asset over its 50-year asset life. However, the council manages its Treasury Management function, as a whole, so the any actual decision to borrow will be based on its overall financial position at the time. In this case it might be that no additional borrowing, or less than the full purchase price, is needed to be borrowed at the appropriate time.
28. A key assumption within the financial model is the amount of Stamp Duty Land Tax (SDLT) payable. The report is premised on the following understanding that SDLT will be payable based on current SDLT rates for non-residential and mixed land and property. Any increase in the overall cost of the scheme due to an adverse change in this assumption would bring into question the scheme's overall value for money. There are ongoing conversations, with our internal and external tax advisors, to explore and clarify the validity of the current assumption. The intention is to conclude and resolve the Council's position before the Council's Overview and Scrutiny meeting on the 23 August 2021 and the final outcome will be reported verbally and updated at the Cabinet meeting.
29. In considering undertaking the purchase of Carters Quay members should reflect on the risks associated with the scheme in the context of their responsibility to both current and future taxpayers. Once operational the scheme is anticipated to generate annual income and expenses of around £2m. The scheme will have a short term impact on the Medium Term Financial Plan (MTFP) with an additional annual pressures of £0.1m and £0.3m during the two year construction phase and a £0.2m pressure in the first full year of

- operation. Thereafter, based on the PWLB rate model, the scheme is predicted to generate annual surpluses starting at £0.2m with break-even reached in the fourth year of operation.
30. Members should also acknowledge that the annual deficit/(surpluses) will need to be included in the October five year update of the MTFP. In the context of the current two year MTFP this will represent an additional pressure and financial commitment for 2022/23 and 2023/24 and, all things being equal, the council will need to undertake an additional level of activity to ensure balanced budgets for those years are deliverable.
 31. This scheme accords with the Councils “Big Plan” and the utilisation of the flexibility offered by borrowing from the public works loan board to secure investment in regeneration and housing.
 32. In addition, the wider economic benefits of the proposals include:
 - a. delivers 161 homes against the housing target set by Central Government.
 - b. projected £26m-£41m surplus over the 50-year term.
 - c. there will be no debt (outstanding loans) associated with the assets at the end of its economic life. Therefore, any capital growth over this period will be a direct benefit to the Council.
 - d. the estimated value of the asset at the end of its economic life, assuming this value increases by the standard rate of inflation and the asset is maintained in a consistent condition.
 - e. the option going forward of selling all or some of the assets at any point to realise a capital receipt to recoup the original investment.
 - f. protecting the Councils purchase price, as this is fixed with the risk of cost overruns covered by the developer.
 - g. in respect of Seascope Homes and Property Limited, any profits arising from the management of the BTR scheme may be returned to the Council by way of dividend payments via Seascope Group Limited.
 33. Once purchased, the performance of this asset will be closely monitored to ensure that it continues to meet income and expenditure projections, with necessary corrective action taken as necessary.
 34. In addition to the detailed financial risks set out in Appendix A the Council has also considered the changing regulatory framework for the Council undertaking borrowing/prudential borrowing this was articulated in consultation from HM Treasury, CIPFA and more recently MHCLG. This guidance clearly discourages the Council from undertaking commercial for yield activity but permits the Council to use its borrowing flexibilities to support regeneration and the delivery of additional local housing.
 35. Subsidy Control (previously State Aid) implications have also been considered as part of this report.

Summary of legal implications

36. The Council is empowered to borrow (pursuant to section 1 of the Local Government Act 2003) and to invest (pursuant to section 12 of the Local Government Act 2003) for any purpose relevant to its functions or for the prudent management of its financial affairs. It must however have regard to guidance issued by both the Secretary of State and CIPFA.
37. In exercising any power or duty, the Council must act for proper purposes, in good faith and must exercise its powers properly. It must also act for proper motives, take into account all relevant considerations, act rationally and balance any risk against the potential reward.
38. The Localism Act 2011 grants local authorities far-reaching powers to act commercially. The purchase of these assets for investment purposes is entirely in accordance with these powers.
39. More generally, the Council has the power to acquire and dispose of land pursuant to sections 120 and 123 of the Local Government Act 1972 provided it complies with section 123 (i.e., for a consideration representing the best that can reasonably be obtained unless consent is sought per paragraph 72 above).
40. In considering how best to structure the proposed acquisition, the Council must have regard to its obligations as a contracting authority pursuant to the Public Contracts Regulations 2015 and further legal advice will be sought to ensure that the transaction can be structured in manner consistent with those obligations.

Summary of human resources implications

41. There are no direct implications for human resources.

Summary of sustainability impact

42. The Council has signed up to the climate change emergency and as such it is critical that decision makers consider the sustainability impact of their decision.
43. A Decision Impact Assessment has been completed for this project which identifies both positive and minor impacts. A copy of this assessment is attached at Appendix C.
44. A key objective of the Corporate Plan is to reduce the town centre's carbon footprint, whilst improving its competitiveness. The scheme presents many opportunities to do this by having more people living in the town centre thereby giving them better access to town centre amenities. This reduces the need for a private car. The location of the scheme within Poole town centre has easy access to key retail and leisure attractions, Poole Station and Bus terminal and regular bus routes make this a very sustainable location.
45. The evolution of the construction industry demands that buildings are delivered more economically, within shorter time frames, more cost-effectively and with reduced impact on the environment.

Summary of equality implications

46. An Equality Impact Needs Screening Tool has been completed. This shows that the decision to purchase this investment asset has no impact in terms of equalities.

Summary of risk assessment

47. The key risks are outlined in this report.
48. Members should ensure they have considered matters relating to the risk, security, liquidity and proportionality associated with the proposal. They should also satisfy themselves that the potential returns are consistent with the level of risk.
49. Financial Risk: including the risk that the development does not generate the projected income levels. External market advice has been sought on rent levels and an allowance made for voids. The commercial elements have not been pre-let at this stage, however costs have been built into the scheme to assist securing of tenants through rent free incentives.
50. It should always be borne in mind that the council is required to repay principal and interest on any loans before it can determine the resources available annually to support services. The business case for the Carter's Quay development is premised on £1.465m of annual principal and interest payments.
51. Construction Risk: including supply chain and labour disruption, inflation, late completion and cost overruns. The Council will enter into a fixed price lump sum contract with the developer to mitigate the effects of such risk, placing the risk with the developer.
52. Planning Risk – the current consent expires in November 2021. This risk sits with the developer and will be mitigated by the developer satisfying pre commencement conditions.
53. Prudential Borrowing Risk – as identified Item 28, it is likely that prior to the drawdown of funds CIPFA will have completed their review of the prudential borrowing code on Local Authority Investments. The outcome of this review may restrict the funding options available to the Council. However, this investment alongside the financial benefits identified will contribute to the Council's Corporate vision, specifically helping to create dynamic places, investing in the homes our communities need and revitalising and re-inventing our high streets and local centres. It is therefore our understanding that suitable Prudential funding will be available to the Council. The consultation outcomes will be reviewed when available to ensure our understanding remains correct. The current view of HM Treasury (as outlined in para 1.36 and 1.37 of the above-mentioned consultation document) is that the government fully supports Councils using commercial structures to advance core objectives of service delivery, housing and regeneration and is merely aiming to address the relatively narrow subset of capital spending of Councils who have been using PWLB loans to buy investment assets primarily for yield.

Background papers

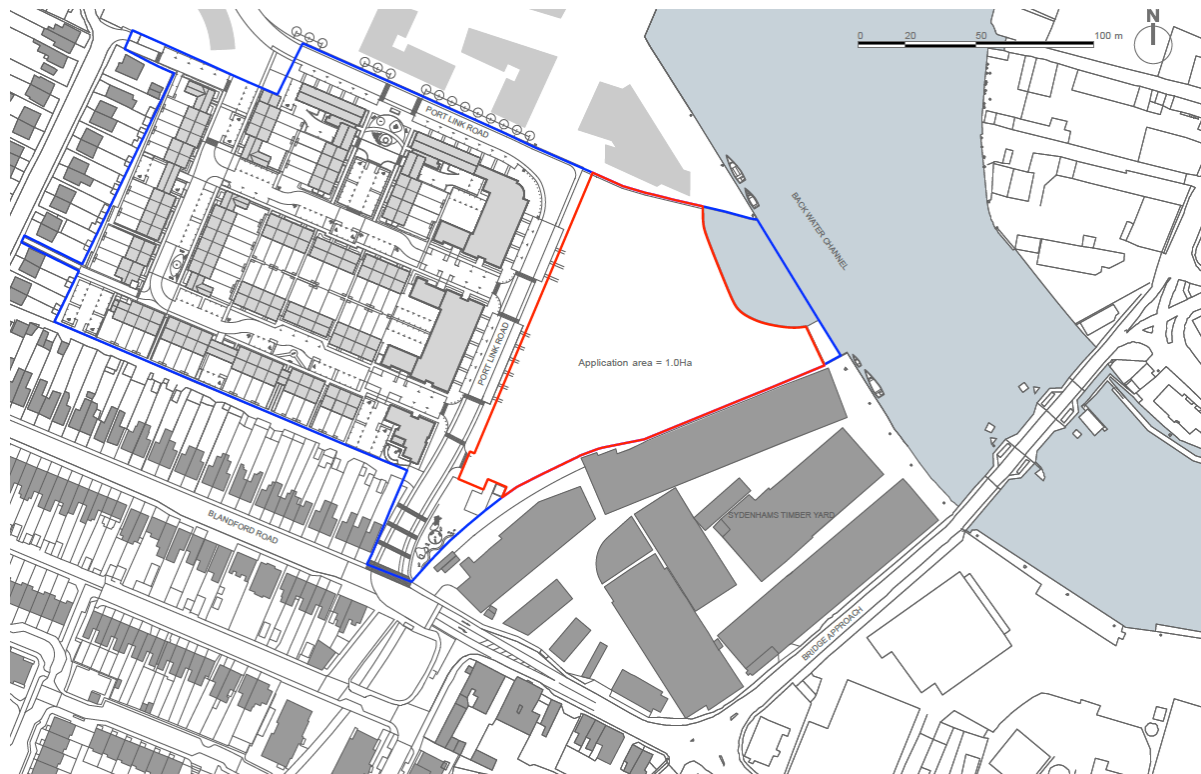
Appendices

Appendix A - Confidential Financial Report

Appendix B - Location Plan

Appendix C - Decision Impact Assessment

Appendix B



Appendix C

Decision Impact Assessment

Review registration

Climate Change & Energy

Communities & Culture

Waste & Resource Use

Economy

Health & Wellbeing

Learning & Skills

Natural Environment

Sustainable Procurement

Transport & Accessibility

Home Page

Category	Status	Impact
Climate Change & Energy	Complete	Minor negative impacts identified / unknown impacts
Communities & Culture	Complete	Only positive impacts identified
Waste & Resource Use	Complete	Major negative impacts identified
Economy	Complete	Only positive impacts identified
Health & Wellbeing	Complete	Minor negative impacts identified / unknown impacts
Learning & Skills	Complete	Minor negative impacts identified / unknown impacts
Natural Environment	Complete	Minor negative impacts identified / unknown impacts
Sustainable Procurement	Complete	No positive or negative impacts identified
Transport & Accessibility	Complete	Only positive impacts identified

Key

- Not yet assessed
- Major negative impacts identified
- Minor negative impacts identified / unknown impacts
- Only positive impacts identified
- No positive or negative impacts identified

Submit Proposal

At any point the assessment you can request a report of what has been completed so far, for example to share with colleagues.

Note that it may take up to two working days for the report to be emailed to you.

Request Report **Ask for help**

DIA Proposal ID: 278

Proposal Title: Carters Quay BTR Scheme Poole

Welcome Sarah Longthorpe

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

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CABINET



Report subject	SEND Improvement Funding
Meeting date	1 September 2021
Status	Exempt Report (Exempt until 31 August 2021)
Executive summary	<p>As advised in the July Budget Overview Report, BCP is required to produce and fund a Written Statement of Action (WSOA), initial indications were a minimum £300k full year requirement and this has been included within the Q1 forecast.</p> <p>Significant work is required to implement the 2014 Special Educational Needs and Disabilities (SEND) reforms, much requiring transformation, which will form part of the Council's wider transformation programme.</p> <p>Additional resource is required to ensure the WSoA is fit for purpose. This business case covers:</p> <ul style="list-style-type: none"> - immediate resources needed to begin the 'develop' phase of the work - some of the resources currently identified moving into the delivery phase <p>Additional resources will be required for the delivery phase – some will be sought from the Department for Education (DfE) and Local Government Association (LGA), where this is not possible, further business cases will be brought forward for this year, or built into proposals for the MTFP 2022-23.</p>
Recommendations	<p>It is RECOMMENDED that:</p> <p>a) Cabinet recommends that Council approve £292k of additional resources to support the SEND written statement of action in 2021/22.</p> <p>b) Cabinet recommends that Council approves the £220k additional resources requested in 2022/23 which reduces to £156k in 2023/24, and £137k from 2024/25 onwards.</p> <p>c) Cabinet notes that Council is being requested to approve the additional resources for future years in advance of the formal budget report for 2022/23 as the request includes the appointment to permanent staff posts.</p>

	d) Receive further business cases as required
Reason for recommendations	To ensure the LA is in the best position to meet its statutory responsibilities and to produce a Written Statement of Action which the DfE passes as both 'fit for purpose' and deliverable (as judged through a follow up monitoring and inspection).
Portfolio Holder(s):	Councillor Nicola Greene, Portfolio Holder for Covid Resilience, Schools and Skills
Corporate Director	Elaine Redding, Corporate Director for Children's Services
Report Authors	Sarah Rempel – Director of Education Claire Webb – SEND Programme Manager
Wards	Council-wide
Classification	For Decision

Background

1. The Council has extensive legal responsibilities in relation to children and young people 0-25 who have SEND, following reforms in 2014. SEND is a cross-council responsibility including Children's, Adults and Housing.
2. As the primary statutory partners, the Council and Dorset Clinical Commissioning Group, were subject to a Local Area SEND inspection by Ofsted and CQC in late June 2021. Due to the significant concerns found through the inspection and the lack of progress made in implementing the 2014 reforms, the Authority is required to produce and implement a Written Statement of Action – WSoA- that must be judged 'fit for purpose' by Ofsted.
3. This is an extremely significant requirement on the Authority and must be produced at the highest quality and it must be co-produced with partners including families. Delivery against the WSoA will be assessed through a follow up inspection, the plan must therefore also be robust and deliverable to tight timescales. It will have major implications for the direction of travel of the Authority working in conjunction with Health and other partners including schools and providers, and parent/carers and young people.
4. If the WSoA is not judged fit for purpose OR if it is not robust and therefore cannot be delivered, BCP risks intervention by the DfE.
5. Some of the capacity required to develop the WSoA is being found from within Children's Services and discussions will take place with the DfE and LGA about additional funding available to the local area to deliver WSoA priorities.
6. This business case covers additional resources required above those available within Children's Services, primarily for the develop phase of the programme i.e., to create the

WSoA and to support some of the delivery. As work is undertaken to develop the WSoA, further business cases will be brought forward where required to fund further aspects of delivery, where resources are not available from within existing budgets.

Summary of Request

7.

Item and need	Cost	Impact of not having in place
Project Managers to support development and delivery of aspects of the WSoA To provide sufficient project support to ensure: <ul style="list-style-type: none"> a) all workstreams are covered b) robust planning c) stress tested timescales that are deliverable d) costed business cases for funding are produced where required e) SMART outputs and outcomes are defined f) links and alignment across workstreams are made g) swift escalation of issues for resolution 	£84,000 circa plus oncosts per annum 2 x 1 FTE Project Managers for 1 year In addition to Children's Services funding 1 FTE Programme Manager	Unacceptably increased risk of the WSoA not being robust and deliverable
Communications To provide sufficient comm's support at Business Partner level to ensure: <ul style="list-style-type: none"> a) Engagement with the wider range of stakeholders is timely and effective, and aligned across partners (there is a need to have a one BCP approach across the system) b) A comm's forward plan is developed and implemented c) Comm's expertise is embedded and utilised in the production and livery of the WSoA d) Comm's at the operational level/service delivery improves 	£16, 200 Equivalent of 1 day per week (£450 per day) at Business Partner level, 9 months then review	Unacceptably increased risk of not delivering improvement: effective communication is the foundation of good service delivery/ experience and co-production; both require significant improvement which must be demonstrated through the WSoA
Enabling parent carer participation To ensure participation of parent carers in co-producing the WSoA and working jointly on its delivery. By providing short breaks type activities alongside co-	£3k £250 for group of 20 ½ day activities Assuming 12	A limited range of parent carers are able to participate, including those with protected characteristics

production workshops and events, a wider range of parent carers will be able to participate, including those with protected characteristics. This will be provided for co-production workshops and events only. It will not be provided for regular meetings such as Boards or Working Groups.	events now to Sept 2022	
Participation worker To ensure effective participation of children and young people and parent carers, including through: <ul style="list-style-type: none"> a) Delivering termly co-production events for children and young people b) Supporting children and young people and parent carers, including those with complex needs and protected characteristics, to participate in co-production work c) Championing co-production in the SEND improvement work, sharing the voice of children and young people (their voice in the room), upskilling colleagues, identifying opportunities for meaningful engagement and co-production, and developing deliverable proposal for co-production. This role will also support and be a resource for other service departments to draw on. Co-production is a crucial legislative requirement under the SEND reforms, BCP's ability to co-produce is currently limited by the lack of expertise and capacity.	£35k circa plus on costs per annum 1 FTE 2 years fixed term	Failure to support co-production leading to the follow up inspection finding that BCP has not made sufficient progress
Statutory SEND team capacity Additional management capacity to cover two senior managers' phased returns Additional case officers in the assessment team to cover additional workload	£550 per day Aug - March 2 case officers £35k plus on costs Permanent fulltime posts	Statutory timescales and duties not being met Unable to support actions to manage the HNB deficit Failure to meet statutory timescales and requirements

		Failure of statutory SEND process to enable wider SEND improvement work and HNB deficit management
<p>Local Offer content design and on-going management</p> <p>Create a permanent post to design content and manage the Local Offer, ensuring:</p> <ul style="list-style-type: none"> a) Statutory requirements regarding the Local Offer are met b) Content supports the aims of the SEND improvement plan c) Comprehensive information on local provision is available to inform commissioning decisions d) Content supports the Graduated Response through its use by professionals and in providing access to effective information and self-help materials for families e) The user journey and content is co-designed and owned across BCP Council services, partners and families <p>The Local Offer is a statutory requirement; as with many other areas, more work is needed to develop the Local Offer – currently there is no dedicated resource to support its re-design or on-going management.</p>	<p>£35k circa plus on costs per annum</p> <p>Permanent fulltime post</p>	<p>Failure to meet statutory requirements including failure to provide robust information to inform commissioning decisions</p> <p>Failure to utilise the Local Offer to support the early stages of the Graduated Response</p> <p>Service providers are not aware of what services and support are available and fail to advise families</p>
<p>BCP & CCG Project Lead for Joint Commissioning</p> <ul style="list-style-type: none"> a) Understand and analyse current commissioning arrangements and opportunities across the LA, the CCG and others (including any residual role of NHS England in specialised commissioning). b) Through co-production with partners and families, development of a place-based model of 'team around' the schools. c) Look at governance arrangements to ensure there is clear accountability for commissioning services for children 	<p>£60,000 circa plus on costs per annum</p> <p>Approximately 6 months providing input on a part-time basis (approximately 80 days).</p>	

and young people with SEND (including link with the BCP SEND Improvement Board and the developing ICS Partnership Board/s). d) Develop the programme of work related to accommodation for care leavers.		
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Summary of financial implications

8. A financial overview of the above resource requests can be set out as follows.
 - 2021/22 £292k
 - 2022/23 £220k
 - 2023/24 £156k
 - 2024/25 onwards £137k
9. Council is asked to formally approve the extra £292k of additional resources being requested for 2021/22. As the request is outside the approved 2021/22 budget framework of the council the resources will need to be allocated from the Council's Financial Resilience Reserves.
10. Based on the June MTFP Update report the Council had £20.870m available in its Financial Resilience Reserves not previously committed to either the 2021/22 or 2022/23 budget of the council. Of this amount, it is likely that additional requests will be presented through the 29 September 2021 and 27 October 2021 Cabinet reports.
11. Council is also asked to formally approve the £220k being requested for 2022/23 alongside the slightly reduced funding for future years. This is on the basis that the request is in advance of the annual 2022/23 budget process, to be set out in the February 2022 report to Cabinet and Council and a commitment is being made to the employment of permanent staff or temporary staff where the term of employment covers some or all of the 2022/23 financial year.
12. In considering investing in this SEND improvement funding, members will need to reflect on their responsibility to both current and future taxpayers and its fiduciary duty to be prudent in the administration of its funds. In that regard, members should consider the financial sustainability of the Council in the context of the funding gaps in the MTFP and that any drawdown from the Council's Financial Resilience Reserves will reduce the Council's flexibility in managing these future years funding gaps. It should also be borne in mind that the funding gaps as set out in the 23 June MTFP Update report to Cabinet are after a number of risks including the ambitious £42.4m in annual additional transformation savings in the period before 31 March 2024.

Summary of legal implications

13. The LA has extensive statutory responsibilities under part 3 of the Children's and Families Act 2014. The Children Act 2004 (Joint Area Reviews) Regulations 2005 sets out requirements relating to Written Statements of Action.

Summary of human resources implications

14.

Posts	Role
1 interim	Communications
1 interim	SEND Management
2 x FTE for 1 year	Project Managers
1 x FTE 2 years fixed term	Participation Worker
2 x FTE permanent post	SEND Case Officers - assessment
1 x FTE permanent post	Local Offer
1 x Part-time post	Joint Commissioning Project Lead

Summary of sustainability impact

15. None

Summary of public health implications

16. None

Summary of equality implications

17. No EIA or EIA conversation record due to short time frame of preparing report.

Summary of risk assessment

18. If the WSoA is not judged fit for purpose OR if it is not robust and therefore cannot be delivered, BCP risks intervention by the DfE.
19. There is an increased risk of not delivering improvement.
20. Failure to support co-production could lead to the follow up inspection finding that BCP has not made sufficient progress.
21. Failure to meet statutory requirements including failure to provide robust information to inform commissioning decisions.
22. Failure of statutory SEND process to enable wider SEND improvement work and HNB deficit management.
23. Failure to meet statutory timescales and requirements.
24. Increase in Tribunal or Ombudsman awarded costs.

Background papers

25. Letter from Ofsted requiring BCP to produce a Written Statement of Action following the SEND Inspection in June 2021. **NOT IN THE PUBLIC DOMAIN UNTIL 31st SEPT 2021.**

Appendices

26. No appendices to this report.

COUNCIL



Report subject	Public Report into a complaint against BCP Council by the Local Government and Social Care Ombudsman - outcome of complaint
Meeting date	14 September 2021
Status	Public Report
Executive summary	<p>This report provides a summary on the Decision Notice made by the Local Government and Social Care Ombudsman whose investigation found maladministration causing injustice to a complainant and the remedy actions taken.</p> <p>The Ombudsman under the Local Government Act 1974, section 31(2), as amended, has requested that the Council consider the report at its full Council.</p>
Recommendations	It is RECOMMENDED that the Council considers the report, acknowledges the findings of the LGSCO, supports the action plan as detailed in Appendix 3 to the report and asks the Chief Executive to write to the LGSCO to confirm compliance and that the Council has addressed the weaknesses identified in the Ombudsman's findings.
Reason for recommendations	Adherence to the recommendations of the Ombudsman is key to ensuring that customers have objective and effective recourse should they be unhappy with the way in which the Council has responded to their complaint.

Portfolio Holder(s):	Mike White - Children and Young People.
Corporate Director	Elaine Redding - Children's Services.
Report Author	Penny Davies - Head of Quality Assurance.
Wards	Council-wide
Classification	For Decision

Background

1. The Local Government and Social Care Ombudsman has issued a formal report against BCP Council (Appendix 2) following its investigation of a complaint that the Council failed to consider relatives as family foster carers and therefore they had not received the full support to which they were entitled.
2. The Council is asked to consider the report and the outcome of the Ombudsman's findings in accordance with the relevant legislation as detailed below. Members are referred to Appendix 3 of the report which sets out the Action Plan in response to the Ombudsman's recommendations.

Summary of legal implications

3. The Local Government Act 1974, s31 (1) provides that where the Local Government and Social Care Ombudsman reports that there has been:
 - a) maladministration in connection with the exercise of the authority's administrative functions,
 - b) a failure in a service which it was the function of an authority to provide, or
 - c) a failure to provide such a service.

And at s31 (2) that:

The report shall be laid before the authority concerned and it shall be the duty of that authority to consider the report and, within the period of three months beginning with the date on which they received the report, or such longer period as the Local Commissioner may agree in writing, to notify the Local Commissioner of the action which the authority have taken or propose to take

Financial Implications

4. As fault was found, the Council was required to pay compensation as outlined in Appendix 3. The cost of this has been paid for by the fostering service. If other cases come to light these will be considered on a case-by-case basis.

Summary of human resources implications

5. There are no human resource implications arising from this report

Summary of environmental impact

6. There are no environmental impact implications arising from this report

Summary of public health implications

7. There are no public health implications arising from this report.

Summary of equality implications

8. There are no equalities implications flowing directly from the contents of this report.

Summary of risk assessment

9. There are no risk management implications. Policies and procedures have been updated to reflect the findings of the Ombudsman

Background papers

Published works.

Relevant case files which are exempt by virtue of paragraphs 1, 2 and 3 of Part I of Schedule 12A of the Local Government Act 1972

Appendices

Appendix 1: Public Report into a complaint against BCP Council by the Local Government and Social Care Ombudsman - outcome of complaint

Appendix 2: Ombudsman has issued a formal report against BCP Council.
<https://www.lgo.org.uk/assets/attach/6057/REPORT-19014589-Bournemouth-Christchurch-and-Poole-Council.pdf>

Appendix 3: Action Plan to Ombudsman recommendations

Public Report into a complaint against BCP Council by the Local Government and Social Care Ombudsman - outcome of complaint

The Local Government & Social Care Ombudsman's (LGSCO) provides a free, independent and impartial service to members of the public. It looks at complaints about Councils and other organisations. It only looks at complaints when they have first been considered by the Council and the complainant remains dissatisfied. The LGSCO cannot question a Council's decision or action solely on the basis that someone does not agree with it. However, if the Ombudsman finds that something has gone wrong, such as poor service, a service failure, delay or bad advice and that a person has suffered as a result, the LGSCO aims to get the Council to put it right by recommending suitable remedies.

The LGSCO publishes its decisions on its website (www.lgo.org.uk/). The decisions are anonymous, but the website can be searched by Council name or subject area. In instances where maladministration with injustice is found, the Ombudsman will usually make non-legally binding recommendations which they consider to be appropriate and reasonable.

Often these cases are complex, with individual needs and issues to be considered and although we get the vast majority right, there are occasions where we could do better. This has been a complex and challenging case for the council, as the children were the responsibility of Borough of Poole which ceased to exist and services for the area became the responsibility of BCP Council, following the LGR.

Report Summary:

The Ombudsman has issued a formal report against BCP Council (appendix 2) following its investigation of a complaint by Ms X that the Council failed to consider her and her partner, Ms Y, and her sister, Ms D, as family foster carers and therefore they had missed out on appropriate financial and other support from the Council when caring for their nephew and niece. The LGSCO upheld the complaint finding fault causing injustice and 11 recommendations to address this. The LGSCO has given the Council credit that it has agreed to its recommendations.

The LGSCO published the report on their website on 8 June 2021. In line with Section 30 of the 1974 Act, the Council placed two public notices in local newspapers and/or newspaper websites within two weeks of the Ombudsman publishing the report and made copies of the report available free of charge at our offices.

The Ombudsman recommendations are included in the action plan attached at Appendix 3 of this report alongside the Council's actions.

Action Plan re: Ombudsman Findings regarding Ms X and Ms Y

Background

Ms X complained that the Council failed to consider her and her partner, Ms Y, and her sister, Ms D, as family foster carers and therefore they have missed out on appropriate financial and other support from the Council when caring for their nephew and niece. The Ombudsman found fault causing injustice and 11 recommendations made. This action plan is BCP response to the recommendations.

	Ombudsman's Recommendation	Agreed action	By whom and by when	Action Taken	Measures implemented
1	BCP Council to apologise to Ms X and Ms Y and to Ms D for the faults identified	A full apology to be issued Ms Y and to Ms D	Brian Relph	An apology has been issued in person with follow up letters to Ms X and Ms Y and to Ms D *	
2	BCP Council to calculate what Ms X and Ms Y should have received in family fostering payments between March and July 2017	<p>£51,740 is the calculated payments Ms X and Ms Y should have received in Fees and allowances for caring for their niece and nephew.</p> <p>This has been broken down as follows Total of £4,386 in Fostering Allowance and a total of £3,434 in Fostering Fees between March and July 2017.</p> <p>From the Fostering Allowance there is an expectation that the following amounts will be put aside for the children: Savings: £85 per child (17 weeks (£5 pw) £170</p>	Brian Relph	The payment has been issued to Ms X and Ms Y	There were two separate rates which could have been considered and we have chosen to offer the carers the most favourable rate which would have been the Poole Local Authority rate.

Ombudsman's Recommendation		Agreed action	By whom and by when	Action Taken	Measures implemented
		<p>Pocket Money: £85 per child (17 weeks (£5 pw) £170</p> <p>Birthday Payment of £129 per child should also be put aside for the children.</p> <p>Total to be put in savings/trust (this covers pocket money/birthday allowance and will be deducted from the allowance): £598</p>			
3	BCP Council to calculate what Ms D should have received in a family fostering allowance between late October to early December 2017	<p>Fostering Allowance for the two children of £2,010 and a total of £2,580 in Fostering Fees between late October to early December 2017</p> <p>Savings £50 per child. Pocket Money £50 per child.</p> <p>Total to be put in savings/trust for the children £200</p>	Brian Relph	The payment has been issued to Ms D	
4	BCP Council to calculate what Ms X and Ms Y should have received in a family fostering allowance from 12 December 2017 to 2 September 2019, when the Council reached its final complaint decision. For all these family fostering	<p>Fostering Allowance total of £25,740 and a Fostering Fee total of £18,180 from 12th December 2017 to 2nd September 2019.</p> <p>Savings: £450 per child: £900</p>	Brian Relph	The payment has been issued	There were two separate rates which could have been considered and BCP have chosen to offer the carers the most favourable rate which would have been the

Ombudsman's Recommendation		Agreed action	By whom and by when	Action Taken	Measures implemented
	payments, the Council is entitled to deduct any benefits the family received which they would not have received if they had been regarded as family foster carers	<p>Pocket Money: £450 per child: £900</p> <p>Birthday Payment of £143 (x2) per child and a Christmas Payment: £129 (x2) per child should also be put aside for the children. This is a total of: £544</p> <p>Total to be put in savings/trust for savings, pocket money, birthday and Christmas per child and deducted from the allowance: £2,344</p> <p>The final calculation of money owed is £51,740 Gross for Fees and allowances, minus £2,942 to be paid directly to the children</p>			Poole Local Authority rate.
5	BCP Council to make a payment of £750 to Ms X and to Ms Y and £300 to Ms D for the avoidable distress and time and trouble	The £750 payment to be issued to the Ms X the complainant	Brian Relph	The £750 payment has been issued to Ms X	
		The £750 payment to be issued to Ms Y Ms X's partner	Brian Relph	The £750 payment has been issued to Ms Y	
		The £300 payment to be issued to Ms D Ms X's sister	Brian Relph	The £300 payment has been issued to Ms D	
6	BCP to provide £1,000 for each child to be used in the way Ms X and Ms Y consider	£1,000 for child B & C to be paid to Ms X & Y for the lack of statutory support	Brian Relph	The £2000 payment has been issued to Ms X & Ms Y to be specifically used for the children's needs, in compensation	

	Ombudsman's Recommendation	Agreed action	By whom and by when	Action Taken	Measures implemented
	appropriate for the lack of statutory support to the children			for the support they should have been entitled to while in care	
7	BCP to provide legal funding, up to a limit, for Ms X and Ms Y's application for a Special Guardianship Order (SGO). It would be in the children's interests if they now formalise the current arrangement	BCP will provide legal funding, up to agreed limit, for Ms X and Ms Y's to submit an application to a Special Guardianship Order (SGO).	Brian Relph	This has been agreed	
8	<p>The council to produce a written leaflet or booklet which sets out the different permanency options for children, who cannot live with their parents, along with explaining the financial implications of each for the carer.</p> <p>The Council should share this with Stage 2 investigators and complaint review panels</p>	Booklet setting out permanency options for children to be developed	Brian Relph Penny Davies with Comms to support	<p>Policies have been refreshed and implemented</p> <p>booklet setting out permanency options for children has been completed.</p> <p>Staying Put arrangements are on TriX</p> <p>Ombudsman report has been shared with Stage 2 investigators and complaint review panels</p>	Training developed to be delivered across Children's Services
9	BCP Council to inform the ombudsman how many other cases there are where family members have taken on the	These cases to be identified. Quality Assurance have review whether there should have been a connected carers	Brian Relph	Possible cases have been identified and recommendations made to the fostering service to	

Ombudsman's Recommendation		Agreed action	By whom and by when	Action Taken	Measures implemented
	responsibility for the care of children when the Council has been actively involved under child protection procedures. This is to check whether there are other family carers, who have been disadvantaged by the same faults identified in this complaint. It would be reasonable for the Council to consider cases from April 2019 because this is when the authorities amalgamated;	arrangement with fostering allowance and recommendations made to the Service Director of Corporate Parenting.		make arrangements for appropriate payments to be made.	
10	Inform the ombudsman whether, on reviewing these cases, it will also be willing to backdate fostering allowances	Head of Corporate Parenting to inform Ombudsman of any cases	Brian Relph		
11	BCP to exercise discretion to look at historic complaints from families which approach it within 12 months of our final report and who are complaining about events up to five years ago	Service Director of Corporate Parenting to consider any historical complaints received within 12 months of the Ombudsman's report	Brian Relph		
12	The Council must consider the report and confirm within three months the action it has taken or proposes to take. The Council should consider the report at its full Council, Cabinet, or other appropriately delegated committee of elected	Report tabled for Overview and Scrutiny Committee	Elaine Redding	The findings will be incorporated into the Complaints annual report 2021/22	

Ombudsman's Recommendation		Agreed action	By whom and by when	Action Taken	Measures implemented
	members and we will require evidence of this. (<i>Local Government Act 1974, section 31(2), as amended</i>)				

Key

Ms X The complainant

Ms Y Ms X's partner

Child B Nephew

Child C Niece

Ms D Ms X's sister

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**Report by the Local Government and Social Care
Ombudsman**

**Investigation into a complaint against
Bournemouth, Christchurch and Poole Council
(reference number: 19 014 589)**

12 May 2021

The Ombudsman's role

For more than 40 years the Ombudsman has independently and impartially investigated complaints. We effectively resolve disputes about councils and other bodies in our jurisdiction by recommending redress which is proportionate, appropriate and reasonable based on all the facts of the complaint. Our service is free of charge.

Each case which comes to the Ombudsman is different and we take the individual needs and circumstances of the person complaining to us into account when we make recommendations to remedy injustice caused by fault.

We have no legal power to force councils to follow our recommendations, but they almost always do. Some of the things we might ask a council to do are:

- > apologise
- > pay a financial remedy
- > improve its procedures so similar problems don't happen again.

Section 30 of the 1974 Local Government Act says that a report should not normally name or identify any person. The people involved in this complaint are referred to by a letter or job role.

Key to names used

Ms X	The complainant
Ms Y	Ms X's partner
Child B	Nephew
Child C	Niece
Ms D	Ms X's sister

Report summary

Children Services

Ms X complained that the Council failed to consider her and her partner, Ms Y, and her sister, Ms D, as family foster carers and therefore they have missed out on appropriate financial and other support from the Council when caring for their nephew and niece.

Finding

Fault causing injustice and recommendations made.

Recommendations

The Council should within three months of the date of this report:

- apologise to Ms X and Ms Y and to Ms D for the faults identified;
- calculate what Ms X and Ms Y should have received in family fostering payments between March and July 2017;
- calculate what Ms D should have received in a family fostering allowance between late October to early December 2017;
- calculate what Ms X and Ms Y should have received in a family fostering allowance from 12 December 2017 to 2 September 2019, when the Council reached its final complaint decision. For all these family fostering payments, the Council is entitled to deduct any benefits the family received which they would not have received if they had been regarded as family foster carers;
- make a payment of £750 to Ms X and to Ms Y and £300 to Ms D for the avoidable distress and time and trouble;
- provide £1,000 for each child to be used in the way Ms X and Ms Y consider appropriate for the lack of statutory support to the children;
- provide legal funding, up to a limit, for Ms X and Ms Y's application for a Special Guardianship Order (SGO). It would be in the children's interests if they now formalise the current arrangement.

The Council, within three months of the date of this report, will:

- produce a written leaflet or booklet which sets out the different permanency options for children, who cannot live with their parents, along with explaining the financial implications of each for the carer. The Council should share this with Stage 2 investigators and complaint review panels;
- tell us how many other cases there are where family members have taken on the responsibility for the care of children when the Council has been actively involved under child protection procedures. This is to check whether there are other family carers, who have been disadvantaged by the same faults identified in this complaint. It would be reasonable for the Council to consider cases from April 2019 because this is when the authorities amalgamated;
- tell us whether, on reviewing these cases, it will also be willing to backdate fostering allowances; and
- exercise discretion to look at historic complaints from families which approach it within 12 months of our final report and who are complaining about events up to five years ago.

The complaint

1. The complainant, who we refer to as Ms X, looks after her young nephew and niece, Child B and Child C. Ms X complained that the Council failed to:
 - properly safeguard the children when they were with their birth parents in 2016 and 2017;
 - recognise that it placed Child B and Child C in the care of Ms X and her partner, Ms Y, in March 2017, and that they did not receive the appropriate financial and other support; and
 - regard Ms X and Ms Y and Ms D as family foster carers from late October 2017. (Ms D has consented to Ms X pursuing a complaint on her behalf.)
2. Because of the Council's faults, Ms X says she and her family have been caused avoidable distress and time and trouble and they have not received the appropriate financial assistance, or support, as family foster carers, as they and the children should have done.
3. At present, Ms X and Ms Y do not have parental responsibility for Child B and Child C. Parental responsibility remains with the birth parents. Even though Ms X and Ms Y do not have parental responsibility, we are satisfied that they have sufficient interest in Child B and Child C to pursue a complaint on their behalf.

The Ombudsman's role and powers

4. We investigate complaints about 'maladministration' and 'service failure'. In this report, we have used the word fault to refer to these. We must also consider whether any fault has had an adverse impact on the person making the complaint. We refer to this as 'injustice'. If there has been fault which has caused an injustice, we may suggest a remedy. (*Local Government Act 1974, sections 26(1) and 26A(1), as amended*)
5. We cannot investigate late complaints unless we decide there are good reasons. Late complaints are when someone takes more than 12 months to complain to us about something a council has done. (*Local Government Act 1974, sections 26B and 34D, as amended*)
6. When considering complaints, if there is a conflict of evidence, we make findings based on the balance of probabilities. This means that we will weigh up the available relevant evidence and base our findings on what we think was more likely to have happened.
7. We have discretion under 26(D) of the Local Government Act 1974 to investigate matters coming to our attention during an investigation, if we consider that a member of the public, who has not complained, may have suffered an injustice as a result.
8. If we are satisfied with a council's actions or proposed actions, we can complete our investigation. (*Local Government Act 1974, section 30(1B) and 34H(i), as amended*)
9. We are pleased that the Council has now agreed the findings and recommendations. But we consider that the complaint raises issues of public interest and therefore we are issuing this report to help other councils when reaching decisions about a child's status when living with family relatives.

How we considered this complaint

10. The Council carried out an investigation under the *Children Act 1989* statutory complaints procedure at all three stages. We do not normally re-investigate the original complaints unless we consider that the investigation was flawed. Instead, we will look at whether a council properly considered the findings and recommendations of the independent investigation and whether the council has provided a suitable remedy.
11. Some of the events date back to 2017. However, we have decided to exercise our discretion to investigate the complaint even though the complainant has not complained to us within 12 months of when she first realised something had gone wrong. This is because it was not until September 2019 when Ms X received the Council's final response to her complaint.
12. This report has been produced after speaking to Ms X and considering all the information she and the Council provided.
13. We gave Ms X and the Council a confidential draft of this report and invited their comments. The comments received were taken into account before the report was finalised.
14. Under the information sharing agreement between the Local Government and Social Care Ombudsman and the Office for Standards in Education, Children's Services and Skills (Ofsted), we will share this report with Ofsted.

What we found

Legal and administrative arrangements:

15. A child is considered a child in need if their development is likely to be impaired if services are not provided.
16. Councils must make enquiries where a child is considered to be suffering or likely to suffer significant harm. It must decide whether protective action is needed under section 47 of the *Children Act 1989*. If it decides the child is at risk of significant harm the council must arrange a child protection conference to consider what needs to happen to protect the child.
17. The statutory guidance - *Working Together to Safeguard Children 2015*- (now updated) provides information about how councils should manage child protection cases. Local Children Safeguarding Boards publish policies about how local agencies work together to protect children, such as the council, health services, and Police.
18. Where councils consider that a child should be removed from their parents, they can seek to obtain an emergency protection order to remove the child immediately. Alternatively, the council can apply to the Family Court for an interim care order. If the Court grants this, it will allow councils to share parental responsibility with the parents.
19. Under both orders, the child becomes known as a 'looked after' child and the council has specific duties to safeguard and promote the child's welfare.
20. Councils also have a duty, under section 20 (s20) of the *Children Act 1989*, to provide accommodation to any child in need in their area who requires it, as a result of:
 - there being no person who has parental responsibility for the child;

- the child being lost or having been abandoned;
 - the person who has been caring for the child being prevented (whether or not permanently, and for whatever reason) from providing the child with suitable accommodation or care.
21. The provision of accommodation under s20 does not remove the parent's parental responsibility and a parent can ask for the child to be returned to their care at any time.
 22. The Police can also remove children, for up to 72 hours, to a safe place under a police protection order, where they consider a child is at risk of harm.

Family and friends foster carers

23. When a child in need requires to be accommodated by a council, the law says the council must first consider placing them with family or friends. The relatives must be suitable and able to provide appropriate care. If the carer becomes a family and friends foster carer, (sometimes referred to as a kinship carer), they are entitled to receive a fostering allowance and other practical support for them and the child from the council. The fostering allowance is provided to cover the cost of caring for the child.
24. Statutory guidance, and case law, says that family and friends foster carers must be paid the same fostering allowance rate as professional, unrelated foster carers (minus any professional fostering fee). The council can also deduct an amount equivalent to child benefit and child tax credit if the carer receives these.
25. As councils are responsible for arranging kinship arrangements, a formal process is followed to assess the suitability of the family member or friend. Councils should regularly visit the family and friends foster carer, draw up a placement plan for the child and hold looked after child reviews overseen by an Independent Reviewing Officer.
26. Kinship carers must comply with fostering regulations.
27. Failure to properly identify a family and friends foster carer can have financial and support implications for the carer and for the child too.

Private or informal family arrangements

28. A private, or informal, family arrangement happens when a close relative has agreed with the parent to take on the care of the child.
29. This informal arrangement can be confirmed in court in a private law order called a Child Arrangement Order. A Child Arrangement Order sets out with whom the child should live, spend time or other contact arrangements and gives the holder of the Order equal parental responsibility for the child with the parents. This Order lasts until the child is 16.
30. Under this arrangement there is no right to any financial support from the council although councils have discretion to provide financial assistance if it is considered necessary.
31. The *Adoption and Children Act 2002* came into force in December 2005. It provided a new legal status, Special Guardianship Orders (SGO), for non-parents who wished to care for children in a long term, secure placement.
32. A SGO granted by a Court gives the special guardian parental responsibility for a child who is not their own. It does not entirely remove the parental responsibility of the birth parent but limits it. Special guardians may be entitled to a financial

allowance from the council, subject to a means test and in accordance with the council's policy. Children, subject to a SGO, are no longer looked after children. The Order lasts until the child is 18.

Private fostering

33. Private fostering is where a child under 16, or under 18 if disabled, is cared for by someone who is not the parent or a close relative. The carer does not obtain parental responsibility. This rests with the parent(s). Parents retain financial responsibility for the child. Councils must be informed of the arrangement and assess the suitability of the placement.

Statutory guidance

34. The *SGO Regulations and Guidance 2005 and 2016* set out the possible support services which can be provided, including counselling, advice, information and financial support. The then Department of Education and Skills (DfES) produced a suggested model means test for adoption and SGO financial support payments.
35. The statutory guidance says councils must have policies explaining how family and friends carers are made aware of the eligibility criteria for financial support and, when means testing applies, how to apply for any such financial help, and how and when decisions are made about eligibility.
36. Where special guardians were previously foster carers, councils can pay them the fostering amount for a two year transitional period to give them time to adjust. The *Regulations* say:

“The purpose of the two year transitional provision is to enable local authorities to maintain payments to foster carers who become special guardians, at the same rate as they received when they were fostering the child. This should give the family time to adjust to their new circumstances”.

Relevant case law

37. In a key case ('the Southwark judgement'), the court said that, where a council has taken a major role in making arrangements for the child to be cared for by the friend or relative, it is likely to have been acting under its Children Act duties to provide the child with accommodation.
38. If the council is just facilitating a private law arrangement, the court said councils must make clear to all parties that those holding parental responsibility for the child would continue to be responsible for the financial arrangements to care for the child. (*London Borough of Southwark v D [2007] EWCA Civ 182*)
39. The court considered a private arrangement might allow a council, (otherwise likely to have had to provide accommodation for a child), to 'side-step' its duty to provide accommodation for a child. Assessing whether an arrangement is a private family or kinship arrangement will be fact specific. However, there are two key questions:
- how much has the council done to get the child placed with the carer?; and
 - has the council made it clear that it is treating the placement as a private family arrangement and that any financial support will come from the parents?
40. In the case, *R (on the application of CO) v Surrey CC*, the court decided the council had placed the child with the grandmother as a kinship carer on the basis that the council had taken steps to initiate the arrangement, and because the child could not continue to live with her mother, who was not providing suitable accommodation.

Our Focus Report on Family Carers

41. In November 2013, we issued a [focus report about family carers](#). We highlighted certain key issues.

- Has the council published a clear policy on family and friends carers?
- Are the rates to carers being paid in accordance with statutory guidance?
- Are timely checks being made on family and friend's carers to ensure the suitability of the placement?

42. We made several recommendations to promote good practice. One recommendation is that, where a council has had involvement with the child's family before that child came to live with a family member, the council should be able to show it has explained to the carer the implications of agreeing to an informal family care arrangement, rather than becoming a family and friends foster carer.

What happened: Events of 2016

43. Ms X and Ms Y live in a different council area, Council Z.

44. In May, after the Police had found the children alone twice, an initial child protection case conference decided to place them on a child protection plan under the category of neglect. The Council had a duty to monitor and safeguard them and to review the parents' ability to care for the children.

45. The children remained on a child protection plan, which was regularly reviewed.

Events of 2017

46. In early 2017, at a review child protection case conference, the Council was concerned that the parents were not fully engaging with the child protection plans.

47. The maternal grandmother visited the parents' home many times because of her concern for the children. She spoke to the allocated social worker and told her that she thought both parents were 'taking drugs' and their care of the children was inadequate.

48. The Council's case notes indicate that the social worker shared similar concerns although she considered that there was no direct evidence available of the parents' alleged drug taking. It was noted that the children had been on child protection plans for nine months and that currently the standard of care was not good enough.

49. The social worker says she had wanted to move the case to a 'legal planning meeting' to see if there were grounds to start care proceedings. However, her team manager did not consider this appropriate.

50. The Council considered that a family group conference should be arranged to see what support could be provided. Ms X says that the Council told her, unless the family helped out, the children might go into care. The Council deny that this was said.

51. The case notes indicate that the parents' care of the children continued to deteriorate.

52. The Council obtained the mother's consent to place the children with Ms X and Ms Y. On 6 March, the children moved to their accommodation. The mother agreed this for a six week period to give her and her partner time 'to sort themselves out'. Ms X says that the social worker told her that, after six weeks, they would be assessed as family foster carers.

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53. The social worker carried out basic checks on Ms X and Ms Y and visited the children at their home.
 54. The Council's case notes say that a 'private fostering assessment' would be considered, and Ms X was told that the placement was a private one as the mother had consented to it. The Council says, in its response to our enquiries, that Ms X was told that, if the children remained for longer than six weeks, there would be a 'private fostering assessment' and they would need to apply for benefits as the Council would not financially support the placement.
 55. The subsequent statutory complaint investigation found the Council had failed to arrange the necessary meetings with the family, or seek legal advice, but nonetheless there was not sufficient evidence to say the Council was treating the family as kinship foster carers at this time.
 56. The Council ended the child protection plan on the basis that the children were living safely with Ms X and Ms Y on a permanent basis. Ms X says that they were providing temporary care to allow the parents to sort out their difficulties. They had not told the Council that this was a permanent arrangement.
 57. It is noted in the case notes that the social worker had discussed with Ms X the possibility of a SGO or a child arrangement order.
 58. As the children were placed with relatives, and the Council was satisfied this met the children's needs, the Council planned to close the case. The Council also says that it told Ms X the way to secure the children's placement with them was by way of an SGO or a child arrangement order.
 59. Ms X says that she and Ms Y were unaware of the Council's plan to close the case.

Child B and Child C's return to birth parents

60. In mid-2017 Ms X told the Council that they were returning the children to the parents' care. By this time, the parents had moved to a new property and appeared to Ms X to have made some improvements to their lifestyle. Therefore, she considered that she had no legal right to keep the children and she wanted to give her sister a chance to parent her children.
61. The Council decided that a further assessment was required because of the historical child protection concerns. The case was referred to the child in need/child protection team with a 'red' alert.
62. The Council considered Child B and Child C were children in need. However, the subsequent complaint investigation questioned whether this was in keeping with the Council's duties to safeguard the children given the considerable historical concerns about the parents' care.
63. There was a child in need meeting with the parents. They stated that they did not require support. For the next week, the social worker attempted to see the parents and children at home but there was no response. The Council asked the Police to do a 'welfare' visit. (A welfare visit is where a council is concerned about a child but cannot gain access to the property.)
64. The paternal grandmother raised serious concerns with the wider family about the children, saying that the parents were on drugs and the children were not being cared for and living in an unsafe environment. Ms X says that the family asked a family friend to visit, as he lived close by, and he knew the parents.

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65. Ms X says that he found the parents 'high on drugs' with the children in a dark room saying they had not eaten and clearly frightened. The friend decided that he had to remove the children immediately. Ms X says that Child B and Child C's mother was too incapacitated to consent, or not, to their removal.
66. The friend took the children to Ms D's house, where the maternal grandmother was also staying.
67. Ms Y then telephoned the Police and the out of hours social worker to explain what had happened. Ms X says that the out of hours social worker said that the children could not return to the parents' care although the Council disputes this. It says that the family were advised to speak to the allocated social worker about events once she was available.
68. The Police spoke to the out of hours social worker, who had said that it was proportionate for the children to stay with the maternal family until the allocated social worker could assess the situation.
69. Ms X spoke to the allocated social worker the next day to tell her that a friend had visited the parents' home late at night and had been so concerned that he had brought the children to stay with Ms D and the maternal grandmother. We cannot see on the case records that the allocated social worker contacted the friend to corroborate such important evidence directly.
70. On 1 November, the social worker telephoned the parents and suggested a meeting with them and the maternal grandmother. Later that day, there was a meeting. The parents admitted that they had returned to drug taking. Ms X says that the social worker advised the parents to consider leaving the children with their extended family for a year. The Council's case records confirm that this was said.
71. The case record also shows that the social worker further advised that the parents, assuming that they had their drug use under control, could then contact the Council, if they wished, so that their capacity to care for the children could be reassessed.
72. A meeting took place at the end of 2017. The parents, Ms X, Ms Y, Ms D, the maternal grandmother, and a school representative, invited by the family, attended. The social worker said the purpose of the meeting was to discuss the concerns about the parents' care and to see what the family proposed. The social worker recorded the concern that the parents had not been truthful about their drug taking.
73. Ms X says that the family told the social worker that the parents had been told that the children could not return to their care. Therefore, the extended family were making decisions on the grounds that the Council had told the parents that the children could not return to them.
74. Ms X says that, at this meeting, the social worker asked for details from Ms D so that she could be assessed as a family foster carer. This was corroborated by the school representative.
75. The social worker later acknowledged that she may not have been as clear in her explanation of the various care options to the extended family, as she should have been, and that the belief that she had said that the children could not go home, may have been the result of her failure to make herself clear.

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76. Ms D wrote to the social worker asking to be assessed as a family foster carer. At this stage, the children were living with her, along with the grandmother. Ms D said that the parents had accepted that they were addicted to drugs.
77. The Council replied, stating that the placement was considered a private arrangement between the parents and the family and that:
- “Children Services have not said that the children could not return to their parents’ care. If the parents’ decision had been that the children return to their care, we would have undertaken an assessment to determine whether it was safe for the children to be in their care at that time”.*
78. The Council said that it did not regard the children as accommodated by it and therefore the parents remained financially responsible. The Council says this was supported by the legal advice it received.
79. In December, Child B and Child C moved from Ms D’s accommodation to live with Ms X and Ms Y. Ms D could no longer provide the full-time care required. The Council did not assess the children, or suitability of the placement, following the move.

Events of 2018

80. Child B and Child C started attending school in Council Z’s area and they have remained living with Ms X and Ms Y since. The Council informed Council Z of the children’s residency in their area.
81. In February, the Council completed an assessment of the parents (when hearing that Child B and Child C were living with Ms X and Ms Y), stating that, based on the lack of engagement with the drug and alcohol services and inconsistent engagement, the Council was concerned that the children would likely suffer significant harm in the parents’ care. The Council indicated it would have to consider starting the child protection process if the children returned to their parents’ care.

Ms X’s complaint to the Council

82. Ms X made a formal complaint to the Council in April 2018. Ms X was dissatisfied with some of the findings in the investigation and the subsequent adjudication decision. Ms X asked for the complaint to be considered by a Complaints Review Panel.

Findings of the Council’s Complaint Review Panel of April 2019

83. The Panel reached the following main findings (we paraphrase).
- It acknowledged the good work at the start of the case. But it considered the later social work practice was of a poor standard and did not safeguard the children. Therefore, the Council failed to meet its statutory duty to safeguard the children while in the care of the parents.
 - On both occasions when the children went to stay with the extended family, the Council had said that they could not stay with the parents. The Panel found that the Council failed to formalise Child B and Child C’s status as children in foster care and failed to ensure the family were financially equipped to support the children.
 - In particular, on the first occasion, the Panel concluded that the parents had been told that, unless the children went to stay with the extended family, they would be taken into care. On the second occasion, the Council told the parents that they were not in a good position to care for the children for 12 months, and

it gained the parents' consent for the children to be placed with Ms X and Ms Y. Moreover, the placement with Ms X and Ms Y was predicated on the promise they would be awarded foster care status.

84. The Panel recommended that the Council reconsidered key aspects of the complaint, in particular the part it played in the placement of the children with their wider family. The Panel concluded:

"The Panel hoped it would lead to a re-examination of the case in the status of the children and backdated payments".

85. In May 2019, the Council's Corporate Director of Children Services stated that:

"the family's belief that the placement was facilitated and requested by the Council is strongly held and was on the balance of probabilities inferred by the various representatives of the local authority [Council]".

The Council's final response

86. On 2 September 2019, the Corporate Director wrote to Ms X and offered:

- £13,783 as a token payment for the financial impact of caring for two additional children;
- £5,000 for the cost of therapy for the children in accordance with what the Council might pay to its special guardians; and
- £1,715 towards the legal costs of making a SGO application, with the possibility of additional funding if required.

87. However, when making the financial offer, the Council explained that it did not accept it had been responsible for the placement of Child B and Child C with the family and therefore the Council did not, and would not, regard Ms X and Ms Y as family foster carers.

88. In response to our enquiries, the Council says that there was confusion about the use of the terms: 'family foster carer assessment' and 'private fostering assessment'. It apologised if these terms were not made clear to Ms X and her family. The Council was initially clear that Child B and Child C were not children in care and therefore it was not possible to regard Ms X and Ms Y and Ms D as family foster carers.

89. Ms X says that, because the Council was unwilling to accept it placed the children with the family, the financial offers made by the Council were insufficient and that they were entitled to backdated family foster payments from when the children were placed with them in March and December 2017.

90. In addition, Ms X says that Ms D is entitled to similar payments when she looked after the children between late October to 12 December 2017.

91. Ms X also says the children have missed out on the statutory support and monitoring which should have been available to them as looked after children.

Conclusions

Complaint: the Council failed to properly safeguard the children when with their birth parents in 2016 and 2017

92. We accept the Complaint Review Panel's findings that initially the Council managed the case well. It was clear there were concerns about the parents'

abilities to provide a safe home and child protection procedures were correctly applied.

93. But the child protection plan was not improving the children's circumstances. The Council has accepted that it allowed the child protection plan to drift and that there should have been a legal planning meeting. The Council has now revised its procedures so that after two child protection review conferences, and if there is no improvement, the case will automatically move to a legal planning meeting. It is good practice that the Council has revised its procedures. But it remains the case that the child protection plan was not bringing about improvements in the parental care, and the Council allowed the case to drift. That is fault.
94. In February 2017, the extended family alerted the Council to concerns about the parents' care and alleged drug taking. The Council shared some of those concerns. This resulted in the children moving to Ms X and Ms Y's home. We are satisfied that this was appropriate safeguarding action. The issue of how this placement should have been regarded is dealt with below.
95. In October 2017, the extended family again raised concerns about the care of the children. At this stage, the children were on a child in need plan. But given the historic concerns and, importantly, that the Council was having difficulty in seeing the parents and children (asking the Police to carry out a welfare visit), we consider that the Council should have been more proactive in safeguarding the children. There were a range of legal options which the Council should have considered at this time to protect the children.
96. In addition, the family provided the Council with significant evidence about what the friend had witnessed when he felt compelled to remove the children. It would have been good child protection practice for the Council to have spoken directly to the friend to obtain this evidence for itself. If the Council had had to take legal proceedings, this was clear evidence that the children were being neglected and there was no one exercising parental responsibility safely.
97. Regarding events in February/March 2017 and October 2017, we accept therefore the Panel's findings that there were times when the Council's safeguarding supervision of the children was inadequate. This is fault.

Complaint: the Council failed to recognise that it placed Child B and Child C in the care of Ms X and Ms Y in March 2017 and that they did not receive appropriate financial help and other support

98. We do not consider the Council's final response to Ms X adequately reflects the range of circumstances where a child might become 'looked after', in line with the principles of the Southwark judgment.
99. The issue in this case is the extent of the involvement the Council had, or should have had, when the children moved to Ms X and Ms Y in March 2017.
100. By this stage, the children had been on child protection plans for nine months and the Council was concerned that the parental care remained neglectful. The social worker wanted to move the case to a legal planning meeting to assess whether the threshold criteria was met to start care proceedings. The Council has accepted that there should have been a legal planning meeting. Therefore, there was a lost opportunity for it to assess properly the best way to safeguard the children.
101. The family had also raised concerns about the parents' care and the Council shared some of those concerns. The family was clear that the social worker had

told the parents that the children could not return to their care. There is evidence that the Council did say this, and that the parents' situation was not safe for the children.

102. The Council actively sought the mother's consent to facilitate appropriate alternative care arrangements for the children. Had the alternative family arrangements been a 'private' matter between the family, there would have been no need for the Council to seek the mother's consent for her children to be placed elsewhere. The family could have arranged this without involvement from the Council.
103. Moreover, when the children moved to Ms X and Ms Y, the Council carried out Police checks and visited the children in their new home. The Council had a legal responsibility to do this to ensure that they were in safe care. The Council's actions were appropriate, but they do further indicate that the children's placement with Ms X and Ms Y was not a private arrangement solely between family members. The Council visited the children after the placement which further confirms that it was actively involved.
104. We are therefore satisfied that the Council was not just 'facilitating' a private arrangement. The Council was acting under its child protection duties and it acted proactively to arrange the children's removal from their parents' care to Ms X and Ms Y's care. Further, the Council had indicated that the children would likely come into care if the family did not step in.
105. Therefore, we accept the Panel's findings that the March 2017 placement was not a private family arrangement; the Council played an active part in this arrangement. And, but for Ms X and Ms Y's willingness to look after the children, while the parents 'sorted themselves out', on the balance of probability, the Council would have had to consider taking legal action to remove the children from the parents, if they had not consented to s20 accommodation.
106. Accordingly, we find fault on this complaint.

Complaint: failure to regard Ms X and Ms Y and Ms D as family foster carers from late October 2017

107. The children returned to the parents' care at the end of July 2017. By this stage, the children were no longer on a child protection plan. The Council decided to manage its concerns about the parents' care under a child in need plan. By this stage, the parents had moved to new accommodation and there was some optimism by the family that they had used the earlier period, when the children were not in their care, to 'sort themselves out'.
108. On learning of the children's return to the parents' care, the Council marked the file for an urgent assessment and it became involved again, albeit under a child in need plan.
109. However, some months later, the parents expressed an unwillingness to cooperate with the Council, and it experienced problems when trying to visit the parents and children. A family friend visited and found the children were not in a safe environment (the parents being intoxicated) and were hungry and scared. The friend took them to Ms D and the maternal grandmother. Had the friend called the Police, it is likely they would have removed the children under their powers. The Police would have contacted the Council to place them in care. They would have become 'looked after' by the Council.

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110. The out of hours social worker endorsed what the family had done, saying that the allocated social worker would have to consider the situation. The out of hours social worker did not advise the return of the children to their parents.
111. The Council then initiated two meetings. The parents admitted to the Council that they had returned to drugs and this admission meant, on the balance of probabilities, the children could not safely return to their care, especially because of what the friend had witnessed.
112. It is also clear that the Council was advising the parents that the children should be placed elsewhere, and it was looking to the extended family to help.
113. We are therefore satisfied that the Council was actively involved in October 2017; it played a significant part in the placement of the children with the extended family. Even if it was not directly involved in the emergency removal of the children, we accept the Panel's findings that the Council has not given sufficient thought to Ms D's status as a family foster carer.
114. The Panel also found that the family's offer to care for the children was predicated on the basis that they would be financially supported by the Council by a fostering allowance. Indeed, Ms D asked for a friend and family assessment as she had been advised to do so.
115. The children moved to Ms X and Ms Y's care in December 2017. The case notes are clear that the Council had originally suggested to the parents that the children live with their extended family for a year. It is understood that the family made the decision to care for the children on the basis that they could not live with their parents. The placement in December 2017 was a continuation of the initial placement of October 2017 and was on the premise that the Council had advised that the children could not be cared for by the parents.
116. The Council's case notes also indicate that, but for the extended family, the Council would have needed to provide accommodation under s20 to the children or taken legal proceedings if the parents did not consent to s20.
117. The Council placed the children with the family and therefore both Ms D and Ms X and Ms Y should have been regarded as family foster carers.
118. Therefore, we find fault on this complaint.

Injustice

119. As a result of the Council's faults, the extended family did not receive a family fostering allowance which they were entitled to. The faults have also led to the Council's failure to acknowledge the children as 'looked after' children and therefore entitled to statutory support from the Council.
120. However, even if the Council had agreed that the children should have had looked after status, it is likely the Council would not have wanted them to remain as looked after until they reached 18. Instead, it would – on balance - have advocated for Ms X and Ms Y to apply for a SGO from December 2017.
121. Therefore, we consider it is reasonable for there to be a cut off point for support to Ms X and Ms Y as family foster carers. Our view is that this cut off point should be September 2019 when the Council reached its final decision on the complaint. But, as previous family foster carers, Ms X and Ms Y would be entitled to the financial transitional arrangements under the SGO regulations. We have chosen this date because there were earlier opportunities for the complaint process to have determined the family were eligible for a fostering allowance.

How we remedy injustice

122. We gave the Council and Ms X an opportunity to consider our draft findings before we issued this final report. We welcome the Council's willingness to accept our findings and recommendations.
123. Where there has been avoidable distress and time and trouble, we recommend payments between £300 to £1,000 depending on the severity of the injustice, the vulnerability of those affected and whether the injustice is over a prolonged period. However, there is discretion to recommend a higher amount where the injustice is severe and/or prolonged.
124. In this case, the injustice was over an extended period and family members took on a significant responsibility, without all the necessary information, in the best interests of Child B and Child C. Therefore, we consider the payment should be at the higher end of our normal tariff.

Recommended actions

125. The Council should within three months of the date of this report:
- apologise to Ms X and Ms Y and to Ms D for the faults identified;
 - calculate what Ms X and Ms Y should have received in family fostering payments between March and July 2017;
 - calculate what Ms D should have received in a family fostering allowance between late October to early December 2017;
 - calculate what Ms X and Ms Y should have received in a family fostering allowance from 12 December 2017 to 2 September 2019, when the Council reached its final complaint decision. For all these family fostering payments, the Council is entitled to deduct any benefits the family received which they would not have received if they had been regarded as family foster carers;
 - make a payment of £750 to Ms X and to Ms Y and £300 to Ms D for the avoidable distress and time and trouble;
 - provide £1,000 for each child to be used in the way Ms X and Ms Y consider appropriate for the lack of statutory support to the children;
 - provide legal funding, up to a limit, for Ms X and Ms Y's application for a SGO. It would be in the children's interests, if they now formalise the current arrangement.
126. The Council, within three months of the date of this report, will:
- produce a written leaflet or booklet which sets out the different care options for children, who cannot live with their parents, along with explaining the financial implications of each for the carer. The Council should share this with Stage 2 investigators and complaint review panels;
 - tell us how many other cases there are where family members have taken on the responsibility for the care of children when the Council has been actively involved under child protection procedures. This is to check whether there are other family carers, who have been disadvantaged by the same faults identified in this complaint. It would be reasonable for the Council to consider cases from April 2019 because this is when the authorities amalgamated;
 - tell us whether, on reviewing these cases, it would also be willing to backdate fostering allowances; and

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- exercise discretion to look at historic complaints from families which approach it within 12 of our final report and who are complaining about events up to five years ago.
127. The Council must consider the report and confirm within three months the action it has taken or proposes to take. The Council should consider the report at its full Council, Cabinet, or other appropriately delegated committee of elected members and we will require evidence of this. (*Local Government Act 1974, section 31(2), as amended*)

Decision

128. We find fault causing an injustice. We have recommended actions to address this. It is to the Council's credit that it has agreed to our recommendations.

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