

Notice of Council

Date: Tuesday, 10 January 2023 at 7.00 pm

Venue: Council Chamber, BCP Civic Centre, Bournemouth BH2 6DY



Chairman:

Cllr N Hedges

Vice Chairman:

Cllr T O'Neill

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 L Fear
Cllr A Filer
Cllr D A Flagg
Cllr S Gabriel
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 A Martin
Cllr C Matthews
Cllr S McCormack
Cllr D Mellor
Cllr P Miles
Cllr S Moore
Cllr L Northover
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.bcpCouncil.gov.uk/ieListDocuments.aspx?Mid=5031>

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

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

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

GRAHAM FARRANT
CHIEF EXECUTIVE

30 December 2022



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



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 9 November 2022, reconvened on the 5 December 2022.

7 - 40

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. Further information on the requirements for submitting these is available to view at the following link:

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

The deadline for the submission of a public questions 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. Recommendations from the Cabinet and Committees

Please refer to the recommendations detailed below.

6 (a) Cabinet 23 November 2022 - Minute No 79 - Finance Strategy Update Report

41 - 70

PLEASE NOTE: Should the Council wish to discuss the detail of Appendix A it will be necessary to exclude the press and public and move into confidential (exempt) session. If applicable, the following resolution should be moved:

“That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 in Part I of Schedule 12A of the Act and that the public interest in withholding the information outweighs such interest in disclosing the information.”

It is RECOMMENDED that Council:-

- (d) Approves the disposal of Non-Strategic Asset Sales as set out in confidential appendix A, subject to achieving the estimated sales value for each lot, with the decision delegated to the Director of Finance, in consultation with the Leader or Deputy Leader of the Council as appropriate; and**
- (e) Approves a pooled budget arrangement in relation to section 117 Aftercare as set out in appendix B.**

Note – resolutions (a), (b) and (c) were resolved matters by the Cabinet.

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| 6 | (b) | Cabinet 14 December 2022 - Minute No 90 - 2022/23 Budget Monitoring and Financial Strategy Update | 71 - 112 |
|---|-----|---|----------|

RECOMMENDED that Council agree the acceptance of general fund revenue grant for adult social care as set out in paragraph 64.

Note – resolutions 1-7 were resolved matters by the Cabinet.

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| 6 | (c) | Cabinet 14 December 2022 - Minute No 98 - Externalisation of the Russell-Cotes Art Gallery & Museum | 113 - 310 |
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PLEASE NOTE: Should the Council wish to discuss the detail of the exempt appendices at appendix 2, 4, 6, 7, 8 and 9 it will be necessary to exclude the press and public and move into confidential (exempt) session. If applicable, the following resolution should be moved:

“That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 in Part I of Schedule 12A of the Act and that the public interest in withholding the information outweighs such interest in disclosing the information.”

Cabinet recommended to Council that:

The Council agrees:

- (a) that the future of the Russell-Cotes Art Gallery & Museum, for which it is sole trustee, would be best served by externalisation in the form of the transfer of Sole Trusteeship to a new corporate entity (CLG or CIO) to operate and manage the charity;**
- (b) as Sole Trustee of the Russell-Cotes Art Gallery & Museum to make a formal application to the Charity Commission for a change of governance under Section 73 of Charities Act 2011 to replace the Council as sole trustee with a new corporate entity (CLG or CIO) acting as sole trustee and for the modernisation of governance articles;**
- (c) to establish a Corporate Entity (CLG or CIO) and appoint a Shadow Board of 5 nominees to oversee the transition to independence, provide continuity and stability and to**

maintain an on-going supportive relationship with the new CLG/CIO;

- (d) to negotiate, during the transition phase, future years grant support for the new Trustee, along with the transfer of assets, lease arrangements etc with an expected vesting day of 1 April 2024 at the earliest; and
- (e) To delegate authority to the Director of Finance, Director of Law & Governance and the Chief Operations Officer to determine the best financial model in consultation with the Portfolio Holder.

7. Highcliffe & Walkford Neighbourhood Plan

311 - 384

The Highcliffe & Walkford Neighbourhood Plan has been subject to independent examination between November 2021 and July 2022. The examiner's report concluded that subject to modifications, the neighbourhood plan meets basic and legal conditions. Cabinet on 26 October 2022 agreed the examiner's report and modifications, together with the council's decision statement and modified neighbourhood plan and approved the plan for referendum.

The Council held a referendum on 15 December within the Highcliffe & Walkford Parish Council area. The referendum question asked:

'Do you want BCP Council to use the Neighbourhood Plan for Highcliffe & Walkford to help it decide planning applications in the neighbourhood area?'

The turnout for the referendum was 1,955 (representing 16.89% of the electorate in the Highcliffe & Walkford Parish area). Of these voters, **86% voted in favour of the plan** and the council must now bring the plan into force so that it forms part of the statutory development plan for the Highcliffe and Walkford neighbourhood area. It will be used alongside the Christchurch Local Plan to determine planning applications in the Highcliffe & Walkford Parish Council area.

8. Notices of Motion in accordance with Procedure Rule 10

No motions have been received in accordance with the Constitution for this meeting.

9. Questions from Councillors

The deadline for questions to be submitted to the Monitoring Officer is 30 December 2022.

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

To consider any urgent decisions taken by the Chief Executive in accordance with the Constitution.

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BOURNEMOUTH, CHRISTCHURCH AND POOLE COUNCIL
COUNCIL

Minutes of the Meeting held on 08 November 2022 at 7.00 pm, adjourned and reconvened on 5 December 2022 at 6.00pm

Present:-

Cllr N Hedges – Chairman

Cllr T O'Neill – Vice-Chairman (8 November only)

Present: Cllr H Allen, Cllr L Allison, Cllr M Anderson, Cllr S C Anderson, Cllr M Andrews, Cllr J Bagwell (8 November only), Cllr S Baron, Cllr S Bartlett, Cllr J Beesley, Cllr D Borthwick, Cllr P Broadhead, Cllr M F Brooke, Cllr N Brooks (8 November only), Cllr D Brown, Cllr S Bull, Cllr R Burton, Cllr D Butler (5 December only), Cllr D Butt, Cllr J J Butt, Cllr E Coope, Cllr M Cox, Cllr M Davies, Cllr N Decent (8 November only), Cllr L Dedman, Cllr B Dion (8 November only), Cllr B Dove, Cllr B Dunlop, Cllr M Earl, Cllr J Edwards, Cllr L-J Evans, Cllr G Farquhar, Cllr D Farr, Cllr L Fear, Cllr A Filer, Cllr D A Flagg, Cllr S Gabriel, Cllr M Greene, Cllr N Greene, Cllr A Hadley, Cllr M Haines (8 November only), Cllr P R A Hall, Cllr P Hilliard, Cllr M Howell, Cllr M Iyengar, Cllr T Johnson, Cllr A Jones, Cllr J Kelly, Cllr D Kelsey, Cllr R Lawton, Cllr M Le Poidevin, Cllr L Lewis (8 November only), Cllr R Maidment (8 November only), Cllr A Martin (8 November only), Cllr S McCormack, Cllr D Mellor, Cllr P Miles (8 November only), Cllr S Moore, Cllr L Northover, Cllr S Phillips, Cllr M Phipps, Cllr K Rampton, Cllr Dr F Rice (8 November only), Cllr V Ricketts (8 November only), Cllr C Rigby, Cllr R Rocca, Cllr M Robson (8 November only), Cllr V Slade, Cllr A M Stribley (5 December only), Cllr T Trent, Cllr M White, Cllr L Williams and Cllr K Wilson (8 November only)

26. Apologies

Apologies were received from Councillors D Butler, C Johnson, C Matthews, S Phillips and A Stribley for that part of the meeting held on 8 November 2022.

Apologies were received from Councillors J Bagwell, B Dion, C Johnson, L Lewis, A Martin, T O'Neill (Vice Chairman), V Ricketts, M Robson, K Wilson for the reconvened meeting on the 5 December 2022.

27. Declarations of Interests

Councillors M Brooke, N Brooks and T Johnson declared for transparency purposes an interest as a Board Member of Bournemouth Development Company in respect of Minute No. 32 (Recommendations from the Cabinet and Committees – Audit and Governance Committee 28 July 2022 – Minute No. 117 – Treasury Management Monitoring Report) and remained present for the discussion and voting thereon.

Councillors L-J Evans and P Hilliard declared for transparency purposes an interest in respect of Minute No. 32 (Recommendations from the Cabinet

and Committees – Cabinet 7 September 2022 – Minute No. 42 – Wessex Fields Site) and remained present for the discussion and voting thereon.

28. Confirmation of Minutes

The minutes of the meeting held on 12 July 2022 were confirmed as a correct record.

29. Announcements and Introductions from the Chairman

The Chair informed Council that this was the first meeting since the passing of Queen Elizabeth and as a mark of respect asked members to stand for a minutes silence.

The Chair informed Council of the recent passing of two former Councillors, Councillor Sue Anderson from Bournemouth Borough Council and Councillor Brian Clements from Poole Borough Council who had sadly recently passed away.

Councillor M Brooke relayed personal experiences of working with Councillor Brian Clements and Councillor R Lawton relayed personal experiences of working with Councillor Sue Anderson following which Councillors were upstanding for a period of respectful silence.

Civic Activities

The Chair took the opportunity to refer to some of the engagements that he had attended since the last Council meeting as detailed below:

- Launch of the Christchurch Rotary “Living Advent Calendar” (the second one) and mentioning BCP Tourism’s continuing support, attending with the Mayor of Christchurch.
- The national Ladies Barbershop Convention at the BIC
- Attended the Christchurch Civic Day at the invitation of the Mayor of Christchurch
- Cllr Nick Geary’s Funeral at Christchurch Priory (in a personal capacity)
- Dorset Police “Change Your Mind” Conference at BU sharing the front row with the High Sheriff and the Chief Constable
- Attended the opening of the new Rehabilitation Centre at the Anglo European University College of Chiropractic in Boscombe
- Conducted the 999 Emergency Services Flag Day ceremony at BCP Civic Offices Bournemouth
- Attended the Commodore’s Reception at the Royal Motor Yacht Club and establishing new connections with a Poole based charity they support
- Opening of the Premier Store Talbot Village
- Attended the Queen Elizabeth II Commemorative Oratory at The Sacred Heart on Richmond Hill, Bournemouth
- Attended the Queen Elizabeth II Musical Oratory and Battle of Britain Service, Reading a Lesson, at Christchurch Priory
- Attending the Lord Lieutenant’s Awards Ceremony at Kingston Maurward

- BU Graduation Ceremony at the BIC
- The High Sheriff's Proclamation of King Charles III at Dorchester, the Council Offices
- Read the Proclamation of King Charles III at the BCP Civic Offices Bournemouth the same day
- Attended an Afternoon Tea for Schools Appeals Volunteers in the Willows Room, BCP Civic Offices Bournemouth
- Opened the Queen's Platinum Jubilee Bournemouth Air Festival, taking the Salute at Beat Retreat and meeting the Flying Tigers who were unable to perform and stage the salute owing to adverse weather conditions.
- Hosted a table for "BCP Heroes" with Head of Corporate Comms Ms Isla Reynolds at the Air Festival
- Attended the "Meet The Pilots" Red Arrows' Association Dinner, accompanying the High Sheriff of Dorset (in a personal capacity)
- Attended the IGBO People's New Yam Festival with the Mayors of Bournemouth, Poole, Christchurch and Ferndown.
- Attended the BCHA Festival of Wellbeing in Boscombe with the Mayor of Bournemouth
- Conducted the Opening of Jollyes Pet Store in Poole with Harry Redknapp
- Attended a lunch at the RNLI to hear observations about BCP Charity Licensing from Marie Curie and Bournemouth & Christchurch Branch of the RNLI in a private capacity
- Attended the BSO Proms in the Park
- Attended the BSO Mahler Concert
- Many meetings working with the High Sheriffs (past and present) and BU on the Harmony 2 Conference for March 2023 in a semi-private capacity but from a point of my position as BCP Chairman following last year's engagement and involvement.

30. Public Issues

The Chairman advised that as some questions and statements had been carried over from the previously postponed meeting that the questions and statements on this occasion would be heard in the order they were received in rather than questions first followed by statements.

Public Question from Ian Clark

I was visiting Hengistbury Head on Sunday 28th August. I thought would be a good occasion to go in the Hengistbury Head Visitor Centre. I was astonished to find the visitor centre closed & also to see was closed the previous day on Saturday & also on Bank Holiday Monday.

I cannot understand on the busiest weekend of the year why the visitor centre was closed. There would have been a lot of visitors that would have welcomed the information and products in the visitors centre.

Why was the visitor centre not open over the bank holiday weekend.

Response from Councillor Mark Anderson, Portfolio Holder for Environment and Place

I would like to thank Mr Clark for his question,

We endeavour to ensure Hengistbury Head Visitor Centre is open to the public to experience and enjoy as much as possible. Regrettably this Summer owing to marketplace recruitment difficulties and wider staff shortages we have been unable to always keep the visitor centre open as much as we would ordinarily seek to achieve and apologise for any disappointment this has caused.

Working to a rota, those staff directly employed to manage the centre and the wider countryside team who are also based on site, work hard to ensure that closures are kept to a minimum. We are thankful to the volunteers who play a huge role in supporting the centre and keeping it operational and open to the public, however, a member of staff is required to always be on site with them and at times throughout this year this has not been possible.

Public Question from Daniel Parkin

Can the leader explain why he told Council on 22 February that a 'detailed report' from KPMG did 'not exist', whereas in fact two reports existed at that stage - a 55-page report with two appendices, dated September 2021; and a second report entitled 'Commercialisation of assets', completed six days prior to the meeting. It would also be good to have an apology from whoever withheld these reports from elected members; had they seen the warnings on page 43 of the first report, re 'SPV borrowing', they might have voted down the budget and a costly fiasco could have been avoided.

Response from Councillor Drew Mellor, Leader of the Council

The statement I made on 22 February was not incorrect, as the report which existed at that stage was still in development and subject change. The relevant advice from KPMG was included in the content of the Cabinet/Council report.

Public Question from Alex McKinstry

Can we have a detailed explanation of how and why the KPMG reports were withheld from councillors in the run-up to February's budget. This came up at the recent scrutiny meeting, and several factors were hypothetically discussed, including a leader's "determination that a draft document should not be released". These reports are clearly not drafts, however; and in any case, I can't see how a leader's determination could take precedence over the rule of law - Section 100F LGA 1972, or the common-law "need to know", which is crucial if councillors are to perform due diligence on a controversial budget.

Response from Councillor Drew Mellor, Leader of the Council

My decision not to disclose the draft KPMG reports was made on advice and in consideration of the available information at the time. Relevant KPMG advice was included in the written report brought to Cabinet and Council.

Statement from Jamie Dunn

The possibility of injuries in school is always present, so making sure everyone based there are equipped to handle different types of injuries is important. Last year I contacted Cllr Greene and Sarah Rempel respectively asking for support within the BCP community of schools. I introduced Zach Griffiths from the British Red Cross South division. Within six months, a large uptake of bookings have been placed with the BRC and delivered across a number of BCP venues. Further discussions are ongoing on introducing first aid classes within the school day. Let's take the opportunity to lead on such an issue.

Public Question from Ian Lawrence

We're told BCP is our "most efficient Council"- a template. In December Planning proudly announced stopping answering the public for "clearance week" as meeting challenges but suggesting understaffing or low customer service priority. Planning's failed to answer my simple customer service complaint from 22/11/21. Can Cllr Broadhead explain why despite reminders on 11/1/22, 19/4/22, 13/7/22, 16/8/22, 1/9/22 even a 26/4/22 council meeting statement? Is 9 months and counting acceptable to receive an answer from a department which claims, "We aim to provide responses within 20 working days" So far 181. Why this delay? Overworked, inefficient, poor customer service training, leadership?

Response from Councillor Bobbie Dove, Portfolio Holder for Community Safety and Regulatory Services

Thank you for the question. Mr Lawrence's complaint response has now been issued with an apology with the length of time that it has taken. It was an unacceptable delay for which the Planning Department is truly sorry. In response a review of the complaints process is underway to ensure such delays wherever possible do not happen again.

Public Question from Jamie Dunn

Whilst support for the importance of adding first aid to our school curriculums have been cascaded in such as the likes of my social media posts or tweets, no evidential support has been given to our local schools since.

Can I ask for a detailed response as to why this is and indeed what the educational lead of BCP council is going to do in liaising with the education secretary on bringing First aid onto our Dorset school curriculums?

Public Question from Jamie Dunn

Upton Country Park used to be a free to park destination. If a young family chooses to spend a day at UCP then they are required to pay £6 or more if at least 4 hours are spent. Since my UCP statement was read out in January full council, no correspondence and no prices have chosen to be reviewed. The public are continuing to find other residential roads, namely in Creekmoor, Upton and Hamworthy around the perimeter of UCP.

Can I ask why this continues to be the case and when prices will be reviewed at council level?

Response from Councillor Mark Anderson, Portfolio Holder for Environment and Place

I would like to thank Mr Dunn for this and the other questions he has previously asked regarding parking around Upton Country Park.

The multi award-winning Upton Country Park and Grade II* listed Upton House is visited by over 600,000 people annually. The 160 acre site is open seven days a week and unlike many large parks and attractions is free to enter, with facilities such as the children's play park, splash fountain and bird hide free for all visitors to enjoy. The Park also supports a range of community programmes, from student work placements, youth volunteers, gardening and conservation groups to works with local schools, colleges, and universities to support education and learning experiences. During school holidays the Park hosts free or low-cost subsidised activities for families.

BCP Council has made significant investment to create a new network of sustainable transport routes, providing safe and environmentally friendly travel alternatives to driving. Upton Country Park can be reached by foot, cycle, train, and bus. Using alternatives to the car reduces carbon emissions and improves air quality and will make significant steps in tackling local and national transport and environmental issues.

The low parking tariffs at the park for those who want to drive still provide excellent value, and regular park users can buy a parking season ticket for the equivalent of less than £1 per week. Following public consultation, car park charges were introduced in 2017 with all monies raised from parking supports Upton Country Park conservation, maintenance, and education programmes and helps to reduce the pressure on BCP Council budgets, allowing for other investments to support local people.

Public Question from Daniel Parkin

Mr Broadhead, in August 2021 you stated it was absolutely unacceptable the spilling of sewage off of Boscombe Pier from local water company, and said frankly that you were in a position of saying enough is enough now and you were not taking no for an answer. However, it seems that your words have fallen on deaf ears considering you have not responded at all with this summers continuous dumping of sewage into our sea our rivers. Will you at least issue warning flags/signs when this repeatedly happens again, rather than focus on sale of beach huts and commercialisation of our beaches.

Response from Councillor Mark Anderson, Portfolio Holder for Environment and Place

I would like to thank Mr Parkin for his question.

I do however take exception with his suggestions regarding sewage pumping onto the beach. I have concerns regarding the way the environment agencies predicted water quality alerts are treated and as such I am doing something about it.

Boscombe beach was red-flagged by the RNLI on many occasions this summer as they respond to these Pollution Risk Forecasts produced by the

Environment Agency. These forecasts are based on many factors such as forecasted rain, tide and wind conditions.

The council have for the last 2 years been running a water quality trial in Poole Harbour and Poole lagoon and I believe this technique should now be used in a real-world solution. You may have seen the press release about this. I am aiming to put sensors on Boscombe pier along with measuring equipment next year and using the council's Smart Place Infrastructure will provide real time water quality measurements, we hope that the project will cover more parameters than the EA basic bacteria count, which is a crude measure of quality. It will, more importantly, by providing real time water quality measurements, ensure that red flags for water quality will be based on facts rather than predictions.

I hope this explains what we have been doing about the sewage on the beach perceptions and I now need to refute the claim about "continuous dumping of sewage into our sea at Boscombe".

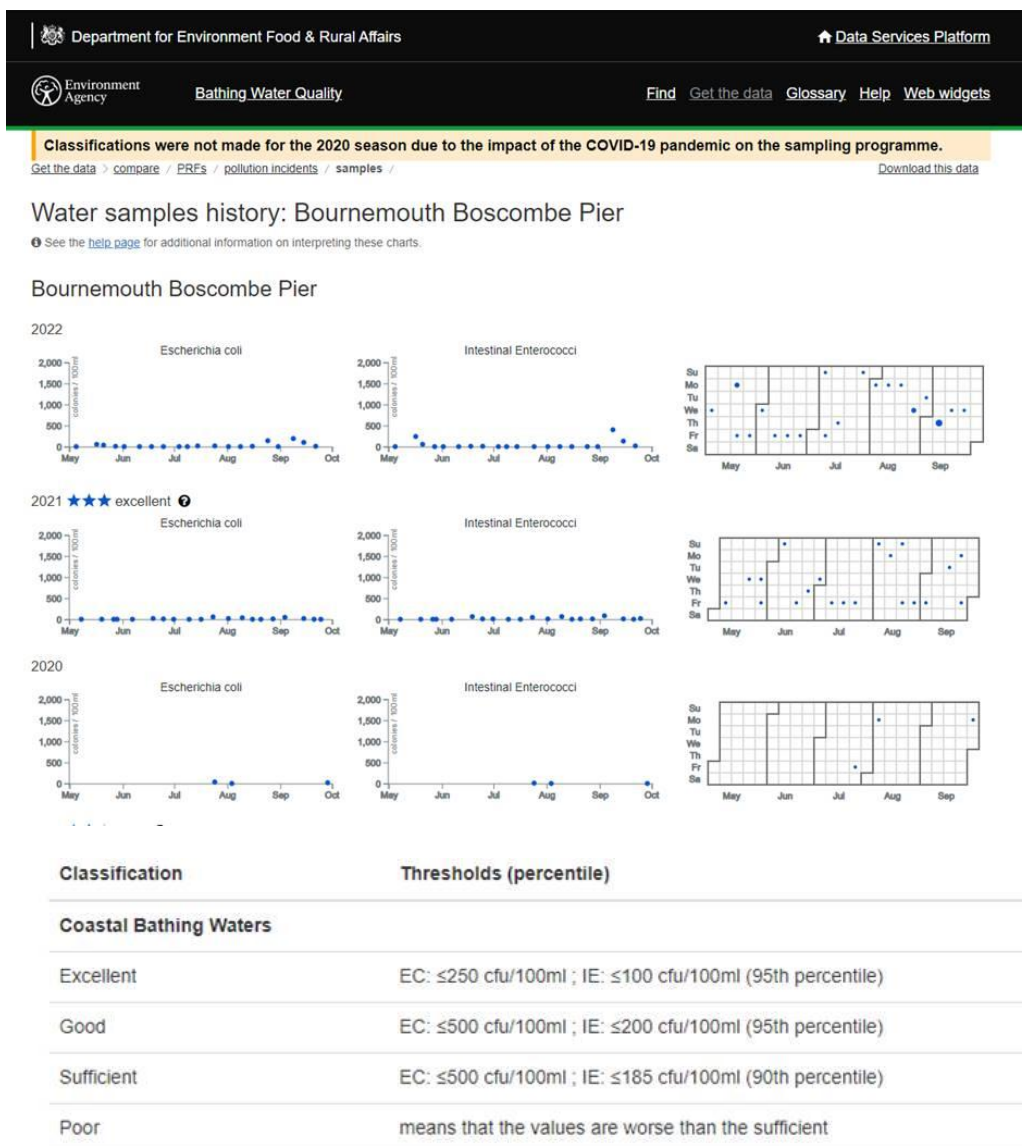
Firstly, people confuse Storm overflows with Surface water outfalls, Surface water outfalls collect the rainwater that falls onto roofs and roads flows into road drains and gullies. This rainwater as well as any other water that enters the drains and gullies then flows through these underground pipes and into the nearest river or the sea. They are not connected to the sewage network. There is one on the west side of Boscombe pier.

The storm overflow at Boscombe Pier operated 3 times in this bathing season (15th May to 30th Sept) for a total of 1 hour 22 minutes during heavy storms. These are the pipes that take the overflows from the treatment plant 500 metres out to sea before releasing a mixture of sewage and a lot of rainfall. Whilst I would rather there were no storm overflows this is certainly not Wessex Water continuous dumping of sewage into our sea this summer.

So, the Boscombe pier area is not covered with sewage that has been pumped out continuously through the summer!

The preliminary results on water quality testing are looking good. The EA are yet to publish the final classifications for the 2022 Bathing Season but based on the spot sample data, they are looking very good for BCP. The classification results are usually published in November, although in the last few years there have been delays due to Covid, so I'm not sure of the exact timescale for this.

I have some comprehensive Bathing waters data - sample history, taken by the Environment Authority and will give you the information as part of the written answer, and from the data presented for 2022, it looks as though there was only one sample taken which didn't achieve Excellent status, on 8th September. All the samples achieved Excellent for EColi, obviously this data need to go through the EA/Defra QA process but I believe that the 2022 classification for Boscombe Pier may well be Excellent, as it was in 2021.



Public Question from Soo Chapman

Planet Earth has become a crime scene. Mother Nature is being sacrificed to the deadly industries that have lied to us about their destructive capabilities for fifty years. We watch in horror as the Global Incineration Event destabilises our only home and note that Pakistan is demanding climate reparations from rich carbon- polluting countries.

Resource wars, hunger, extinctions, further loss and damage must be avoided. Project Drawdown and behaviour change must start now. When will BCP's overdue Public Information Programme inform, motivate and incentivise all citizens to protect and value the biosphere, without which we will not survive?

Response from Councillor Mike Greene, Portfolio Holder for Sustainability and Transport

At BCP Council we are committed to our goals of net zero for the Council by 2030 and the BCP Area by 2050, or earlier. We have to ensure we use our budgets as wisely as possible. Over and above what information is

already communicated to the general public, we prioritise action over information campaigns at this point in time so that we can demonstrate a direct contribution of our activities towards our own and the BCP Area's GHG emission reduction targets. In the past two years we have utilised our budgets to help leverage significantly more money from central government, including utilising £150k from our Green Futures Fund to receive £1.9M from the Public Sector Decarbonisation Scheme to reduce energy use in our buildings, saving over 200 tonnes of carbon per year, and we utilised £120K from the climate budget to assist 600 local homes to receive over £2M in energy cost savings on their bills and reduce over 1,000 tonnes of carbon annually.

Statement from Julie Redman (Read out of Graham)

Bounce Back Challenge Fund awarded 109 grants totalling £3million. Applications were initially assessed by Dorset Growth Hub who recommended a grant amount to award. 14 applications rejected by Dorset Growth Hub received grants totalling £470,000. 39 applications who the Dorset Growth Hub recommended received grants totalling £640,000, were actually given grants totalling £2million. One example, Bournemouth 7's, £15,000 recommended, awarded £70,000. Their profit in 2021 was more than half a million pounds. 211 businesses went without financial support because Cllr Broadhead and the Economic Development Team gave 53 applicants a total of £1.8 million more than Dorset Growth Hub recommended.

Statement from Philip Stanley (Read out of Graham)

Urban planning today will affect the wellbeing of future generations. Building endless flats and tall buildings with token small green spaces will create densely packed environments leading to a lack of ecosystems. There should be more natural elements within the built environment such as green roofs and designing buildings that mimic patterns found in nature. Far too often developers sit on planning applications, and they cut down too many trees without replacing all of them.

Public Question from Phil Hanchett

Following a recent study in Chichester Harbour it was found that derelict glass fibre boats do not biodegrade; rather they degrade into strands that can cause cancer in aquatic organisms and become part of the food chain in the form of microplastics. Would BCP support BeachPeople's second campaign, called BADBOATS, by assisting either with the collection of, or the disposal of, the derelict glass fibre boats sunk and beached around Poole Harbour? BeachPeople intend to work with BCP and PHC to effect a permanent solution to this problem, prevention being better than cure. For more info please see:

<https://beachpeople.club/index.php/campaigns/derelict-boats>

Response from Councillor Mark Anderson, Portfolio Holder for Environment and Place

I would like to thank Mr Hanchett for his question and I'm glad the work we have done together on Kite beach is coming to fruition.

The short answer is a qualified YES, we are very keen to support the campaign in relation to sunken boats in the Harbour's as we agree with Mr Hanchett and the BeachPeople that these are an ecological and environmental hazard and need to be removed. For those areas of the shoreline that are council land and used by us, we will work with the BeachPeople to develop a method for removal, this includes the greenspaces controlled by Environment, and beaches controlled by Destination and Culture. However, there are areas which, whilst council land is leased to other users, and we may not be able to assist with.

Statement from Phil Hanchett

Re. BeachPeople's application to have Whitley Lake, Sandbanks designated as a bathing water:

The data collection phase is now complete and the report has been submitted to Defra. Numbers exceeded 400 on several occasions. Defra asked for further detail on what facilities there are that promote bathing and Councillor Mark Anderson provided detail to BeachPeople on BCP's future plans; Version 2 of the report was then sent to Defra. If Defra accept the application has merit then it will now go out to national consultation – major stakeholders include BCP and PHC. BeachPeople thanks Cllr Mark Anderson for his continual support.

Public Question from Roger West to the Chairman of Council

Muslim Soldiers in the First World War

Members,

I was shocked to learn that 100,000 Muslim Soldiers died serving France in the First World War. I don't know the comparable figures for the Muslim Soldiers who were recruited into the British Army during this time: it must have been enormous.

This building was a hospital for Indian soldiers in 1914/15 whose faiths were Muslim, Hindu or Sheik.

We must acknowledge our debt to the Muslim soldiers. Our Hindu Prime Minister must ensure those of other faiths are also given the respect they deserve.

Response from Councillor David Kelsey

It is my intention that we should have a blue plaque on this building, and that will be done at the earliest possible time and once this building is fully open and running so that we can invite members of the muslim community along to see that plaque opened. It is also my intention to include the ANZAC forces on that plaque as it wasn't just muslim soldiers that were hospitalised here it was also many from the ANZAC community and I feel that it is only right that we have both mentioned on the same plaque. That

will be done at the earliest opportunity as soon as the building is fully refurbished and reopened to the public.

Statement from Daniel Parkin

In a recent livestream, the auditor from Grant Thornton, intimated concerns around a CIL payment of £330,000 to BCP Council relating to the Durley Car Park Development.

The auditor raised matter as unable to identify where these receipts had been distributed. He further stated he was unable to investigate further, as investigative limits £790,000. I am guessing this is because it would be uneconomic for his firm to investigate.

I ask the Section 151 officer to provide further details of where this money was directed, by way of an announcement / notice of clarification on the BCP website.

Statement from Adam Sofianos

In last month's Audit Committee, councillors agreed to exclude proposed changes which would have restricted public participation in council meetings.

But in a rather hurried outcome, the most controversial proposal was missed.

This would remove the public's ability to have an Officer deliver a question on their behalf. This discriminates against workers, carers and others who cannot physically attend public meetings. Above all, it directly discriminates against disabled and neurodiverse people.

This may leave Council in breach of the Equality Act 2010.

This is an appalling prospect.

I urge Councillors to support an amendment to avert this discriminatory act.

31. Petition - Public No Confidence Vote on BCP Leadership

The Chairman set out the process for dealing with the petition as set out in the Constitution.

Ian Lawrence the petition organiser provided council with background relating to the submitted petition and reported that the petition was being presented on behalf of 2066 valid signatories.

Council was advised that the petition requested that:

"We Council Tax payers have lost all confidence in BCP Council's leader and deputy and we call on them to resign now"

In presenting the petition Mr Lawrence read out his submitted statement.

Statement from Ian Lawrence

It's time BCP's Leader and Deputy stepped aside when Levelling-Up Secretary says "some councils abuse a loophole to do dodgy deals which

only benefit consultancy and accountancy firms".

Stop semi-bankruptcy, government bailouts, external reviews, overspending, tripling debt, hidden reports and prioritising extravagant vanity projects over failing children's services and exploding needs.

Stop voters bankrolling FuturePlaces private consultancy despite risk, conflicts of interest, zero transparency and accountability.

Stop scandals with press making BCP a laughingstock & Tories labelling Council "dodgy". Thousands of voters have lost confidence in Council's leadership. Prepare to restore transparency and integrity in 8/11/22's e-petition leadership debate.

The Chairman asked Members to raise any questions of clarification.

A number of questions were raised of Mr Lawrence to which he responded, and following which Council debated the petition in detail.

Following a lengthy debate a proposition was made to move to the next item of business, this was seconded and upon being put to council received more than half of members voting in favour and was therefore carried.

The meeting was adjourned at: 9.10 pm reconvened at 9.27 pm

32. Recommendations from the Cabinet and Committees (Agenda Items 7 c, d, e and i refer)

Item 7c – Audit and Governance Committee 28 July 2022 – Minute No 117 – Treasury Management Monitoring Report

Councillor Beesley, Chairman of the Audit and Governance Committee presented the report on Treasury Management Monitoring Report and outlined the recommendations as set out on the agenda.

Members were advised that the Council is required to approve any changes to the prudential indicators.

In debating the item some members expressed concern with regards to increasing borrowing.

RESOLVED that Council: -

- (d) approves the revised prudential indicators set out in the table 9 of the report ('Revised Treasury Indicators: limits to borrowing activity');**

Note – resolutions (a), (b) and (c) were determined by the Audit and Governance Committee.

Voting: 36:33 2 abstentions

Councillor Farquhar requested that his vote against the recommendation be recorded.

Councillors M Brooke, N Brooks and T Johnson declared for transparency purposes an interest as Board Members of Bournemouth Development Company in respect of this item and remained present for the discussion and voting thereon.

Item 7d – Cabinet 7 September 2022 – Minute No 42 – Wessex Fields Site – University Hospital Dorset Link Road

Councillor Broadhead, Portfolio Holder for Development, Growth and Regeneration presented the report on Wessex Fields Site – University Hospital Dorset Link Road and outlined the recommendations as set out on the agenda.

Members were provided with an update on the progression of the master planning and wider redevelopment of Wessex Fields and in relation to this were advised that approval was now sought for additional budget allocation from the Futures Fund for the new link road due to construction industry inflation and an enhanced design based on completing more of the consented road scheme.

A proposition was made to move into exempt session in order to discuss the confidential appendices, this was agreed with no dissent and the following resolution was read out by the Chairman of Council:

RESOLVED that under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 in Part I of Schedule 12A of the Act and that the public interest in withholding the information outweighs such interest in disclosing the information.

Comprehensive discussion took place with several members expressing concerns with regards to the increased costs against those budgeted for.

RESOLVED that Council: -

- (a) approved the budget increase as detailed in Confidential appendix A; and**
- (b) approved this is funded from the council's Futures Fund.**

At the request of the required number of members Council then took a recorded vote which was carried as follows:

For – 39

Cllr Hazel Allen	Cllr Norman Decent	Cllr Mohan Iyengar
Cllr Mark Anderson	Cllr Bryan Dion	Cllr Toby Johnson
Cllr Sarah Anderson	Cllr Bobbie Dove	Cllr Andy Jones
Cllr Julie Bagwell	Cllr Beverly Dunlop	Cllr Jane Kelly
Cllr Steve Baron	Cllr Jackie Edwards	Cllr David Kelsey
Cllr John Beesley	Cllr Duane Farr	Cllr Bob Lawton
Cllr Derek Borthwick	Cllr Laurence Fear	Cllr Drew Mellor
Cllr Philip Broadhead	Cllr Anne Filer	Cllr Karen Rampton
Cllr Nigel Brooks	Cllr Sean Gabriel	Cllr Roberto Rocca
Cllr Daniel Butt	Cllr Mike Greene	Cllr Mike White
Cllr Judy Butt	Cllr Nicola Greene	Cllr Lawrence Williams
Cllr Eddie Coope	Cllr May Haines	Cllr Tony O'Neill
Cllr Malcolm Davies	Cllr Peter Hall	Cllr Nigel Hedges

Against – 31

Cllr Lewis Allison	Cllr George Farquhar	Cllr Lisa Northover
Cllr Marcus Andrews	Cllr David Flagg	Cllr Margaret Phipps
Cllr Stephen Bartlett	Cllr Andy Hadley	Cllr Dr Felicity Rice
Cllr Mike Brooke	Cllr Mark Howell	Cllr Vanessa Ricketts
Cllr David Brown	Cllr Marion Le Poidevin	Cllr Chris Rigby
Cllr Simon Bull	Cllr Lisa Lewis	Cllr Mark Robson
Cllr Richard Burton	Cllr Rachel Maidment	Cllr Vikki Slade
Cllr Mike Cox	Cllr Andy Martin	Cllr Tony Trent
Cllr Lesley Dedman	Cllr Simon McCormack	Cllr Kieron Wilson
Cllr Millie Earl	Cllr Pete Miles	
Cllr L-J Evans	Cllr Sandra Moore	

Abstentions – 1

Cllr Paul Hilliard

Councillor P Hilliard declared an interest in this item for transparency purposes and refrained from voting thereon.

Councillor L J Evans declared an interest in this item for transparency purposes.

7e – Cabinet 7 September 2022 – Minute No 45 – Bus Service Improvement Plan (BSIP) Implementation

Councillor M Greene, Portfolio Holder for Sustainability and Transport presented the report on the Bus Service Improvement Plan (BSIP) Implementation and outlined the recommendations as set out on the agenda.

Members were advised that the purpose of the report was to seek Council approval to accept and invest the indicative grant award of £8.9m from the Department for Transport (DfT) to deliver it's Bus Service Improvement Plan (BSIP) over the next 3 years.

RESOLVED that: -

- (a) Subject to confirmation of an award Council accepts the £8.9m Bus Service Improvement Plan funding for the period 2022/3 and 2024/5 from the Department for Transport; and**
- (b) Delivery of the Bus Service Improvement Plan be delegated to the Service Director for Transport and Engineering in consultation with the Portfolio Holder for Sustainability and Transport.**

Voting: Nem.Con

7i – Cabinet 26 October 2022 – Minute No 74 – Children’s Services Pay Review

Councillor White, Portfolio Holder for Children and Young People presented the report on the Children’s Services Pay Review and outlined the recommendations as set out on the agenda.

Members were advised that the report recommended a salary offer for social work staff and managers within Children’s Services which is competitive with those being offered by neighbouring authorities who are rated good or outstanding and where we are experiencing the loss of our current staff.

Members spoke in support of the report and of the importance being able to recruit and retain staff.

RESOLVED that Option 5, as outlined in Appendix 2 to the submitted report, be approved.

Voting: Unanimous

33. Update on role of the Health and Wellbeing Boards in the Integrated Care System

The Portfolio Holder for Communities, Health and Leisure presented a report, 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.

Council was advised that the report updated Members of the Health and Wellbeing Board on how the Board could develop its role and purpose as the Integrated Care System evolves. It summarises new national guidance for Health and Wellbeing Boards on their ongoing responsibilities. In addition, a brief summary of key points from the recent joint development session is presented, including recommendations for how boards should operate from the Local Government Association.

RESOLVED that Full Council approve an addition to the terms of reference of the Health and Wellbeing Board so that it becomes the strategic board for the place-based partnership developing in the BCP Council area, as part of the Dorset Integrated Care System.

Voting: Unanimous

34. Review of the political balance of the Council, the allocation of seats on Committees to each Political Group, appointment of Councillors to Committees and appointments to Outside bodies

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

The Council was asked to consider and approve the review of the political balance of the Council, the allocation of seats on Committees to each Political Group, appointment of Councillors to Committees and appointments to Outside bodies following Councillors Jackie Edwards and

Andy Jones leaving the Conservative Group to be unaligned, and the result of the by-election in the Highcliffe and Walkford Ward.

RESOLVED that: -

- (a) the revised political balance of the Council, as set out in Table 1 of this report be approved;**
- (b) the number of seats on each committee, as set out in Table 2, be approved;**
- (c) the allocation of seats to each political group, as set out in Table 3 (to follow), be approved;**
- (d) the appointment of Councillors to Committees and Boards, taking account of the membership as detailed in Table 4 (to follow), be approved;**
- (e) the allocation of seats to each political group on the outside bodies as detailed in Table 5 (to follow), be approved;**
- (f) the appointment of Councillors to the outside bodies, as detailed in Table 6 (to follow), be approved; and**
- (g) Subject to (b) and (f) above the Council is requested to approve the appointment of unaligned Members to any Committees, Boards and Outside bodies.**

Voting: Unanimous

35. Homes for Ukraine Tariff

The Portfolio Holder for People and Homes presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'C' to these Minutes in the Minute Book.

Council was advised that BCP council claims a tariff of £10,500 per person for those who have arrived in the area via the Homes for Ukraine refugee resettlement scheme.

In relation to this Council was advised that the financial regulations require full council agreement for acceptance of these funds, as well as agreement to spend these funds in line with the published grant conditions from government.

Council was further advised that as the number of Ukrainian guests already in BCP is estimated to be around 523 in the year 2022/23 this involves a projected grant income of £5,491,500, and that this report sets out the purpose of the grant, the requests for acceptance of the funds, the authorisation to spend the funds and the delegation of future decisions on spending against this income.

RESOLVED that: -

- (a) The council accepts receipt of the grant monies claimed in line with the funding conditions set out by central government, and in compliance with financial regulations within the BCP constitution;**

- (b) **The council agrees that the funding received can be spent in line with the funding conditions set out in Homes for Ukraine local authority tariff payment grant determination No. 31/6205 (England);**
- (c) **The council agrees the decision to allocate £1,098,000 of the projected income to incentivise move on for refugees into the private rented sector; and**
- (d) **The council agrees to delegate the decisions on spending this tariff funding to the Director of Housing and/or the Section 151 officer for BCP Council.**

Voting: Unanimous

Councillor M Brooke declared an interest in this item and refrained from voting on the recommendations thereon.

A proposition was made to adjourn the meeting to a further date to deal with the rest of the business, upon being put to the vote the proposition was carried with voting 51:9 (11 abstentions).

The meeting adjourned at 11.20 pm and reconvened at 6.00pm on 5 December 2022.

36. Questions from Councillors

Question from Councillor Vikki Slade

Initial indications suggest that the visitor numbers for the 2022 Air Festival have been strong and it was great to see some new features introduced such as the bi-plane / sunseeker boat race. I am sure that in the coming months lessons will be learned to make future events more inclusive, more environmentally friendly and to bring more new ideas. I hope that the Portfolio Holder will take the opportunity to listen carefully to local residents and businesses and include ideas to improve the event wherever they come from.

One popular feature that people missed this year was Air Festival TV. People told me that they enjoy seeing the cockpit images on the big screen, seeing the unarmed combat while sat on the beach waiting for night air and watching interviews with pilots throughout the event. Can the portfolio holder please explain why the council decided not to include this element of the Air Festival this year?

Response by the Portfolio Holder for Tourism, Culture and Vibrant Places, Councillor Dunlop

The Air Festival was once again very well attended in 2022 with high visitor numbers and an economic impact estimated to be close to £50m over the 4 days supporting our £1.2 billion tourism economy and 18,000 local tourism jobs. I am at a bit of a loss as to what Councillor Slade means by lessons will be learned, we've got two accessible viewing areas, we've got two

accessible car parks and we have a mix of facilities along the promenade to ensure no one is excluded.

Our sustainable action plan will grow and be developed over the coming years as we continue to reduce waste, promote reusable water fills, encourage people to travel sustainably and use the platform to educate on the environment.

Our events team are continually developing this event and this year saw the return of the Science, Technology, Engineering and Manufacturing (STEM) marquee welcoming local companies to showcase their work and inspire the next generation, alongside the engaging Dorset Engineering and Manufacturing Cluster conference bringing 150 STEM companies together on the first day.

Regarded as one of the best air shows in the UK, we continue to increase our land and sea content to showcase the destination and in turn providing additional footfall for our businesses at the end of the summer; boosting the local economy.

We work closely with a variety of business partners such as the Destination Management Board, Town Centre and Coastal BIDs, the Chamber of Commerce and Hospitality.

Air Festival TV has not operated for the a few years since the contract ended, this year we were delighted to work with our community radio partner Hot Radio alongside our festival commentators to provide 'on-air' commentary for those watching further afield and out to sea and we will be looking at ways of providing enhanced live streaming for 2023.

Supplementary Question from Councillor Slade

Can you please tell me why we decided not to take advantage of the free to the council Air Festival TV which has been provided for years up until the pandemic, there hasn't been a full air festival since but I am afraid you didn't answer the question about why we didn't have air festival TV because last time I heard you can't actually watch the cockpit from Hot Radio.

Response by the Portfolio Holder for Tourism, Culture and Vibrant Places, Councillor Dunlop

As I said the contract expired and one of the problems with air festival TV was that the operator relies on advertising to cover their cost and the advertising was going off along the seafront and was conflicting with the broadcast of the air festival commentary, so while we were in mid commentary flow you'd have adverts popping up along the seafront. I have been asked this question once or twice before triggered directly by the people who run the contract, and what I say now is what I said then we are happy for anyone to approach us to offer an air festival TV facility that can be provided to people who have accessibility problems and I absolutely support that, what they have to be able to do though is to find a way of providing it so that it doesn't clash with the commentary along the seafront.

Question from Councillor Howell

“In the 13-15 High Street Planning Committee item on 4th October, I requested that a condition be introduced to prevent residents of the new development being granted Zone A parking permits. The Head of Planning said this could be achieved by section 106 agreement but the transport officer said this was unnecessary because the transport department could already decide to exclude developments from the permit scheme. As a consequence, no condition was proposed by committee members.

1. Is allowing residents of new developments that have been constructed with reduced or no parking to apply for Zone A permits in conflict with the Council’s climate change policies?
2. Given that there are approximately 285 Zone A spaces but 467 permits in issue, at what point will it become unfair on existing Zone A permit holding residents to issue more permits?
3. Does the transport department have an enforceable policy which allows it to exclude specific developments from the Zone A scheme?
4. Please give examples in the Zone A area where this policy has been exercised?
5. If it has not been exercised, will the Portfolio Holder instruct the transportation department to start excluding new developments from the scheme?”

Response by the Portfolio Holder for Sustainability and Transport, Councillor Mike Greene

I shall try to answer all parts of the question together.

Where development takes place within a Controlled Parking Zone such as Poole Town Zone A, the Local Planning Authority is able to impose an informative on planning approval which reserves the right for the Council to deny parking permits to future occupiers.

This aligns with the Council’s climate change policy but is, in my opinion, more relevant to the limited parking space available and our wish to reduce or limit congestion and car-based travel within our highly accessible town centres.

An example of when where this option was exercised by the Local Planning Authority is when planning was granted for No. 1 High Street. The planning informative states:

Informative: The applicant should note and inform future residents that they may be excluded from being able to purchase permits associated with parking permit schemes controlled by the Council in the area. This is to reduce the impacts from the development due to the low levels of car parking provision being proposed.

Whether the Council chooses to decline applications for parking permits in these situations is likely to depend on occupancy levels rather than the actual number of permits already granted and the total number of spaces available.

Supplementary Question from Councillor Howell

The Portfolio Holder only referred to Planning then, my question specifically referred to the transport officer saying they have the right to already do that, so I would like clarification as to if there isn't anything imposed as a condition in the way that the Portfolio Holder mentioned does the transport department have the enforceable policy able to do that as that what the transport officer specifically said to the Planning Committee in that case.

And also in that example that the Portfolio Holder mentioned he used the word may and not will, so could he say whether that actually has been enforced on No. 1 High Street?

Response by the Portfolio Holder for Sustainability and Transport, Councillor Mike Greene

I wasn't at the Planning Board in question, however as I understand it the informative is always included in those elements and therefore there was no need for a condition. Councillor Howell is absolutely right that it gives the Council the right but not the obligation to decline, my personal feeling is that we would almost always refuse to grant those permits apart from in exceptional circumstances, and in the case of No. 1 High Street I did specifically check that out and yes I've been told that we have not granted any permits on No. 1 High Street whether or not they have been requested.

Question from Councillor Mike Brooke to the Leader of the Council

Did Cllr Mellor vote for the Climate and Ecological Emergency motion that was put before Full Council on 16th July 2019. Yes or No?

Response by the Leader of the Council, Councillor Drew Mellor

Yes

Supplementary Question from Councillor Mike Brooke

I need to ask why is it then that the issue of climate change and ecological emergency which should be at the centre of every strategic priority of this council lacks any discussion in the Big Plan which is this administrations bible and which also had not been presented to a Scrutiny Committee or to Full Council?

Response by the Leader of the Council, Councillor Drew Mellor

I would like to focus on action and not words and what this administration has done is to immediately put back in the money that had come out of the climate budget, then we've doubled it and then we've made it permanent, then we put forward a £20m green futures fund. This council now and this administration is delivering on climate because it is absolutely at the centre of what we believe and you are going to continue to see that through now to May and beyond.

Question from Councillor Andy Jones

This year has seen a sharp increase in the number of complaints that I've dealt with regarding people sleeping in campervans overnight especially in roads in the Boscombe Overcliff area although I am aware this is also an issue elsewhere in BCP. Unfortunately under existing legislation there has been very little that the Police or Council Officers have been able to do to tackle this with some campervans being left parked up for weeks or even months on end. One way to tackle this is through the introduction of a PSPO which other Councils have done. Can the Portfolio Holder assure my residents that such a measure is going to be pursued, and if so, the time frame for a public consultation and subsequent implementation?

Response by the Portfolio Holder for Community Safety and Regulatory Services, Councillor Bobbie Dove

As you know one of the first measures that Councillor Mellor put in to place as Leader was to introduce a summer response so that residents, visitors and businesses are fully supported during the high demand days our amazing area experiences.

We could always stand at the end of the pier giving news interviews whilst calling a major incident, blame others and hit headlines but Councillor Mellor felt there was a more adult way of leading the council and with that less reputational damage, so as is true with everything this administration has does we always strive to do our best and bring out the very best outcomes for those who live, work and visit BCP.

So during our 2022 summer response we immediately recognised that the by laws around overnight camping in particular were insufficient to deal with this matter effectively and as we would all like so following the emails which you and I have exchanged over the summer which I must thank you I immediately put forward consideration for a PSPO on this area to officers in September and as everything that I have said we have hit the ground running.

Officers including the councils legal team have spoken to other authorities and have been gathering evidence to consider a range of issues that the council could include in a PSPO.

A report will be coming to Cabinet in December to seek approval to launch the 4 week public consultation and following this there will be consideration of all of the options available to us to tackle incidents such as illegal camping and other issues such as wild fires resulting in a final paper with recommendations for our coastal and open green spaces.

I am optimistically hopeful that this will be returned to Cabinet early in 2023 to ensure that any PSPO can be implemented in time for the summer season.

Question from Councillor George Farquhar

Could the Leader confirm that a decision has been taken to cease indoor bowls at the Bournemouth Indoor Bowls facility in Kings Park from 1 April 2023?

Given previous assurances that the Towns Fund would be used to redevelop Boscombe and provide health & wellbeing facilities at the centre what is the future for sports and education provision there?

Can the Leader clarify if this is part of a disposal of assets and if so what steps will be taken to allow the transfer of these assets to the Community to run themselves?

By way of information to inform the reply. The CEO has already been approached by Members of the club and had a positive response to Asset Based Community development and has offered to set up a meeting with the Community Development Team at BCP, has that meeting taken place or is it planned to do so?

Response by the Portfolio Holder for Communities, Health and Leisure, Councillor Jane Kelly

A decision has been taken to pause the bowls service from April 2023 the reasons for this are several.

Club membership at Bournemouth Indoor Bowling Club (BIBC) has been declining over the last few years despite discussions with the club and with the investment put into the building to try to increase the participation levels. Also it could be noted that participation with this sport nationally has decreased over the last few years.

But that doesn't mean to say that the people that are using it currently aren't important, they very much are.

With the rising costs associated in maintaining the offer we have taken the decision to pause the bowls service from April 2023 whilst we consider the longer-term use of the bowls area. We understand this is disappointing for the club, but we will continue to support them via arranging significant reductions with memberships at other clubs in Christchurch and Poole, as well as to organise taster events at those venues, many members are already members at these other clubs and so are aware of them already.

The Skills and Learning courses will continue on the first floor.

When the leasehold was purchased by the authority via the Boscombe Towns Fund we agreed that the indoor bowls service would continue for a minimum of 12 months, we have honoured this agreement but unfortunately we now have to make this decision for the reasons outlined to pause the service from April 2023.

As you will be aware there are two other indoor bowls facilities in Bournemouth, Christchurch and Poole, one in Christchurch near the very successful 2 Riversmeet leisure centre, the East Dorset Indoor Bowls Centre and there is one by the Dolphin Centre in Poole, they both have the capacity to accept and welcome new members.

We cannot continue to operate the building at a loss under the current cost of living pressures and the adjustments we are having to make to the budget to arrive at a balanced position for next year, we have currently commissioned a specialist consultancy company to undertake a review of the BIBC facility and service. This review will determine the demand of indoor bowls across BCP and recommend further options for the use of the bowls area based on the demographic and needs of the local residents to the facility.

The BIBC facility is an integral part of the leisure portfolio of BCP Council the objective remains to develop the facility into a thriving leisure asset and maximise its potential for the benefit of the local community and wider demographic as per the original proposals agreed upon purchase via the Boscombe Towns Fund. The building is in no way considered to be disposable and every effort will be made to bring it back to life as soon as possible.

Supplementary Question from Councillor George Farquhar

Will we see any movement on what has been outlined by the Portfolio Holder before March 31st 2023?

Response by the Portfolio Holder for Communities, Health and Leisure, Councillor Jane Kelly

Its really useful that the club is staying open during the winter so that when it does close for a while it will be an opportunity to start playing at an outdoor bowls club.

There are constant conversations going on currently between officers and representatives of the members, there have also been meetings with the wider number of the members with our leisure officers and all sorts of options and ideas are being discussed. Its being discussed as to whether the current committee would be able to run the facility, I don't know what the outcome of those are going to be, I haven't yet seen the report from the company. There is an awful lot going on and so the answer is yes but we don't know the outcome as yet.

Question from Councillor Mark Howell

Did the Council consider providing a temporary space for Poole Museum to continue to engage the public during its renovation? If so, why did this not proceed? If it was considered too expensive, what was the estimated cost?

Response by the Portfolio Holder for Tourism, Culture and Vibrant Places, Councillor Beverly Dunlop

A pop-up was considered and explored but decided against, aside from the cost of the lease and favourable terms and high fit out and running costs the pop up would principally end up being a café and a shop with limited value in terms of engagement and a better solution is being developed.

The museum will now have an outreach programme so that we can engage with more of the community during the closure period to promote the museum, this will be called 'Museum on the Move', it's a travelling museum and is supported by the heritage lottery fund and the projects in early days but I would be more than happy to chat further with Councillor Howell as it comes together and go through that with you.

Question from Councillor Andy Jones

Earlier this year the Echo ran a story about vehicles parking in cycle lanes with the one in Christchurch Rd in Boscombe being its primary focus. The cycle lanes in this section of road are regularly abused with numerous vehicles ignoring the No Waiting and No Loading restriction at will, day and night. Needless to say this is causing much anger and frustration to those who wish to cycle through this area but are unable to do so due to the obvious danger posed by these vehicles. Whilst I appreciate that the Council's CEOs are doing all that they can to tackle those who park illegally, they cannot be there all day every day. Will the Portfolio Holder therefore commit to introducing camera enforcement to deal with this problem as other Councils are now doing, and if not, advise how he proposes to address this problem moving forward as more and more cycle lanes are implemented across BCP?

Response by the Portfolio Holder for Sustainability and Transport, Councillor Mike Greene

We are continually looking at ways to improve the road network for all users and recently we took the opportunity of resurfacing works to upgrade cycling facilities in this area by converting some advisory cycle lanes to mandatory.

The Council only has powers to enforce certain parking restrictions by camera. These include mandatory cycle lanes where a waiting restriction such as a double yellow line also exists, so some of those on Christchurch Rd in Boscombe would now qualify when they didn't before.

Generally, it may be useful to know that where the Council currently carries out enforcement of, for example, keep clear markings at schools, using both fixed cameras and a camera car, the fine income does not cover the costs of the enforcement work. Fixed cameras are particularly costly compared with the fine revenue collected.

There may, though, be the opportunity for an occasional visit from the camera car when it is not in use elsewhere, subject to other priority demands, and I have asked officers to look into this.

The Council can also enforce the waiting restrictions on this route using its civil enforcement officers. The Council has been working to build up the capacity of its civil enforcement team and will continue to regularly patrol this route in an effort to keep it clear.

Question from Councillor George Farquhar

The residents and visitors need confirmation that the vital service provisioned by the Fisherman's Walk Cliff Lifts will continue to be provided to the residents and visitors in the years ahead. And what this Administration is doing to prevent the possibility of the Cliff Lift closure.

There have been concerns raised by residents with me, that the Fishermans Walk Cliff Lift has serious issues including the chassis needing much work and repairs to keep it operational.

Can these concerns be confirmed or denied.

Can we seek further confirmation that there will be funds and resources repairs and ongoing maintenance made available to ensure this valuable community asset continues to be in service for the community and visitors.

In particular there is a demographic with accessibility needs, that would be denied access to the beach should the vital service close.

The Cliff Lifts also provide a revenue stream and serious consideration should be increased by extending the hours of operations until dusk.

Response by the Portfolio Holder for Environment and Place, Councillor Mark Anderson

I would like to thank Cllr Farquhar for his question.

The cliff lifts are historic parts of the seafront infrastructure and do provide an essential service, they are also subject to ongoing maintenance and repair. They operate primarily during the warmer months and are now closed for the winter. There are no plans to close the facility permanently.

However, recent condition assessments have high-lighted potential issues with the electrical switch gear and lift cab chassis at Fisherman's lift.

Officers are currently exploring the options and costs related to these and aim to bring forward recommendations prior to Christmas and following on from that I hope the repair and maintenance of the lifts and associated works should be taking place in the spring, so services can resume as normal in the warmer weather.

I would also like to thank Cllr Farquhar for the suggestion about longer opening hours and whilst too late for now, I will take it up with officers with a view to seeing if it is feasible next year.

Supplementary Question from Councillor George Farquhar

What consideration will be given to the disability act and those that have accessibility needs to ensure that this facility and that act is taken into consideration with the reports that come back for the viability of the repairs of the electric system and the chassis?

**Response by the Portfolio Holder for Environment and Place,
Councillor Mark Anderson**

Councillor Farquhar's comments will be taken on board, just before the meeting I was talking to the chief operating officer about the lift and about the funding and so I am very much aware of wanting to make sure its operating and we were discussing making sure the funds were available and how we were going to use them.

Question from Councillor Vikki Slade

What additional budget is being provided to the Elections Team ensure that they have the additional equipment and additional staff needed to deal with Voter ID changes that are coming in for the local elections in 2023 and to provide for the needs of those with additional privacy needs. What additional work is being undertaken by the Elections Team to ensure that residents are aware of the changes, and to ensure that residents without existing Photo ID are not disenfranchised?

**Response by the Portfolio Holder for Community Safety and
Regulatory Services, Councillor Bobbie Dove**

The Council has recently received confirmation of the funding allocation from the government for the additional burdens due to be brought in by the Elections Act 2022 for elections in May 2023 and there is a supplementary Justification Led Bid process for further funding if required and DLUHC have confirmed that they will fully fund these new burdens. The secondary legislation with the detail of the Act, has just recently been laid before parliament and is awaiting approval which is called the Voter Identification Regulations 2022 and DLUHC have confirmed there will be funding for additional polling station staff, privacy screens and mirrors for each polling station, along with additional office staff/Call Centre staff to deal with the enquiries in the applications process.

At this time the Elections team have been advised that there will be a national website which will allow applications for the Voter Authority Certificate and this should be live in Mid-January 2023. It is planned that our publicity/communications will go live at the same time and will advise of the process and requirements. This is also the proposed timeframe for the Electoral Commission national campaigns.

Locally, our Elections and Communications teams have been proactive and have already been discussing a communication strategy, which will complement the general and targeted national publicity being proposed by the Electoral Commission on these new measures. This will be firmed up once the detail which we require, is confirmed in the secondary legislation we are waiting for.

Other work streams also include engagement with Equality, Diversity & Inclusion team and the Community Engagement/Participation Officers, to formulate the proposed consultation with older age groups, disability groups, vulnerable residents or for those whose first language is not English. Thus ensuring all information/literature and web site information is

accessible to all so that every eligible person within the conurbation is clear about the new system and support to ensure that democracy is still upheld by being able to vote on May 4th.

Supplementary Question from Councillor Vikki Slade

I still have two additional concerns, one is around you mentioned older people and those with disabilities but we know that its young people that aren't voting and in the main the list of items that are allowed for voting for young people is very much more restrictive than for older people. What is being done particularly around the under 30s and what assurance can you give us that people will be able to access this support in their own community and not be required to the main towns as that is very difficult for some people to do, particularly young people without their own transport.

Response by the Portfolio Holder for Community Safety and Regulatory Services, Councillor Bobbie Dove

The details have only come out in the last few days so the engagement team are working with all the consultations to make sure we engage with everyone that we need to, vulnerable older people but age is a protected characteristic and that includes younger people to.

37. Recommendations from the Cabinet and Committees (Agenda Items 7 a, b, f, g, h and j refer)

Item 7a – Cabinet 27 July 2022 – Minute No 30 – Harmonising Community Infrastructure Levy

Councillor Broadhead, Portfolio Holder for Development, Growth and Regeneration presented the report on Harmonising Community Infrastructure Levy and outlined the recommendations as set out on the agenda.

Members were informed that the Community Infrastructure Levy (CIL) is a levy that local authorities can charge on development in their area, and that CIL income can be used to contribute towards the funding of infrastructure needed to support new development.

In relation to this Members were advised that BCP Council currently operates three legacy approaches in the implementation of the levy, and that this report and accompanying appendices are looking to harmonise these legacy approaches to deliver a single policy approach to be implemented across the charging authority area, and that these policy changes will be implemented as part of the Planning Harmonisation and Improvement Project.

Further to this Members were informed that internal auditors have reviewed the current CIL processes and identified a series of actions, and that the response to these actions is set out in the report, with many actions already implemented or in the process of being implemented through the Planning Harmonisation and Improvement Project.

Councillor J Butt proposed an additional recommendation to be included at (d) to read:

(d): “Acceleration of the timescale to consult on and propose a new charging schedule within 2023 that meets better the needs of local communities”

The proposer and seconder agreed that they were content to include this within the existing recommendations.

RESOLVED that Council: -

- (a) approved the proposed BCP CIL Instalment Policy;**
- (b) approved the proposed BCP CIL Payment in Kind Policy;**
- (c) approved the BCP CIL Discretionary Relief Statement; and**
- (d) approved the acceleration of the timescale to consult on and propose a new charging schedule within 2023 that meets better the needs of local communities.**

Voting: Nem.Con (2 abstentions)

Councillors M Greene and N Greene declared interests in this item and refrained from voting thereon.

Item 7b – Cabinet 27 July 2022 – Minute No 33 – Youth Justice Service – Annual Youth Justice Plan

Councillor White, Portfolio Holder for Children and Young People presented the report on Youth Justice Service – Annual Youth Justice Plan and outlined the recommendations as set out on the agenda.

Members were advised that 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, and that the report summarised the Youth Justice Plan for 2022/23.

RESOLVED that Full Council approved the Annual Youth Justice Plan.

Voting: Unanimous

Councillor Dr F Rice left the meeting at 7.19pm

7f – Cabinet 28 September 2022 – Minute No 53 – Finance Strategy Update Report

Councillor Mellor, Leader of the Council presented the Finance Strategy Update Report and outlined the recommendations as set out on the agenda.

Members were advised that the report provided the first response to the recommendations of the Finance Update and further to this included an update on the Financial Strategy and proposals to prudently position the council to deliver a balanced budget for 2023/24.

Members were informed that there had been a long and detailed debate at the Corporate and Community Overview and Scrutiny Committee.

RESOLVED that Council: -

- (d) pending the presentation of new viable business cases, remove from the Capital Programme the debt commitments to the Winter Gardens and Cotlands developments; and**
- (e) release the earmarked reserves as set out in Appendix C.**

Voting: Nem.Con (19 abstentions)

Note – resolutions (a), (b) and (c) were resolved matters by the Cabinet.

7h – Cabinet 26 October 2022 – Minute No 64 – Finance Strategy Update Report

Councillor Mellor, Leader of the Council presented the Finance Strategy Update report and outlined the recommendations as set out on the agenda.

Members were advised that the report demonstrated that the Council had made further good progress in prudently positioning itself to deliver and set out how it would achieve a balanced budget for 2023/24.

Members were informed that there had been a long and detailed debate at the Corporate and Community Overview and Scrutiny Committee.

RESOLVED that Council: -

- (f) approved £1.9m of investment in 2022/23 in a specific transformation workstream in Children’s Services as set out in appendix A; and**
- (g) approved the further release of earmarked reserves as set out in appendix C.**

Voting: Carried

7g – Cabinet 28 September 2022 – Minute No 57 – BCP Community Safety Partnership Strategy

Councillor Dove, Portfolio Holder for Community Safety and Regulatory Services presented the report on the BCP Community Safety Partnership Strategy and outlined the recommendations as set out on the agenda.

Members were advised that the report summarised the Partnership’s Community Safety Strategy 2022 – 2025, including priorities, strategic principles, approach, objectives and key performance indicators.

In relation to this Members were informed that as a statutory partner of the Community Safety Partnership that the Council is required to adopt the strategy.

RESOLVED that the BCP Community Safety Partnership Strategy be approved.

Voting: Unanimous

(Councillor T Trent joined part way through the debate and therefore did not participate in the discussion or voting thereon).

7j – Audit and Governance Committee 27 October 2022 – Minute No 148 – Review of the Council’s Constitution

Councillor Beesley, Chairman of the Audit and Governance Committee presented the report on the Review of the Councils Constitution and outlined the recommendations as set out on the agenda.

In presenting the report Councillor Beesley highlighted that it had been requested that recommendation (h) be brought back to the Constitution Review Working Group for further consideration, and with that in mind therefore advised that recommendation (h) would be deferred pending further review.

Members expressed concern with regards to recommendation (i) and access to documents and in relation to this a proposition was made to remove this recommendation by Councillor Bartlett, this was seconded by Councillor Slade. Upon further discussion it was agreed that (i) would also be sent back to the Constitution Review Working Group for further consideration.

RESOLVED that: -

- (a) in relation to Issue 1 (Powers of Head of Paid Service in relation to contracted workers), no changes be made to the Constitution;**
- (b) in relation to Issue 2 (Standing to speak at Council and associated etiquette), the proposed amendments to the existing Procedure Rule 13.4 (page 4-49) and the insertion of a new Procedure Rule 6 (Duration of meetings) (page 4- 37), be approved;**
- (c) in relation to Issue 3 (Process for interpretation of Procedure Rules), the proposed amendments to the existing Procedure Rule 21 (page 4-54), be approved;**
- (d) in relation to Issue 4 (Questions by Councillors at Council Meetings), the proposed amendments to the existing Procedure Rules 11.7 (page 4-42) and 13.5 (page 4-49), be approved;**
- (e) in relation to Issue 5 (Arrangements for voting from the public gallery), no changes be made to the Constitution;**
- (f) in relation to Issue 6 (Categories of officers falling within the definition of senior officers), the proposed amendments to the terms of reference for the Appeals Committee and the Investigation and Disciplinary Committee (pages 3-19 and 3-19), be approved;**
- (g) in relation to Issue 7 (Thresholds/Levels of Financial Delegation), no changes be made to the Constitution;**
- (h) in relation to Issue 8 (Public participation – Public Questions, Statements and Petitions), the proposed amendments to the existing Procedure Rules 12 (pages 4- 42 to 4-48), be referred back to the Constitution Review Working Group for further review;**

- (i) in relation to Issue 9 (Access to documents – Overview and Scrutiny Committees), the proposed amendment to the existing Procedure Rules 24.3 (page 4-17), be referred back to the Constitution Review Working Group for further review;
- (j) in relation to Issue 10 (Prevent Channel – Statutory functions), the proposed amendment to Part 2, Article 12 (Decision Making) (page 2-25), be approved;
- (k) in relation to Issue 11 (Co-opted and other non-Councillor members of Children’s Services Overview and Scrutiny Committee), the proposed insertion of paragraph 6.7.3 to Part 2, Article 6 (page 2-14) and Part 3A, paragraph 4.5 (page 3-13), be approved;
- (l) in relation to Issue 12 (Planning process governance issues), no changes be made to the Constitution;
- (m) in relation to Issue 13 (Voting by Councillors), the proposed insertion of paragraph 18.1 to existing Procedure Rule 17 (page 4-53), be approved;
- (n) in relation to Issue 14 (Attendance of councillors at meetings), no changes be made to the Constitution;
- (o) in relation to Issue 15 (Lead Members on Scrutiny), Part 2, Article 6 (Overview and Scrutiny), paragraph 6.4.2 (page 2- 13) be amended to read:- “Lead Members of the Cabinet may not be a member of Overview and Scrutiny Committees.”
- (p) in relation to Issue 16 (Eligibility for election of office), the proposed insertion of paragraphs 2.5 and 2.5 to existing Procedure Rule 2 (pages 4-36 and 4-37), be approved;
- (q) in relation to Issue 17 (Planning Committee Delegations), the proposed insertion to Part 3A, paragraph 2.4 (page 3- 9), be approved;
- (r) any necessary and consequential technical and formatting related updates and revisions to the Constitution be made by the Monitoring Officer in accordance with powers delegated.

Voting: Nem.Con (7 abstentions)

The meeting adjourned at 8.16 pm and reconvened at 8.33 pm

Councillors M Haines and R Maidment left the meeting at 8.16 pm.

38. Notices of Motion in accordance with Procedure Rule 9

A – Decarbonising Transport

The following motion was submitted in accordance with Procedure Rule 9 of the Meeting Procedure Rules and was moved by Councillor A Hadley and seconded by Councillor G Farquhar:

In order to meet our climate emergency declaration, we will work to decarbonise the transport network in the BCP area in order to meet

the government's NetZero Strategy. In order to do this we will aim to meet the government's vision of 50% of journeys within the BCP area to be done by walking, scooting or cycling by 2030, as per the government's 'Decarbonising Transport. A Better, Greener Britain 2021 report'.

A request was made to make reference to public transport within the motion and following discussion and the support of the proposer and seconder the motion was amended to read as follows:

'In order to meet our climate emergency declaration, we will work to decarbonise the transport network in the BCP area. In order to do this we will aim to get to 50% of journeys within the BCP area to be done by walking, scooting, cycling or public transport by 2030, in the spirit of the government's 'Decarbonising Transport. A Better, Greener Britain 2021 report'.

At the request of the required number of members Council then took a recorded vote which was carried as follows:

For - 55

Cllr Hazel Allen	Cllr Lesley Dedman	Cllr Andy Jones
Cllr Lewis Allison	Cllr Bobbie Dove	Cllr Jane Kelly
Cllr Mark Anderson	Cllr Beverly Dunlop	Cllr David Kelsey
Cllr Sarah Anderson	Cllr Millie Earl	Cllr Bob Lawton
Cllr Marcus Andrews	Cllr Jackie Edwards	Cllr Marion Le Poidevin
Cllr Steve Baron	Cllr L-J Evans	Cllr Simon McCormack
Cllr Stephen Bartlett	Cllr George Farquhar	Cllr Drew Mellor
Cllr John Beesley	Cllr Laurence Fear	Cllr Sandra Moore
Cllr Derek Borthwick	Cllr Anne Filer	Cllr Lisa Northover
Cllr Philip Broadhead	Cllr David Flagg	Cllr Susan Phillips
Cllr Mike Brooke	Cllr Sean Gabriel	Cllr Chris Rigby
Cllr David Brown	Cllr Mike Greene	Cllr Vikki Slade
Cllr Simon Bull	Cllr Nicola Greene	Cllr Ann Stribley
Cllr Richard Burton	Cllr Andy Hadley	Cllr Tony Trent
Cllr Daniel Butt	Cllr Peter Hall	Cllr Mike White
Cllr Judy Butt	Cllr Paul Hilliard	Cllr Lawrence Williams
Cllr Eddie Coope	Cllr Mark Howell	Cllr Nigel Hedges
Cllr Mike Cox	Cllr Mohan Iyengar	
Cllr Malcolm Davies	Cllr Toby Johnson	

Against – 1

Cllr Diana Butler

Abstentions – 4

Cllr Duane Farr	Cllr Karen Rampton
Cllr Margaret Phipps	Cllr Roberto Rocca

B – Clean Up Governance on Bournemouth, Christchurch & Poole Council

The following motion was submitted in accordance with Procedure Rule 9 of the Meeting Procedure Rules and was moved by Councillor M Earl and seconded by Councillor V Slade:

1. Council resolves to:

- a. Instruct officers to bring a report to Audit & Governance that reviews Part 5 on Financial Regulations - Appendix 1 EX10 'Appointment of Consultants' of the Constitution with a view to reducing the threshold at which relevant Service Directors and Corporate Directors approve spend without a business case in place;**
- b. Amend the constitution so it states that cabinet members cannot hold directorships of council related businesses; c.**
- c. Invite the LGA or appropriate body to consider the constitution and make recommendations, particularly relating to governance, in conjunction with officers and members;**
- d. Instruct officers to bring a report to council by March 2023 on options for alternative governance structures in BCP Council rather than a Leader, Cabinet & Cabinet Plus system.**

2. Council asks:

- a. That the Leader considers the appropriateness of holding both the position of Leader of the Council and Portfolio Holder responsible for the finance of this council.**

An amendment was proposed by Councillor M Iyengar in relation to recommendation 1(a), this was seconded by Councillor J Butt, a copy of the amendment was circulated to all Councillors and is set out below:

- a. Instruct officers to bring a report to Audit & Governance that reviews Part 5 on Financial Regulations - Appendix 1 EX10 'Appointment of Consultants' of the Constitution with a view to ~~reducing the threshold at which relevant Service Directors and Corporate Directors approve spend without a business case in place;~~ introducing a regular monitoring of consultancy spend across the council, including the right to challenge before contract commitments are made.**

Following lengthy discussion the motion including the amended wording was put to the vote with each recommendation being voted on separately the amended recommendation at 1(a) was carried and all other recommendations fell with voting as follows:

Voting: 1(a) Nem.Con (1 abstention)

1(b) 24:37 (2 abstentions)

1(c) 23:31 (7 abstentions)

1(d) 24:33 (3 abstentions)

2 (a) 28:30 (3 abstentions)

The meeting was adjourned at 10.45pm and reconvened at 10.55pm

Councillors H Allen, J Beesley, E Coope, B Dunlop, D Flagg, K Rampton, C Rigby, R Rocca and A Stribley left the meeting at 10.45 pm.

C – White Ribbon Accreditation

The following motion was submitted in accordance with Procedure Rule 9 of the Meeting Procedure Rules and was moved by Councillor L-J Evans and seconded by Councillor V Slade: -

‘BCP Council explores options to become a White Ribbon Accredited organisation (www.whiteribbon.org.uk/organisations) by forming a working group, completing the necessary training, developing an Action Plan and paying the appropriate Accreditation Fee to White Ribbon UK.’

RESOLVED that Council supports the motion.

Voting: Unanimous

D – Local Authority Funding for Respite Care

The following motion was submitted in accordance with Procedure Rule 9 of the Meeting Procedure Rules and was moved by Councillor M Brooke and seconded by Councillor V Slade: -

‘That BCP Council writes to His Majesty’s Government to seek enhanced funding for Local Authorities for the provision of additional Short Breaks for parents of children with disabilities, due to the proven preventative benefits on parental mental and physical health and on parental couple relationships, citing research by York University into the health of mothers of children with serious illness, Pro Bono Economics on the impact of respite on parental mental health, and Bournemouth University and Julia’s House on the impact of respite on parental relationships.’

RESOLVED that Council supports the motion.

Vote: Unanimous

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

The Chief Executive in accordance with the Constitution, advised Members of the following urgent decisions taken:

- Appointment of Independent Chair of BCP FuturePlaces Ltd
- Council Newbuild Housing and Acquisition Strategy (CNHAS)
- Appointment of Non-Executive Directors of BCP FuturePlaces Ltd

The meeting ended at 11.20 pm

CHAIRMAN

CABINET



Report subject	Finance Strategy Update Report
Meeting date	23 November 2022
Status	Public Report
Executive summary	<p>The October Cabinet report set out how a balanced budget for 2023/24 would be delivered and this was shared with DLUHC on the 24 October 2022. As set out in October report, having undertaken this work the challenge is now translating this work into a detailed implementation workstream and strength testing the deliverability of the assumptions that had been made with a robust evidence base. Of particular importance will be those around service savings and efficiencies to avoid double-counting savings especially with those be delivered by the transformation programme.</p> <p>This November report presents an update on this workstream and highlights that the consequences of the initial work around implementation is that further “below the line” budget proposals have been established which are those that would be the most challenging to deliver.</p>
Recommendations	<p>It is RECOMMENDED that Cabinet:</p> <ol style="list-style-type: none"> 1) Acknowledges the update of the plan to deliver a balanced budget for 2023/24 and the testing of the implementation process. 2) Recognises the continued improvement to the in-year position with a surplus of £8.5m now projected 3) Acknowledges that further “below the line” proposals have been identified to replace any proposals that cannot now be delivered, or which have been deferred into a future year. <p>It is RECOMMENDED that Council:</p> <ol style="list-style-type: none"> 4) Approve the disposal of Non-Strategic Asset Sales as set out in <u>confidential</u> appendix A, subject to achieving the estimated sales value, with the decision delegated to the Leader or Deputy Leader of the Council and Chief Finance Officer.

	5) Approve a pooled budget arrangement in relation to section 117 Aftercare as set out in appendix B.
Reason for recommendations	Further to a recommendation agreed by Cabinet on the 7 September 2022, an update on the Councils financial strategy will be a standing item on the Cabinet agenda until such time as a balanced budget for 2023/24 has been delivered.
Portfolio Holder(s):	Councillor Drew Mellor, Leader, and Portfolio Holder for Finance & Transformation
Corporate Director	Graham Farrant, Chief Executive
Report Author	Adam Richens, Chief Finance Officer, and S.151 Officer adam.richens@bcpcouncil.gov.uk
Wards	Council-wide
Classification	For Decision

Background

- Through detailed public reports to the Cabinet in June, twice in September and in October 2022, the council has reflected on a material change to the risk profile of its budget. Salient factors associated with this position can be summarised as.
 - Cost of living inflationary pressures (with the consumer price index currently at 10.1%), estimated to be around £25m in 22/23 and £30m for 2023/24. These pressures are similar to those consistently being reported by other local authorities nationally.
 - High levels of financial planning uncertainty due to the constant changes and variations to the costs of goods, materials and services required to deliver council operations.
 - Amendment of government guidance which has left the council with a significant funding shortfall in respect of its approved £68m transformation programme.
 - A level of reserves (unearmarked) which is below the 5% of net revenue expenditure threshold often used as a benchmark within the sector.
 - An application to the government under its Exceptional Finance Support programme to be allowed to finance its transformation programme via borrowing (what is referred to as a capitalisation direction) and to spread the cost over a 20-year period.
 - A “minded to” offer from the government of the ability to spread the £20m 2022/23 transformation cost, subject to an external finance and governance review, on the condition that it balances the 2023/24 budget by the end of September 2022 and in the expectation of future asset sales to avoid the need for a further capitalisation direction in both 2023/24 and 2024/25.

2. The public report to Cabinet on the 26 October met the requirement to balance the 2023/24 budget by the end of September, in that it identified the potential actions that now will be necessary to balance the 2023/24 budget based on the current assumptions. This position was achieved after including £42.6m in savings and efficiencies (16% of the Councils Net Revenue Expenditure) made up of £9.6m of currently unitemised transformation related third party spend savings, £0.6m of currently unidentified savings in Children's Services, and £32.4m of specific service-based savings and efficiencies of which £4.6m were noted as being the most challenging. These savings are set in the context of a £53m investment into the cost of delivering council services across all areas in 2023/24
3. As authorised by Cabinet, council officers have now commenced the work to ensure the deliverability of the budget via the progression of the savings and efficiency proposals including any necessary consultations and ensuring there is robust supporting evidence.
4. In addition, the Cabinet at its October meeting made a commitment to.
 - consider the extent to which a capitalisation direction can be avoided in 2022/23 by bringing forward the disposal of non-strategic assets by the 31 March 2023.
 - continue to apply an in-year expenditure control designed to deliver savings and efficiencies in 2022/23 which can be used to support the 2023/24 budget, and to support the council as it moves through its transformation programme.

Autumn Statement 2022

5. Following changes within national Government an original fiscal statement planned for the 31 October 2022 has now upgraded to an Autumn Statement on 17 November, to include an economic forecast from the Office for Budget Responsibility. As this is after the release date for this report, the December finance report to Cabinet will reflect on any implications for the councils and its medium-term financial plan. It should however be highlighted that in the national media, reference continues to be made to the following:
 - a) Potentially delaying the social care reforms until 2024. This may be linked to the reversal in the decision to increase national insurance (followed by the social care levy) which financed these reforms.
 - b) A £40bn national fiscal funding gap with all Whitehall departments being asked to begin to draw up options for making difficult spending decisions.

Progress on implementation of savings and efficiencies workstream

6. Since the October Cabinet report all budget holders have been reviewing the deliverability of the savings, efficiencies and service reduction proposals that formed part of the balanced budget as presented. This included those marked as "below the line" which were those proposals which would be the most challenging. As a consequence, additional and alternative "below the line" proposals have been identified to maintain the equilibrium and ensure the method of balancing the 2023/23 is still maintained. This ebb and flow is likely to be a feature of the monthly reports to Cabinet as the council works towards the February 2023 Cabinet and Council meetings and the delivery of a balanced budget for 2023/24.
7. Recognising the council has a statutory duty to consult in some areas of its work, based on either statute or case law, it is proposed that we undertake a resident and stakeholder budget engagement and consultation exercise to determine public

priorities and how they would spend the 2023/24 budget. It is currently planned to commence this consultation in the week commencing 14 November 2022.

8. In addition, it is proposed to undertake any necessary separate stakeholder consultations for any specific service proposals that need such engagement, with a timing schedule to be agreed for each proposal that requires service-user or staff consultation.

Update on ability to deliver non-strategic asset disposals by 31 March 2023

9. The Finance Strategy Update report to October Cabinet recognised the intent to avoid the need to draw down on a £20m capitalisation direction in 2022/23 by bringing forward the disposal of Non-Strategic Assets. Consequentially a work stream was created to consider the ability to deliver £20m of additional asset sales by 31 March 2023.
10. Confidential Appendix A seeks formal approval for the disposal of these assets, and these should now be considered by Council on 10 January 2023. In presenting this appendix officers are confirming that at this stage it cannot be guaranteed that the additional £20m in capital receipts will be delivered by 31 March 2023 to avoid a capitalisation direction. However, the workstream will continue with best endeavours and for the February 2023 budget report for 2023/24 we will be in a more informed position as to what can be achieved. Much will depend on the appetite amongst potential buyers and any conditions they may attach to the purchases. If by the budget report the sales cannot be guaranteed for the 31 March 2023 deadline, then the council would be recommended to pursue the alternative of drawing down on the capitalisation direction in full or part.

Updated Medium Term Financial Plan

11. The 26 October Cabinet report set out the previous MTFP position assuming the council does not take the £20m capitalisation direction offered by government via the “minded to” offer from DLUHC.

Figure 1: Cabinet 26 October 2022 forecast MTFP Position

	23/24	24/25	25/26	26/27	Total
	£m	£m	£m	£m	£m
Annual – Net Funding Gap	(0.0)	15.8	(3.5)	(1.2)	11.1
Cumulative MTFP – Net Funding Gap	(0.0)	15.8	12.3	11.1	

12. Figure 2 below sets out the current MTFP updated for any changes since the October Cabinet report. As a reminder to councillors, the following MTFP variance charts show changes in the revenue budgets, on an annual basis, either positive numbers which represent additional costs to be met, or negative which represent forecast cost reductions or additional income. The variances are shown in the year in which they are expected to be first seen and are then assumed to recur on an ongoing basis in each of the following years. One-off changes will be seen as an entry in one year and will then being reversed out in a following year. For example, it is currently assumed to use £8.5m from the forecast outturn for 2022/23 in support of the 2023/24 budget. An absolute version of the MTFP is presented as Appendix C.

Figure 2: Funding Gap for 2023/24 and MTFP Position

Adjustments to the cost of services	23/24 £m	24/25 £m	25/26 £m	26/27 £m	Total £m
Adult social care and public health	18.8	13.5	8.2	8.7	49.2
Adult social care reforms	12.8	17.2	2.6	0.0	32.6
Children's services	14.6	8.4	9.0	9.6	41.6
Operations	8.5	4.5	1.8	1.1	15.9
Reversal of securitisation of income stream proposal	(3.7)	0.0	0.0	0.0	(3.7)
Resource services	1.0	1.4	0.5	0.4	3.3
Staff costs being charged to transformation prior 25/26	0.0	0.0	6.7	0.0	6.7
Capitalisation direction 22/23 cost of capital & interest repayments	0.0	0.0	0.0	0.0	0.0
Transformation base revenue budget costs	1.1	0.0	0.0	0.0	1.1
Transformation redundancy costs that cannot be charged against FUCR	2.1	(1.9)	(0.1)	0.0	0.1
Corporate priorities one-offs for 2022/23	(9.7)	0.0	0.0	0.0	(9.7)
Pay related costs	8.3	3.8	3.8	3.8	19.7
Pay and grading project	0.0	9.1	(4.5)	0.0	4.6
Contingency	0.0	0.0	0.0	0.0	0.0
Debt and capital adjustments	0.1	0.3	(0.3)	(0.1)	0.0
Treasury Management & Investment income adjusted disposals	(1.5)	1.3	(0.1)	0.0	(0.3)
Total adjustments in respect of cost of services	52.4	57.6	27.6	23.5	161.1
Adjustments in respect of resource levels					
Council tax – revenue - 2.99% per annum (1.99% basic + 1% SC precept)	(6.8)	(7.1)	(7.4)	(7.7)	(29.1)
Council tax - taxbase	(3.0)	(2.6)	(1.3)	(1.3)	(8.2)
Council tax - single person discount	(0.2)	0.0	0.0	0.0	(0.2)
Council tax - second homes 100% premium	0.0	(5.3)	0.0	0.0	(5.3)
Council tax - empty homes premium after 1st rather than 2nd year	0.0	(0.9)	0.0	0.0	(0.9)
Collection fund – (surplus) / deficit distribution net of S31 grant	4.7	(2.6)	0.0	0.0	2.1
Government core grant funding changes	0.8	0.0	2.5	0.0	3.3
Assumed social care reforms funding	(12.8)	(17.2)	(2.6)	0.0	(32.6)
Assumed additional social care grant funding	(3.1)	(2.7)	(2.7)	(2.7)	(11.2)
Reserve Funding - One-off funding supporting 2022/23 budget	36.1	0.0	0.0	0.0	36.1
Reserve Funding - Removal of COMF contribution 2022/23 priorities	1.0	0.0	0.0	0.0	1.0
Reserve Funding - Improved outturn 2021/22 to support 23/24 budget	(14.2)	14.2	0.0	0.0	0.0
Reserve Funding - Redirect earmarked reserve to support 23/24 budget	(5.3)	5.3	0.0	0.0	0.0
Reserve Funding - Assumed surplus 2022/23 to support 23/24 budget	(8.5)	8.5	0.0	0.0	0.0
Total previously assumed adjustments in resource levels	(11.3)	(10.4)	(11.5)	(11.7)	(45.0)
Assumed additional savings, and efficiencies					
Unitemised Transformation savings	(9.5)	(16.2)	0.0	0.0	(25.7)
Following transformation, further net FTE reductions	0.0	0.0	(7.2)	0.0	(7.2)
Scheduled service based savings (include. Adults, Children's, Transformation)	(26.6)	(5.9)	(2.6)	(2.4)	(37.5)
Roundings	0.0	0.0	0.1	0.0	0.1
Unidentified Adult Social Care savings (2.99% growth restriction)	0.0	(2.9)	(3.1)	(3.5)	(9.5)
Unidentified Children's savings (2.99% growth restriction)	0.0	(4.8)	(6.5)	(7.0)	(18.3)
Total assumed annual extra savings and efficiencies	(36.1)	(29.8)	(19.3)	(12.9)	(98.1)
Sub Total - Annual – Net Funding Gap	5.0	17.4	(3.2)	(1.1)	18.1
Sub Total - Cumulative MTFP – Net Funding Gap	5.0	22.4	19.2	18.1	
Scheduled service based savings (includes Adults, Children's, Transformation)	(5.0)	(0.7)	0.1	0.1	(5.5)
Annual – Net Funding Gap	(0.0)	16.7	(3.1)	(1.0)	12.6
Cumulative MTFP – Net Funding Gap	(0.0)	16.7	13.6	12.6	

13. As a reminder, the service-based savings and efficiencies are presented above and below a sub-total line. To reiterate, the reason for this is to emphasise that although a lot of the savings will be challenging for the council, those below the line will be more challenging.
14. Appendix C to this report presents the MTFP on an absolute rather than incremental basis.
15. Appendix D presents an update on some of the key financial planning assumptions being used to underpin the latest reiteration of the MTFP.
16. The key variances from the position as set out in the previous Cabinet report, which have overall worsened the financial forecast in the next two years include.
 - a) Further improvement in the forecast outturn for 2022/23. Analysis of these further variances, which amount to a £0.7m increase in the surplus, now mean that the overall surplus for the year is predicted to be £8.5m and is presented as Appendix D to this report. The variance includes additional care costs due to demand pressures within Children's services reduced by an assumption of less expenditure on staff related costs. It is possible that this outturn position will continue to improve as the expenditure control continue to bear down on service expenditure and as officers continue to reduce costs.
 - b) Refinement of a number of service pressures in reflection of the latest estimates for the cost of services or materials including negotiations with suppliers.
 - c) Removal of potential service changes completely or their deferral to a later implementation date in 2023, or future years, due to clarification or confirmation of consultation timelines and the legislative framework.
 - d) Additional "below the line" proposals that have been identified to maintain the equilibrium and ensure the budget remains balanced.

Pooled budget arrangement in relation to section 117 Aftercare.

17. Appendix B to this report presents a briefing on the proposal to create a pooled budget for the management, monitoring, and overseeing of the free help and support those individuals are entitled to under s117 of the Mental Health Act, after they leave hospital (often referred to as 'section 117 aftercare').
18. This pooled budget will be with NHS Dorset, valued at £17m with a contribution from BCP council of £11.9m (70%). The number of people that qualify to be part of the pooled budget is currently 380. Any variation in the cost of the service will be shared 57.5% to BCP Council and 42.5% to NHS Dorset based on the current cost share split.

Options appraisal

19. This paper continues to build on the Finance Strategy update reports to Cabinet in June, twice in September and in October 2022. These reports recognised material changes to the risk profile of the 2022/23 budget and MTFP. This includes significant costs pressures associated with the cost of living, changes to the FUCR statutory guidance, messages from the Secretary of State around ensuring authorities also adhere to the spirit and intent of legislation, and the government being minded to offer the council a £20m capitalisation direction for 2022/23.

The "minded to" offer of a £20m Capitalisation Direction for 2022/23 is an opportunity for the council to avoid bringing forward further capital receipts or

resources currently earmarked in support of the 2023/24 budget to fund the cost of its transformation programme in the current financial year.

The October Cabinet report requested officers consider the extent to which a capitalisation direction can be avoided in 2022/23 by bringing forward the disposal of non-strategic assets. Work continues to determine if it is possible to deliver these additional £20m asset sales, in addition to the £7.4m already assumed and still outstanding, by the 31 March 2023 deadline. It is essential that the 2023/24 budget is clear about which strategy is being pursued.

Conclusion

20. Cabinet previously prudently positioned the council to deliver a balanced budget for 2023/24. Work since then on ensuring the deliverability of the assumed savings, efficiencies and service reductions means that a further £2m of proposals now need to be brought forward to maintain that balanced position for next year.
21. In support of the savings proposals the council intends to commence a general public consultation exercise in the week commencing the 14 November 2022. This will be supported by any necessary consultations in support of specific service proposals.
22. The council's budget position should be seen in the context of the funding gaps being signalled by all local authorities at this time be that due to demand pressures or due to the impact of the cost of living.
23. The work to determine the feasibility of bringing forward £20m of non-strategic asset sales by the 31 March 2023 will be critical if the council is to avoid drawing down on the "mind-to" capitalisation direction.

Summary of legal implications

24. The council has a fiduciary duty to its taxpayers to be prudent in the administration of the funds it holds on their behalf and an equal duty to consider the interests of their community which benefit from the services it provides.
25. It is the responsibility of councillors to ensure the council sets a balanced budget for the forthcoming year. In setting such a budget councillors and officers of the council have a legal requirement to ensure it is balanced in a manner which reflects the needs of both current and future taxpayers in discharging these responsibilities. In essence, this is a direct reference to ensure that Council sets a financially sustainable budget which is mindful of the long-term consequences of any short-term decisions.
26. As a billing authority, failure to set a legal budget by 11 March each year may lead to intervention from the Secretary of State under section 15 of the Local Government Act 1999. It should however be noted that the deadline is, in reality, 1 March each year to allow sufficient time for the council tax direct debit process to be adhered to.

Summary of human resources implications

27. There are no direct human resource implications of this report. However, the MTFP and budget will have a direct impact on the level of services delivered by the council, the mechanisms by which those services are delivered and the associated staffing establishment.

28. This report acknowledges that the transformation programme and the actions necessary to manage future years funding gaps are likely to have an impact on future staffing levels.

Summary of sustainability impact

29. There are no direct sustainability implications of this report

Summary of public health implications

30. There are no direct public health implications of this report.

Summary of equality implications

31. A full equalities impact assessment will be undertaken as part of the final February 2023 report to members as part of the annual budget process.

Summary of risk assessment

32. The risks inherent in the 2022/23 budget were clearly set out in the February 2022 Council budget report for 2022/23. This and the previous June, September and October finance reports to Cabinet recognised a change in the risk profile and recommended appropriate mitigation to maintain a balanced budget for 2022/23 and deliver a balanced budget for 2023/24. Key risks include.

Uncertainty

The only certainty at this moment in time is uncertainty. There are currently high levels of financial planning unpredictability caused by the cost-of-living crisis and constant changes and variations to the costs of goods, materials and services required to deliver council operations.

2022/23 Forecast Outturn

A key element of the Council's Financial Strategy is the aim to deliver a surplus in 2022/23 which can be used to create resources (via an earmarked reserve) which then can be drawn down in support of the 2023/24 budget. As stated earlier in this report the surplus being forecast under this mechanism is currently £8.5m. It should however be emphasised that there is a significant risk associated with this figure as it is based on trend analysis and professional judgement centred on activity from 58% of the financial year. Predications and estimates can and will change over the remaining 42% of the financial year. Assurance can be taken from both the monthly review process and the fact that the previous decision not to undertake any new financial commitments until such time as a balanced budget for 2023/24 has actually been delivered. Risk with this forecast include those associated with the funding of the transformation investment programme and the base revenue costs being charged to the programme.

Accumulating Deficit on the Dedicated Schools Grant

Accumulated and growing deficits on the dedicated school's grant which by the 31 March 2024 will be greater than the total reserves available to the council. Unless the current regulation that allows the council to ignore this position is extended this will mean the councils s151 Officer, and probably may others nationally, will be required to issue a s114 notice for 2023/24.

External Intervention

The External Auditor reported to the Audit & Governance Committee on the 20 October 2022 that they had qualified their latest Value for Money judgement on the council due to its significant weaknesses in its arrangements for financial sustainability. From the debate it was made clear that the External Auditor does not share the optimism around the council's ability to deliver a balanced budget for 2023/24 based on robust, evidenced based assumptions. They continue to articulate that they will continue to oversee progress carefully and will not hesitate to act if they deem it necessary to do so.

BCP FuturePlaces Ltd

The Council have committed a £8m working capital loan to BCP FuturePlaces Ltd a wholly owned teckal company established to drive the Councils regeneration ambitions. They recover expenditure incurred principally by being paid for successful business cases approved by the Council.

Social Care Reforms

These reforms will levy significant new responsibilities on local authorities as well as introducing a cap on care costs. There is a significant risk that the Government grant will be insufficient to cover the full cost associated with these reforms and the staffing needed to enable their delivery.

Capitalisation Direction.

Not presenting a full plan to balance the 2023/24 budget to DLUHC would have jeopardised the Councils ability to achieve a £20m capitalisation direction in 2022/23. This would have meant either additional in-year capital receipts needing to be generated (which the Council are continuing to test the feasibility of achieving) or utilising the resources currently supporting the balancing of the 2023/24 budget. The second of these would impede the ability to set a legal, balanced budget for 2023/24. Associated with this would have been at least the possibility of direct government intervention in the council.

The "minded to" £20m capitalisation direction for 2022/23 was subject to an external finance and governance review. The latest is that DLUHC intend to commission these reviews shortly with the work slightly delayed due to the reshuffle of Ministers.

Adults & Children's Services: Unidentified Savings

The February 2022 budget report included an assumption that annual growth in Adults and Children's Services will be restricted to 2.99% from 2023/24 onwards. The MTFP as presented in Figure 2 however now only includes savings, efficiencies, and service changes that both areas have committed as deliverable in 2023/24. This is not the case in respect of future years with the unidentified savings due to this restriction included in the MTFP amounting to £9.5m in Adult Social Care Services and £18.3m in Children's services for the period from 2024/25 onwards.

This assumption is aligned to the intended £10m investment in a specific service-based transformation programme in these service areas in both 2024/25 and 2025/26 to deliver the savings presumed by the growth restriction.

Clearly due to the current pressures on the council, especially Children's Services, the deliverability of these savings needs to be treated with a high degree of caution.

Transformation Investment Programme: Unitemised Savings

As at the date of this report the Council has delivered £7.1m (82%) of the £8.7m annual transformation savings target that was set with £1.6m remaining to be delivered. The potential budget for 2023/24 assumes that any shortfall in this £8.7m target will be delivered in the up-and-coming financial year.

In addition, the 2023/24 potential budget, assumes an additional £10m of annual transformation savings which will bring the cumulative total to £18.7m. This further £10m is associated with a third party spend workstream. At this stage £0.5m of the assumed savings and efficiencies are directly related to those which would be part of the third party spend workstream leaving £9.5m to be identified. It is probably worth emphasising that to score against these third party spend savings target they will need to be.

- Revenue not Capital related
- General Fund not Housing Revenue Account related
- Budgeted not unbudgeted expenditure.

Taken together this mean the proposed 2023/24 budget includes £11.1m in currently identified transformation savings.

This assumption will need to be monitored carefully as the Council moves towards budget setting in February 2023.

Background papers

33. February 2022 Budget report to Council.

Appendix 3 s25 Reserves Report CFO.

<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?CId=284&MId=4812&Ver=4>

34. June 2022 MTFP Update report to Cabinet.

<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?CId=285&MId=5011&Ver=4>

35. Finance Update (including Quarter One 2022/13 Budget Monitoring) report to 7 September 2022 Cabinet.

<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?CId=285&MId=5013&Ver=4>

36. Addendum to the 7 September 2022 Finance Update (including quarter one budget monitoring) report to Cabinet.

<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?CId=285&MId=5013&Ver=4>

37. Finance Strategy Update report to 28 September 2022 Cabinet.

<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?CId=285&MId=5014&Ver=4>

38. Finance Strategy Update report to 26 October 2022 Cabinet.

<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?CId=285&MId=5015&Ver=4>

Appendices

- A Confidential - Schedule of Non-Strategic Asset seeking formal approval for sales
- B Brief on pooled budget arrangement in relation to section 117 Aftercare
- C MTFP Absolute Version
- D Key Budget Assumptions
- E 2022/23 Additional Variance Analysis

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Adult Social Care

Title: Section 117 Briefing Note

Author: Betty Butlin- Director of Operations Adult Social Care



Finance Strategy Update report – Appendix B

1. Purpose of Report

The purpose of this report is to provide a summary of the position and recommended direction of travel towards a pooled budget arrangement in relation to section 117 aftercare recommended to be effective from 1st April 2023 with NHS Dorset and BCP Council.

2. Background

What is S117?

Some people who have been detained in hospital under the Mental Health Act can get free help and support after they leave hospital. The law that gives this right is S117 of the Mental Health Act, and it is often referred to as 'section 117 aftercare'.

Aftercare is the help you will get in the community after you leave hospital. This can cover all kinds of things such as: healthcare, social care and supported accommodation.

Section 117 of the Mental Health Act says that aftercare services are services which are intended to:

- meet a need that arises from or relates to your mental health problem, and
- reduce the risk of your mental condition getting worse, and you having to go back to hospital.

The Chief Executive Officers within the Dorset system which includes both local authorities agreed an intention for a pooled budget to be in place for the management, monitoring and overseeing of S117 spend and cases. Work has taken place to understand caseload levels and demand as well as understanding the allocated funding.

The 117 hub, which brings together system wide administration of mental health aftercare, has been established and in place since April 2022. There is a hub manager overseeing the day-to-day management and running of the hub and this is supported by a business support role with early indications suggesting this integrated approach is supporting effective multi-agency aftercare.

Dorset Council and NHS Dorset have already entered into a pooled budget for this area of work from April 2022, which brings together the aftercare expenditure from Dorset Council and NHS Dorset, supporting integrated commissioning of mental health aftercare.

The current split of funding 117 cases is 42.5% for NHS Dorset and 57.5% for the local authorities. A desktop review has taken place and has evidenced that the apportionment is deemed to be approximately right. If it is agreed that BCP Council enter into the pooled budget arrangement, the apportionment will be kept under review and periodic desktop audits will take place. This will ensure that the proportionate split is fair and equitable for all partners.

3. Risk / Opportunity

The creation of the Integrated Care System provides an opportunity to better align the way that our organisations work, where effort and duplication is removed, but no one organisation is left disadvantaged or financially at risk. There is scope for work alignment, particularly around individual commissioning for health or social care, otherwise known as package brokerage.

All organisations have been contracting with the same group of providers, for similar or the same outcomes, sometimes on different terms and conditions. There would be significant benefit if the organisations would show a commitment to arrangements where there is either greater cooperation (joint commissioning) or unified working (pooled budget and risk sharing).

The risk of not reaching agreement is that each case would be negotiated individually, consuming resources, risking disagreement between organisations and exposing partners to financial risk. The apportionment and associated risk-share agreement removes the risk of BCP being exposed to the unplanned financial risks that may arise should cases be negotiated individually.

4. Financial contributions to the pooled budget for BCP Council

The table below shows the estimated value of the pooled budget to be £17m with a contribution from BCP council of £11.9m (70%) and a contribution from NHS Dorset of £5.1m (30%), based on current caseload and fee rates (it is important to note that figures will periodically alter). This expenditure is no more than would be otherwise budgeted for outside of a pooled budget arrangement but does offer the opportunity to explore efficiency savings through, for example, better joint commissioning of care packages.

The total number of people that qualify to be part of the pooled budget is currently 380.

Type	Community Services £	Residential £	Total £	% contribution to the pool	Client numbers
57.2% - BCP fully commissioned packages	1,151,000	249,000	1,400,000	70%	60
Packages jointly commissioned with NHSD	4,275,000	5,330,000	9,605,000		281
Packages fully funded by BCP	287,000	618,000	905,000		39
Total BCP contribution	5,713,000	6,197,000	11,910,000		380
42.5% - BCP fully commissioned packages	850,000	184,000	1,034,000	30%	
Packages jointly commissioned with BCP	1,817,000	2,267,000	4,084,000		
Total NHSD contribution	2,667,000	2,451,000	5,118,000		
Total estimated value of Pooled budget	8,380,000	8,648,000	17,028,000		

5. Contract inflation

The current fees are expected to be reviewed to take into account inflationary factors, national living wage increase and the results of the cost of care exercise.

A lower estimate composite of 6.43% for care homes and 6.47% for community services will increase the pool by £1.1m.

A higher estimate composite of 8.22% for care homes and 8.27% for community services will increase the pool by £1.4m.

6. Agreement of risk share

It is proposed as a simple 57.5% LA:42.5% NHS Dorset split of risk for the first year of the pooled budget. This proposal is already supported by both Local Authorities. Dorset Council and NHS Dorset have been working to this arrangement since April 2022.

7. Operational running costs and apportionment between partners

The best estimate of the 'as is' operating costs is £300k total across the 3 partners. The majority of these costs are staff whose posts include non-S117 work and back-office functions, e.g. finance and contract management & quality assurance. The BCP contribution to this operational cost is achieved by transferring existing resources that have undertaken these functions for BCP, and so a net neutral staffing cost.

In addition, there is £13k per month that NHS Dorset is currently paying to the local authorities (£6.5k each) in recognition of the additional activity that sits with the local authorities for the S117 joint funding process to operate. This is to support additional costs to the local authorities for all the work that is completed, for example, reviews, commissioning and finance. This is covered within the memorandum of understanding between partners.

The planning assumption for the proposed Hub is that the new operating model costs need to be within the existing envelope i.e £300k plus £156k – total £456k.

There will be some one-off costs incurred by the local authorities to change provider payments on their systems. These are being quantified and an estimate will be available by December 2022, but the costs are assumed to be absorbed within existing budgets.

8. Conclusion

Commissioning partners across the health and social care system support the integration of mental health aftercare as an early example of the advantages of joint working that the Integrated Care System can support. Such arrangements will provide more consistent care provision, more effective administration and new opportunities for joint commissioning and cost efficiencies.

It is recommended that BCP Council enters into a pooled budget arrangement for mental health aftercare in April 2023.

Betty Butlin
Director of Operations, Adult Social Care
November 2022

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Medium Term Financial Plan 2022/27 (based on absolute budget)

	Adjusted Net Budget	MTFP	Net Budget	MTFP	Net Budget	MTFP	Net Budget	MTFP	Net Budget
	2022/23 £m	2023/24 £m	2023/24 £m	2024/25 £m	2024/25 £m	2025/26 £m	2025/26 £m	2026/27 £m	2026/27 £m
Adult Social Care	120.1	7.0	127.1	6.1	133.2	2.3	135.5	2.5	138.0
Public Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Children's Services	79.0	12.1	91.1	1.3	92.4	1.8	94.2	1.9	96.1
Commissioning Centre of Excellence	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operations	58.7	(10.8)	47.9	3.0	50.9	0.3	51.2	(0.5)	50.8
Resources	51.9	(4.6)	47.2	1.0	48.2	0.4	48.6	0.4	49.0
Transformation	3.9	0.0	3.9	0.0	3.9	0.0	3.9	0.0	3.9
Net cost of services	313.6	3.7	317.3	11.4	328.7	4.8	333.5	4.3	337.8
Carters Quay Housing and Regeneration Scheme	0.1	0.1	0.3	(0.1)	0.2	(0.3)	(0.1)	(0.1)	(0.2)
Contingency	2.2	0.0	2.2	0.0	2.2	0.0	2.2	0.0	2.2
Investment Income	(6.0)	(1.5)	(7.5)	1.3	(6.2)	(0.1)	(6.3)	0.0	(6.3)
Minimum Revenue Provision (debt repayment) and Interest	16.3	(0.0)	16.3	0.4	16.7	0.0	16.7	(0.0)	16.7
Pay and Grading Project	0.0	0.0	0.0	9.1	9.1	(4.5)	4.6	0.0	4.6
Pay related costs	15.9	8.3	24.2	3.8	28.0	3.8	31.8	3.8	35.7
Reserve Movements	(60.2)	32.6	(27.7)	29.1	1.4	0.0	1.4	0.0	1.4
Securitisation of a net income stream to the Council	3.7	(3.7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transformation savings	(6.6)	(9.5)	(16.1)	(16.1)	(32.2)	(7.2)	(39.4)	0.0	(39.4)
Transformation - revenue costs (funded by FUCR or asset sales)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transformation - base revenue budget costs	(6.7)	1.1	(5.6)	0.0	(5.6)	6.7	1.1	0.0	1.1
Transformation - redundancy costs	0.0	2.1	2.1	(1.9)	0.1	(0.1)	0.0	0.0	0.0
Levies	0.6	0.0	0.6	0.0	0.6	0.0	0.7	0.0	0.7
Accommodation Strategy	0.0	0.0	0.0	0.0	0.0	(0.1)	(0.1)	(0.0)	(0.2)
Contribution from HRA	(0.9)	0.0	(0.9)	0.0	(0.9)	0.0	(0.9)	0.0	(0.9)
Dividend Income	(0.1)	0.0	(0.1)	0.0	(0.1)	0.0	(0.1)	0.0	(0.1)
Apprenticeship Levy	0.6	0.0	0.6	0.0	0.6	0.0	0.6	0.0	0.6
Admin Charged to Grant Income	(0.5)	0.0	(0.5)	0.0	(0.5)	0.0	(0.5)	0.0	(0.5)
BELOW THE LINE SERVICE SAVINGS	0.0	(5.0)	(5.0)	(0.8)	(5.7)	0.1	(5.6)	0.1	(5.6)
Net Budget	272.0	28.1	300.2	36.3	336.4	3.1	339.5	8.1	347.6
Council Tax Income	(223.1)	(6.8)	(230.0)	(7.1)	(237.1)	(7.4)	(244.5)	(7.7)	(252.2)
Council Tax Base	(5.8)	(3.2)	(9.0)	(2.6)	(11.6)	(1.3)	(12.9)	(1.3)	(14.2)
Second and empty homes premium	0.0	0.0	0.0	(6.2)	(6.2)	0.0	(6.2)	0.0	(6.2)
New Homes Bonus	(1.0)	0.8	(0.2)	0.0	(0.2)	0.2	0.0	0.0	0.0
LCTS Grant 2021/22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Lower Tier Service Grant 2021/22	(0.5)	0.0	(0.5)	0.0	(0.5)	0.0	(0.5)	0.0	(0.5)
Services Grant Allocation	(3.8)	(0.0)	(3.8)	0.0	(3.8)	2.3	(1.5)	0.0	(1.5)
Sales, fees and charges compensation 2021/22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Top Slice Covid Pressures Grant 2021/22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue Support Grant	(3.1)	0.0	(3.1)	0.0	(3.1)	0.0	(3.1)	0.0	(3.1)
NNDR Net Income	(35.5)	0.0	(35.5)	0.0	(35.5)	0.0	(35.5)	0.0	(35.5)
NNDR 31 Grants + Renewable Energy	(21.3)	0.0	(21.3)	0.0	(21.3)	0.0	(21.3)	0.0	(21.3)
Estimated (Surplus) / Deficit on the Collection Fund - NNDR	22.5	(21.9)	0.6	(1.0)	(0.4)	0.1	(0.3)	(0.1)	(0.4)
Estimated (Surplus) / Deficit on the Collection Fund - CTAX	(0.4)	3.0	2.7	(2.7)	0.0	0.0	0.0	0.0	0.0
Total Funding	(272.0)	(28.1)	(300.2)	(19.6)	(319.8)	(6.2)	(325.9)	(9.1)	(335.0)
Annual – Net Funding Gap	0.0	(0.0)	(0.0)	16.7	16.7	(3.1)	13.6	(1.0)	12.6
Cumulative MTFP – Net Funding Gap			(0.0)		16.7		30.2		42.8

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BCP Medium Term Financial Plan

Key Financial Planning Assumptions

The MTFP as presented is based on several key assumptions that although they have been informed by numerous factors such as government announcements, economic forecasts, and trend analysis, are also based on professional judgement. These can be listed as follows.

1. Adult Social Care – Service Pressures £18.8m (16% increase over 2022/23 budget)

The MTFP makes provision for an additional gross £49.2m investment in adult social care services over the 4-year period to March 2027. This pressure is a combination of.

- 1) Assumptions around inflationary pressures within the care market. These pressures mainly relate to increases for providers in staffing costs where a significant driver will be the consequential impact of increases in the national living wage (NLW).
- 2) Demographic growth within the learning disability and mental health client group.
- 3) Demographic growth in demand for care packages for people with long-term conditions including those to support the NHS urgent and emergency care system as well as preventing delayed discharges from hospital.
- 4) Loss of rental income from a care home closure (part year).
- 5) Increased cost of community equipment.

There has been no firm announcement regarding the increase for the National Living Wage from April 2023. In June, the Local Government Association (LGA) issued the 'Financial pressures facing Adult Social Care 2023/24 and 2024/25' document, where they communicated that based on the low-pay-commission consultation-2022, they estimate the NLW to increase to £10.32 per hour in April 2023 and to £10.95 from April 2024.

The NMW remains a key driver for the cost of care services affecting 70% of the cost of providing personal care therefore, it has been factored into the cost pressures increasing 8.6% from April 2023 and 6.10% from April 2024 as suggested by the LGA projections above, then 2% for the remainder of the MTFP period.

The remaining 30% of the cost of providing personal care is driven by other inflationary factors.

The LGA provided a lower general inflation estimate of 2.4% in 23/24 and 1.7% in 24/25 (based on Office for Budget Responsibility (OBR) assumptions) and a higher estimate of 7.5% in 23/24 and 5% in 24/25.

The Adult Social Care pressures highlighted by the LGA are being experienced locally with residential care cost increasing above the estimates from the LGA during the current financial year and requiring market management.

The composite increase for the cost of providing personal care assumed in 23/24 is 8.5% of the total personal care budget.

The social care grant provided since 2020/21 is assumed to continue along with all other social care funding.

It should also be noted that a Mental Capacity (Amendment) Bill has replaced the Deprivation of Liberty Safeguards (DoLS) with a scheme known as the Liberty Protection Safeguards (LPS) which was expected to commence in April 2022. These arrangements describe the procedures necessary to deprive people of their liberty because of lack of capacity to consent to their care arrangements. The implementation of the new scheme has been postponed yet again and we await further announcements. The council will commit spending on this activity up to any amount funded by the government.

2. Adult Social Care Reforms – Service Pressure £12.8m (and £12.8m assumed income)

In the 2021 spending review, the Chancellor announced that additional funding will be made available for social care reform (£3.6bn over 3 years to implement “the cap on personal costs and changes to the means test”).

The MTFP assumes that the funding will cover the additional burden and therefore nil impact on the council. However, national high-level estimates indicate that there could be a potential gap between £2.5m and £5.5m when compared to estimated funding based on BCP relative need formula and consultation options.

A further £1.7bn in government funding is also due to be allocated over 3 years “to improve the wider social care system” and £500m to “improve” the social care workforce.

BCP await confirmation of the funding allocations and any associated conditions as well as further announcements on the possibility that the cap on personal cost and changes to the means test may be postponed.

3. Children’s Services – Service Pressures £14.6m (20% increase over 2022/23 budget)

The MTFP makes provision for an additional gross £41.6m investment in children’s services over the 4-year period to March 2027. This pressure is a combination of

1) Care:

- a. the service has seen a rise in the numbers of children in care since the beginning of the financial year and the increasing complexity of children needing placements. The national picture of the care market evidences significant sufficiency issues and this, in addition to the cost-of-living crisis, has prompted providers to increase their fees.
- b. In addition to the growth budget there is a required adjustment of £1.977m to offset the previously agreed CSC health contribution which is not achievable.

2) Staffing:

- a. The Children’s Social Care workforce at BCP is in crisis because of the national shortage of social workers, the rising number of social workers choosing to be employed by agencies and competitive salaries being offered by neighbouring authorities and surrounding authorities being rated good and outstanding whilst Children’s Services at BCP is rated inadequate.
- b. Whilst a recruitment retention strategy has been developed and is due to be implemented it will take time for the ratio of agency/permanent workers to reduce and stabilise and the service remains heavily reliant on agency workers. There has been a significant rise in the cost of agency workers with difficulty attracting to this area due to the high cost and limited available of overnight accommodation during the peak tourist months.

- c. The MTFP allows for the continuation of previously agreed non-recurring growth for agency premium and an additional team in the front door. The continued demand in the front door services has meant that the service will be unable to run without this continued resource.

3) Transport:

- a. cost of SEND transport is directly linked with the increasing number of education, health, and care plans (EHCP's) and the pressure that continues in the high needs block of the dedicated schools grant (DSG).
- b. SEND transport is however not funded by the DSG and instead the responsibility falls to the general fund budget of the council.
- c. There was a previous savings target associated with SEND transport which is proving problematic so the 2023/24 allows for the removal of the saving and additionally growth to allow for the continued pressure.

The social care grant provided since 2020/21 is assumed to continue along with all other social care funding.

The DfE Improvement funding confirmed for 2022/23 was for 2021/22 and 2022/23 as is removed as part of the 2023/24 MTFP.

There is also a small reduction in the budget relating to the SEND written statement of action as per the agreed profile of spend.

4. **Operations – Service Pressures £8.5m (15.1% increase over 2022/23 budget)**

Assumed Service Pressures

The cost-of-living pressures have had a significant impact on operations budgets. Gas and electricity costs in particular have resulted in a pressure across the service of £4.6m in 2023/24. Street lighting has been affected the most by this increase and they are actively working on scenarios to decrease usage across BCP.

Fuel inflation has resulted in a pressure of £0.2 million in relation to the council's fleet, and an additional £0.1m on general diesel costs. A revised prudential borrowing pressure of £1.8m in relation to the Council's fleet has also been included in 2023/24, to ensure that the rolling programme of fleet vehicles is maintained.

The crematorium income has suffered since the COVID pandemic, and this has led to a £0.6m pressure in 2023/24.

Homelessness emergency accommodation has a cost pressure of £0.8m. In previous years the homelessness prevention grant of £1.8m per annum has been supplemented by utilising reserves designated for homelessness prevention. These reserves will be fully utilised in 2023/24. The annual grant of £1.8m is insufficient to cover the costs of the service, the shortfall being £0.8m in 2023/24.

There are numerous other smaller service pressures totalling £2.7 million across Place Operations services. The growth in pressures is inclusive of the COVID recovery re-profiling of income which has reduced the service pressures requirement by £3.2m.

5. **Pay award**

Local government agreed pay awards for 2018/19, 2019/20, 2020/21 and 2021/22 were 2%, 2%, 2.75% and 1.75% respectively.

The budget for 2022/23 made a provision for a 3.1% pay increase. Due to pressures associated with the cost of living the National Employers for local government services proposed a flat rate increase of £1,925 on every spinal column point for the current financial year which is estimated to calculate out as an average 5.4% for the profile of staffing within the council. A majority of unions confirmed their acceptance of the proposal on 1 November 2022 which included a 4% increase in allowances and a one-day increase to all employee's annual leave entitlement from 2023/24. BCP Council's November financial forecast for 2022/23 assumes that the higher than assumed pay award has added an extra £4.1m over and above the budgeted amount to the pay bill of the authority.

The initial draft of the budget proposal for 2023/24 makes provision for the £1,925 on every spinal column point in 2022/23 followed by a 3% pay award for 2023/24.

In addition, as part of the savings and efficiencies proposal underpinning the 2023/24 budget, provision is now being made for 95% of each service's employee establishment to allow for the impact of turnover and other matters on the actual cost of the service. Previously the assumption varied between services, and between 95% and 98%. This change in assumption partly reflects previous years activity. In addition, services are expected to manage the impact of any incremental drift in their pay base.

6. **Pension Fund**

BCP Council is a member of the Dorset Local Government Pension Scheme administered by Dorset Council. The funds actuary Barnett Waddingham is required to revalue the fund every three years (tri-annual revaluation) to determine both the value of its assets and liabilities and the contributions rates for each employer in the fund.

The fund was last revalued as of April 2022 and the impact will be discussed with the pension fund actuary Barnett Waddingham on the 18 November 2022. The previous 31 March 2019 position for BCP Council was a funding deficit of £86.6m with a resulting funding level of 92% as outlined below.

Figure 1: BCP Pension Fund – funding levels

Local Authority	31 March 2019 Funding level	31 March 2016 Funding level
Bournemouth Council		79%
Christchurch Council		88%
Dorset Council		80%
Poole		86%
BCP Council	92%	82%

This means that the Council has paid the contribution rates as set out in figure 2 below. In respect of the 2019 revaluation, the increase on the ongoing rate was offset by the reduction in the back-funding element although it should be acknowledged that agreement was reached with the actuary to taper the ongoing rate increases over the three-year period.

Figure 2: BCP Pension Fund contributions agreed with the Actuary

	2019/20	2020/21	2021/22	2022/23
Ongoing (primary) rate	15.6%	16.2%	16.8%	17.4%
Back-funding (secondary) rate	£9.428m	£5.887m	£6.101m	£6.324m

The intention is the outcome of the April 2022 valuation will be factored into December reiteration of the medium-term financial plan if agreement with the Actuary has been reached.

7. Inflationary costs

Inflation is only provided for in service directorate budgets where it can be demonstrated that it will be needed due to either market or contract conditions. Inflation as of September 2022, which is applied or factored into several contractual uplifts, was 10.1% as measured by the (CPI) Consumer Price Index.

The government inflation target is 2% on an annual basis.

One area of specific cost pressure which has been allowed for as part of the projected outturn for 2022/23 and future years is the inflationary pressures within utility costs specifically those relating to electricity and gas. This cost is particularly significant within the Operations directorate and within that the electricity cost associated with street lighting. The councils 2022/23 budget allowed for circa £4.1m in electricity and gas costs across all areas of service and the forecast outturn for the year basically assumes this will almost double to £7.9m with a further increase to £8.9m for 2023/24 onwards.

8. Government Grant - Assumed £3.1m additional funding for social care funding in 2022/23 (£11.2m over 4-year period of the MTFP)

National analysis shows that the government have made additional grant funding for adult social care in every year since 2015/16. The smallest increase in that timeframe was £500m. On that basis, and on the basis of the formulae previously applied, the provisional budget assumes an extra £3.1m in government funding next year growing by £2.7m per annum in each and every one of the following four years.

9. Future Fund

As part of the financial strategy supporting the 2023/24 budget the council revised the principles around the £50m Futures Fund and £20m Green Futures Fund. Decisions will now be made as proposals are brought forward with nothing to be brought forward which is not self-financing until such time as the council has delivered a balanced budget for 2023/24.

Commitments made to previous schemes under the future funds remain within the Council's budget and MTFP. For clarity, this includes.

£5.87m	Smart Places Gigabit project
£4.0m	Wessex Fields – road infrastructure
£2.6m	Pokesdown Railway station

10. Transformation Investment Programme

The Councils Transformation Investment Programme was first presented to Cabinet in November 2019 based on a report, costing £314,650, commission from KPMG. Subsequently, in June 2020, Cabinet, and then Council, agreed to establishing a £37.62m budget for the implementation of the programme.

In February 2021, as part of the 2021/22 budget report this budget was increased to £44.52m and allowed an additional £6.9m for redundancy costs.

As part of the February 2022 budget report for 2022/23 the budget was further increased to £67.86m. This extra £23.34m reflected the following additional elements.

- a) £20.09m Inclusion of internal base revenue budget staff costs, £6.7m for three years, which will now be apportioned and charged to the transformation programme.

- b) £1.75m Investment in the data and insight capability
c) £1.5m Extra contingency

The current consolidated position in respect of the transformation programme is set out in figure3 below.

Figure 3: Consolidated Transformation Programme Table

Transformation Investment Programme One-off / time-limited budget provision for the delivery of the programme		2020/21 Actual £m	2021/22 Actual £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	£m
Capital Spend	Expenditure						
	Capital expenditure	1.19	0.05	0.92	1.16	1.43	4.75
		1.19	0.05	0.92	1.16	1.43	4.75
	Funding						
	Prudential Borrowing (funded from General Fund MRP)	0.00	0.00	(0.72)	(1.16)	(1.43)	(3.31)
Revenue Spend	Prudential Borrowing (funded from HRA land tfr)	(1.19)	(0.05)	(0.20)	0.00	0.00	(1.44)
		(1.19)	(0.05)	(0.92)	(1.16)	(1.43)	(4.75)
	Expenditure						
	One-off costs	0.31	5.32	15.57	3.70	1.93	26.83
	Redundancy costs	0.00	0.56	1.25	10.35	0.74	12.90
Revenue Spend	Contingency	0.00	0.00	0.41	0.45	0.68	1.54
	Staff costs apportioned to Transformation	0.00	0.00	6.70	6.70	6.69	20.09
	Data & insight Capability	0.00	0.00	1.40	0.35	0.00	1.75
		0.310	5.880	25.330	21.550	10.040	63.11
	Funding						
Revenue Spend	Assumed fundable by Capital Receipts/Capital Direction	(0.31)	(3.88)	(25.33)	(21.55)	(10.04)	(61.11)
	Contributions from outside of the General Fund	0.00	(2.00)	0.00	0.00	0.00	(2.00)
		(0.31)	(5.88)	(25.33)	(21.55)	(10.04)	(63.11)
Total	Total expenditure	1.50	5.93	26.25	22.71	11.47	67.86
	Total funding	(1.50)	(5.93)	(26.25)	(22.71)	(11.47)	(67.86)
Transformation Investment Programme Ongoing base revenue budget of the council		2020/21 Actual £m	2021/22 Actual £m	2022/23 Budget £m	2023/24 Estimate £m	2024/25 Estimate £m	£m
Revenue Budget	Expenditure						
	Licenses and other revenue costs of the programme	0.00	2.08	3.40	4.50	4.50	14.48
		0.00	2.08	3.40	4.50	4.50	14.48
	Savings and efficiencies						
	Transformation Programme Savings profile	0.00	(3.95)	(18.70)	(28.70)	(43.90)	(95.25)
Revenue Budget		0.00	(3.95)	(18.70)	(28.70)	(43.90)	(95.25)

As explained in the 2022/23 Budget report, prior to 2022/23 the one-off transformation implementation programme budget did not include the costs of employees working on the programme (*who would normally be budgeted for as part of the base revenue budget of the council*) who are therefore not now available to support day to day or statutory improvement duties. This approach was not previously adopted and was only explored as part of the financial strategy supporting the 2022/23 budget. Independent assurance was obtained to demonstrate the validity of this approach however it requires a robust working paper to be

produced annually that demonstrates a clear and transparent link to the transformation business cases.

In respect of the savings to be delivered by the transformation programme the core phasing of the delivery is as set out in the Figure 3 above. It should however be noted that any staff or third-party saving proposals that are finally put forward for inclusion in the 2023/24 budget and MTFP will impact on the delivery and timing of these savings.

As set out in the November Finance Update Cabinet report the Council has now delivered £7.1m (82%) of the £8.7m annual transformation savings target that was set for 2022/23 with £1.6m remaining to be delivered. The potential budget for 2023/24 assumes that any shortfall in this £8.7m target will be delivered in the up-and-coming financial year.

In addition, the 2023/24 potential budget, assumes an additional £10m of annual transformation savings which will bring the cumulative total to £18.7m. This further £10m is associated with a third party spend workstream. It is probably worth emphasising that to score against these third party spend savings they will need to be.

- Revenue not Capital related
- General Fund not Housing Revenue Account related
- Budgeted not unbudgeted expenditure.

All in all, the proposed budget for 2023/24 now includes £11.1m in currently identified transformation savings. The deliverability of this assumption will need to be monitored carefully as the Council moves towards budget setting in February 2023.

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BCP COUNCIL
Budget Variances 2022/23

				£000 June Total Variance	£000 September update	£000 September Total Variance	£000 October update	£000 October Total Variance	£000 November update	£000 November Total Variance
Directorate / Service	Type	Description								
Adult Social Care										
Adult Social Care - Services	Cost of living and other service pressures	Third Party Payments	Estimated care costs increase due to inflationary and market pressures	1,800		1,800		1,800	2,700	4,500
		Third Party Payments	Care costs for people with long term conditions	1,729		1,729		1,729	1,549	3,278
		Various	Other miscellaneous pressures (each less than £100k)	149		149		149	(153)	(4)
	Savings, Efficiencies and Mitigations	Third Party Payments	Adjustment to the residential and homecare budget from Covid grants	(257)		(257)		(257)	-	(257)
		Third Party Payments	Care Cost for people with Learning Disabilities and Mental Health needs	(587)		(587)		(587)	(1,569)	(2,156)
		Income	Estimated additional income from Health for Continuing Health Care eligible people and Section 117	(1,233)		(1,233)		(1,233)	(1,586)	(2,819)
		Income	Section 256 contributions from NHS Dorset	-		-		-	(1,560)	(1,560)
		Service user contributions	Service user contributions	(364)		(364)		(364)	(119)	(483)
		Reserves	Utilisation of earmarked reserves specific to the service	(415)		(415)		(415)	-	(415)
		Employee costs	Directorate unfilled vacancies	(365)		(365)		(365)	(63)	(428)
		Review of earmarked reserves	Covid pressures		(113)	(113)		(113)	(113)	(113)
		Review of earmarked reserves	Various others each less than £100k		(235)	(235)		(235)	(235)	(235)
					-		-	-	-	
Adult Social Care - Services Total				457	(348)	109	-	109	(801)	(692)
Commissioning Centre of Excellence (Adults) & Public Health	Cost of living and other service pressures	Third Party Payments	Tricuro contract impact of cost of living including energy prices	171		171		171	-	171
		Income	Service user contributions	52		52		52	471	471
		Various	Other miscellaneous pressures (each less than £100k)	-		-		-	(127)	(75)
	Savings, Efficiencies and Mitigations	Third Party Payments	Tricuro efficiencies to manage energy cost pressure	(171)		(171)		(171)	-	(171)
		Employee costs	Directorate unfilled vacancies	(52)		(52)		(52)		(52)
Commissioning Centre of Excellence (Adults) & Public Health Total				-	-	-	-	-	344	344
Adult Social Care Total				457	(348)	109	-	109	(457)	(348)
Children's Services										
Children's Services	Cost of living and other service pressures	Third Party Contributions	Health contributions for care placements	1,483		1,483		1,483		1,483
		School Transport	Non-delivery of SEND transport savings assumed in the 2022/23 base budget	750		750		750		750
		School Transport	SEND / mainstream transport contract costs due to the cost of living including fuel prices	1,250		1,250		1,250		1,250
		School Transport	Mainstream transport - other reasons	(200)		(200)		(200)		(200)
		Electricity/Gas costs	Assumed price variations	182		182		182		182
		Staffing	Overall staffing - continued need for higher than expected levels of agency	1,960		1,960	(886)	1,074	(214)	860
		Staffing	Continuation of additional purchased team (assumed to end in Sept 2022)	630		630	(630)	-	-	211
		Care	Residential care 16-18 savings not deliverable as project not taken forward	211		211		211		708
		Care	UASC - pressure of grant deficit for those aged over 18	708		708		708		960
		Care	Care demand pressures							960
		Savings, Efficiencies and Mitigations	Review of earmarked reserves	Review of Public Health Partnership	(635)		(635)		(635)	
	Review of earmarked reserves		Public Health reserves held by BCP	-		-		-		-
	Service saving		Various in-year service savings (each less than £100k)	-	(418)	(418)		(418)		(418)
Children's Services Total				6,974	(635)	6,339	(1,934)	4,405	746	5,151
Children's Services Total				6,974	(635)	6,339	(1,934)	4,405	746	5,151
Operations										
Housing	Cost of living and other service pressures	Electricity/Gas costs	Assumed price variations	155		155		155		155
		Income pressure	Telecare reduction to budgeted income assumed 22/23	250		250		250		250
		Expenditure pressure	Council New Build Housing Acquisition Strategy (CNHAS) saving assumed in the 2022/23 base budget	219		219		219		219
		Expenditure pressure	Housing related support contracts inflationary clause	150		150		150		150
		Service pressures	Housing Options & Partnerships	-	253	253	(99)	154		154
	Savings, Efficiencies and Mitigations	Service saving	Additional one-off dividend from Bournemouth Building Maintenance Ltd	(200)		(200)		(200)		(200)
		Service saving	Harmonisation of recharges to the two HRA neighbourhood accounts	(100)		(100)		(100)		(100)
		Service saving	Homelessness Prevention Grant utilised to cover budget costs	(100)		(100)		(100)		(100)
		Service saving	Others miscellaneous savings (each less than £100k)	(347)	(168)	(515)	122	(393)		(393)
Housing Total				27	(69)	(42)	23	(19)	-	(19)
Environment	Cost of living and other service pressures	Income pressure	Crematorium income pressure	600		600		600		600
		Expenditure pressure	Hydrotreated Vegetable Oil (HVO) costs	400		400		400		400
		Expenditure pressure	Volume of waste bins that need replacement	200		200		200		200
		Expenditure pressure	Waste Disposal Contract	150		150		150		150
	Savings, Efficiencies and Mitigations	Service saving	Sales of recycle material – value and volume	(1,000)	(2,149)	(3,149)	49	(3,100)		(3,100)
		Service saving	Capitalisation of neighbourhood highways costs less associated borrowing costs	(930)		(930)		(930)		(930)
		Service saving	Defer move to HVO fuel across corporate fleet assets (cost avoidance)	(400)		(400)		(400)		(400)
		Service saving	Sales of waste material from the Household Waste Recycling Centres	(100)		(100)		(100)		(100)
		Service saving	Green Waste Income	(278)		(278)		(278)		(278)
		Service saving	Miscellaneous saving less than £100k		(25)	(25)		(25)		(25)
		Service saving	Bereavement Services pricing increase options		(167)	(167)		(167)		(167)
		Service saving	Borrow to finance bin replacements		-	-	(347)	(347)		(347)
Environment Total				(1,358)	(2,341)	(3,699)	(298)	(3,997)	-	(3,997)

				£000 June Total Variance	£000 September update	£000 September Total Variance	£000 October update	£000 October Total Variance	£000 November update	£000 November Total Variance	
Directorate / Service	Type	Description									
Destination & Culture	Cost of living and other service pressures	Expenditure pressure	BH Live	436		436		436		436	
	Savings, Efficiencies and Mitigations	Service saving	Cultural Compact	(129)		(129)		(129)		(129)	
		Service saving	Festival Coast Live	(125)		(125)		(125)		(125)	
		Service saving	Cultural development and networking	(100)		(100)		(100)		(100)	
		Service saving	Income from BH Live	(200)	(200)	(200)	(200)	(200)	(200)		
	Review of earmarked reserves	SLM reserve	(560)	(560)	(560)	(560)	(560)	(560)	(560)		
Destination & Culture Total				82	(760)	(678)	-	(678)	-	(678)	
Coroners	Cost of living and other service pressures	Expenditure pressure	Increased / complex caseload	100		100		100		100	
Coroners Total				100	-	100	-	100	-	100	
Transport & Engineering	Cost of living and other service pressures	Expenditure pressure	Car Parks, rates increases, card charges and other expenditure items	852		852	75	927		927	
	Savings, Efficiencies and Mitigations	Service saving	Car park income increase to reflect previous year's performance	(691)		(691)	(572)	(1,263)		(1,263)	
		Service saving	Beach car park tariffs increased	(359)		(359)		(359)		(359)	
		Service saving	Remove seasonal concession for car parking	(150)	(150)	(150)		(150)		(150)	
		Service saving	Street lighting (excluding utility pressure)	(132)	(132)	(132)		(132)		(132)	
		Service saving	Recharging to capital schemes	(340)	(340)	(340)		(340)		(340)	
		Service saving	FCERM one off surplus savings from reserve that was to be used for Hamworthy sea wall defences	(260)	(260)	(260)		(260)		(260)	
		Service saving	Capitalisation of asset engineering	(125)	(125)	(125)		(125)		(125)	
		Service saving	Various others savings each less than £100k	(119)	(119)	(119)		(119)		(119)	
		Service saving	Additional income from capital recharges				(400)	(400)		(400)	
		Service saving									
Transport & Engineering Total				(670)	(654)	(1,324)	(897)	(2,221)	-	(2,221)	
	Savings, Efficiencies and Mitigations	Service saving	Utilisation of the Community Prosecutions Earmarked Reserve	(105)		(105)		(105)		(105)	
		Service saving	Stopping allocation to development of VRN		(150)	(150)		(150)		(150)	
		Service saving	Recharge of community safety salaries to DA Grant								
		Service saving	Various others savings each less than £100k		(110)	(110)		(110)		(110)	
Communities Total				(105)	(260)	(365)	-	(365)	-	(365)	
Operations Directorate General	Cost of living and other service pressures	Electricity/Gas costs	Assumed price variations	3,106		3,106		3,106		3,106	
		Expenditure pressure	Other miscellaneous pressures (each less than £100k)	545		545		545		545	
	Savings, Efficiencies and Mitigations	Service saving	Other miscellaneous savings (each less than £100k)	(622)		(622)		(622)	(642)	(1,264)	
Savings, Efficiencies and Mitigations		Service saving	Cleaner, Greener, Safer - Total	(388)		(388)		(388)		(388)	
Operations Directorate General Total				2,641	-	2,641	-	2,641	(642)	1,999	
Operations Total				717	(4,084)	(3,367)	(1,172)	(4,539)	(642)	(5,181)	
Resources & Transformation											
Customer & Service Delivery	Cost of living and other service pressures	Electricity/Gas costs	Facilities Management - Assumed price variations	485		485		485		485	
		Employee costs	Customer Services & Business Support	-		-		-	tbc	-	
		Service pressures	Customer Services - underspending against £1.5m allocation	-		-		-	(550)	(550)	
		Service pressures	Library PFI Contract inflationary clause	150		150		150		150	
		Service pressures	Other less than £100k	83		83		83		83	
		Service pressures		718	-	718	-	718	(550)	168	
Customer & Service Delivery Total											
Resources & Transformation General	Cost of living and other service pressures	Employee costs	Major projects team salaries pressure	135		135		135		135	
		Employee costs	Pressure in Registars?	157		157		157		157	
		Third Party Payments	Software contracts inflationary clause - resources	14		14		14		14	
		Third Party Payments	Software contracts inflationary clause - SVPP, dev, customer	-		-		-	250	250	
		Service pressures	Implementation of Mosaic	-		-		-		-	
		Service pressures	Other miscellaneous variances (each less than £100k)	38		38		38		38	
		Service pressures	Shortfall against transformation target	1,595		1,595		1,595		1,595	
		Transformation		1,939	-	1,939	-	1,939	250	2,189	
Resources & Transformation General Total											
Resources & Transformation Total				2,657	-	2,657	-	2,657	(300)	2,357	
Central Items											
Central Items	Cost of living and other service pressures	Various	Other miscellaneous pressures (each less than £100k)	(34)		(34)		(34)		(34)	
		Employee costs	Assumption that the pay award will be above budget at 4% (May) / £1,925 per FTE (June)	4,139		4,139		4,139		4,139	
		Employee costs	Assumed 20% element of transformation related redundancy costs which cannot be funded from the FUCR in line with the regulations v	250		250		250		250	
		Interest	Assumed interest payable on capitalisation direction	436		436		436		436	
	Savings, Efficiencies and Mitigations	Income	Additional Treasury Management Income due to higher interest rates and the additional money made available to the council in advance	(1,320)	(100)	(1,420)	(531)	(1,951)		(1,951)	
		Earmarked Reserve	Release Transformation Mitigation Earmarked Reserve not utilised as planned in 2021/22	(1,949)		(1,949)		(1,949)		(1,949)	
		Earmarked Reserve	Release part of the additional 2021/22 surplus to support the impact of the cost-of-living crisis on the council - at June not needed	-		-		-		-	
		Grant Income	Contain Outbreak Management Fund resources that the Council is able to carry forward into 2022/23 to fund previously planned expend	(1,437)		(1,437)		(1,437)		(1,437)	
		Grant Income	Anticipation that the final reconciliation of the Covid 19 Sales, Fees and Charges grant claim will be approved by government	(1,402)		(1,402)		(1,402)		(1,402)	
		Financial Services	Stour Valley and Poole Partnership Revenue and Benefits (SVPP) – release of the 2021/22 operational reserve	(435)		(435)		(435)		(435)	
		Contingency	Contingency released to support in-year position	(2,256)	70	(2,186)		(2,186)		(2,186)	
		Beach Huts	Beach hut income as not being transferred to a special purpose vehicle	(3,700)		(3,700)		(3,700)		(3,700)	
		Corporate Provisions	Bournemouth Development Company (BDC) released portion of provision	(1,000)		(1,000)		(1,000)		(1,000)	
		Minimum Revenue Provision	Winter Gardens finance loan		(304)	(304)		(304)		(304)	
		Transformation	Remove 2022/23 share of redundancy costs that cannot be charged to transformation		(250)	(250)		(250)		(250)	
		Employee costs	Removal of 1.25% National Insurance Levy from November 2022		(583)	(583)		(583)		(583)	
		Electricity/Gas costs	Utility Cost Forecast variation based on Government support package				(100)	(100)		(100)	
		Central Items Total				(8,708)	(1,167)	(9,875)	(631)	(10,506)	-
Central Items Total				(8,708)	(1,167)	(9,875)	(631)	(10,506)	-	(10,506)	
Grand Total				2,097	(6,234)	(4,137)	(3,737)	(7,874)	(653)	(8,527)	

CABINET



Report subject	2022/23 Budget Monitoring and Financial Strategy Update
Meeting date	14 December 2022
Status	Public Report
Executive summary	<p>This report includes 2022/23 budget monitoring information for the general fund for November 2022 and an updated position for the medium-term financial plan (MTFP).</p> <p>It also includes budget monitoring information at quarter two for the capital programme and housing revenue account (HRA).</p> <p>The general fund outturn is projected to further improve from the previously reported position with a £9m surplus now estimated for the year.</p> <p>The MTFP has now been updated for an estimate of the implications of the governments Autumn Statement. Consequentially Cabinet is asked to identify £6.2m of currently identified savings for 2023/24 which potentially will now be able to be deferred until 2024/25.</p>
Recommendations	<p>It is RECOMMENDED that Cabinet:</p> <ol style="list-style-type: none"> 1. Recognise the continued improvement to the 2022/23 in-year position with a £9m net surplus now projected. 2. Agree the capital virement for the Housing Revenue Account as set out in paragraph 121. 3. Acknowledges the update of the Medium-Term Financial Plan including estimates of the implications of the governments Autumn Statement. 4. Acknowledge that, based on the current financial planning assumptions and the approach to risk, that not all of the previously identified savings' proposals may now need to be implemented in 2023/24 5. Request Cabinet to identify up to £6.2m of currently identified 2023/24 savings that can now potentially be deferred to 2024/25. 6. Cabinet notes the improvement in timescales and delivery of the Pay and Reward workstream by moving forward the implementation from the previously assumed date of April 2024 to January 2024.

	<p>7. Increase the annual investment in unearmarked reserves from £700k to £1.9m in 2023/24.</p> <p>It is RECOMMENDED that Council:</p> <p>8. Agree the acceptance of general fund revenue grant for adult social care as set out in paragraph 64.</p>
Reason for recommendations	<p>To comply with accounting codes of practice and best practice which requires councils to regularly monitor the annual budget position.</p> <p>To comply with the council's financial regulations regarding budget virements.</p> <p>In addition, and further to a recommendation agreed by Cabinet on the 7 September 2022, an update on the Councils financial strategy is being presented as a standing item on the Cabinet agenda until such time as a balanced budget for 2023/24 has been delivered. With the material improvement and increased confidence in the Council's financial position the focus will now be on delivering a further member engagement session via the additional Budget Café session added in January.</p>
Report Author	<p>Adam Richens, Chief Finance Officer adam.richens@bcpcouncil.gov.uk</p>

Background

1. In February 2022 Council agreed the annual general fund net revenue budget of £272m, a capital programme of £154m and the net use of earmarked reserves to support services of £34.7m. Budgets were also agreed for the housing revenue account (HRA).
2. The November 2022 Finance Strategy Update report to Cabinet included a projected general fund revenue surplus for the year of £8.5m with the MTFP balanced for 2023-24 and an overall gap to close of £12.6m over the three further years of the current plan.

Revenue budget monitoring at November 2022

3. The November projection for the 2022/23 revenue budget outturn is a surplus of £9m overall. There is an overspend within services of £2m offset by a central budget surplus of £11.1m
4. This position demonstrates the further positive impact that the expenditure controls implemented by Cabinet as part of a Finance Update report to its 29 September 2022 meeting, are forecast to have on the organisation. These controls have been implemented as part of the endorsed financial strategy which focuses on traditional financial management processes to enable the council to set a balanced budget for 2023/24 and beyond. It is possible that this outturn position will continue to improve as these expenditure controls continue to bear down on service expenditure and as officers continue to reduce costs.

5. The intent is to lift this expenditure control once a balanced budget for 2023/24 has been delivered and formally agreed. At that time, it is suggested that a Corporate Management Team and Portfolio Holder process is put in place to consider if stopped activity is indeed required rather than it being automatically restarted.
6. With the improved financial position, a communication from the Director of Finance will be issued to Service Directors and budget holders to thank them for their efforts in improving the financial position and to remind them that when Cabinet agreed the implementation of the expenditure control at its meeting in early September it did leave the door open for proposals which do not meet the criteria to come forward for consideration by the Chief Finance Officer in consultation with the Portfolio Holder for Finance (the Leader).
7. The table below is a summary of the revenue outturn position as projected at the end of November.

Figure 1: General Fund – Summary projected outturn for 31 March 2022

Directorate	Revenue	Working Budget	Forecast Outturn	Forecast Variance
Adult Social Care	Expenditure Total	155,939	158,153	2,214
	Income Total	(49,820)	(53,484)	(3,664)
Adult Social Care Total		106,119	104,669	(1,450)
Children's Services (excl. DSG)	Expenditure Total	87,769	92,534	4,765
	Income Total	(14,086)	(14,160)	(74)
Children's Services Total		73,683	78,374	4,691
Commissioning	Expenditure Total	35,190	36,315	1,125
	Income Total	(23,401)	(24,313)	(912)
Commissioning Total		11,789	12,002	213
Operations	Expenditure Total	166,664	165,441	(1,223)
	Income Total	(110,211)	(114,533)	(4,322)
Operations Total		56,453	50,908	(5,545)
Resources & Chief Executive Office	Expenditure Total	178,492	178,835	343
	Income Total	(115,283)	(115,832)	(549)
Resources & Chief Executive Office Total		63,209	63,003	(206)
Net Cost of Services		311,253	308,956	(2,297)
Transformation (including target savings)	Expenditure Total	16,744	20,244	3,500
	Income Total	(23,590)	(21,995)	1,595
Transformation Total		(6,846)	(1,751)	5,095
Net Position		304,407	307,205	2,798

Beach Huts Securitisation of Income Stream		3,700	0	(3,700)
Interest on cash investments		(45)	(1,365)	(1,320)
BDC Winter Gardens Provisions Reduction		0	(1,000)	(1,000)
Other Corporate Items		(308,062)	(313,806)	(5,744)
Total Budget		0	(8,966)	(8,966)

8. The detail of projected variances is included in Appendix A1. A general fund summary forecast outturn is included in Appendix A2.

Summary of 2022/23 projected outturn by directorate

9. The following paragraphs summarise the projected 2022/23 budget position for each directorate.

Adult Social Care - net underspend £1.5 million (1.4%)

10. The net underspend is because of Council wide restrictions on expenditure including extensions of vacancies and release of earmarked reserves to mitigate the financial gap in the Medium-Term Financial Plan for the period 2023-2027.
11. Care cost pressures have grown by £1.7m associated with the rising cost of care home fees and domiciliary care packages to support patients leaving hospital, bringing the projected annual overspend to £9.5m for people with long term conditions. More people are being placed in residential care because of supply shortage in the home care market.
12. Difficulties in the home care market have also meant that the service has not been able to source the care to meet the needs of people with learning disabilities and mental health as well as challenges in sourcing suitable housing and delays with mental health hospital discharges resulting in an estimated underspend in year of £3m.
13. Whilst this underspend will mitigate in part the projected overspend in the long-term conditions budget this financial year, it is occurring due to unmet need and cannot be assumed as a future budget saving.
14. Further mitigating factors to offset the cost of care pressure include additional income from the NHS for continuing health care (CHC) due to catching up with the CHC assessments that were suspended during the pandemic and additional contributions for Section 117 mental health after care of £2.5m.
15. The Council is making use of Health funding transferred under Section 256 agreements to support the additional costs arising from the hospital flow approach to discharge those who no longer need to stay timely and safely.
16. Other mitigating factors include additional client contributions £0.8m, miscellaneous net savings of £0.1m and budget realignment after the pandemic.
17. There is reasonable confidence that the savings projected at this stage will be achieved. There are, however, also risks associated with the continuing increase cost of residential care homes, inflationary pressures and demand for care which increase the scale and volatility of adult social care budgets.

Commissioning

18. Anticipated energy and inflationary costs incurred by the Local Authority Trading Company (Tricuro) of £0.2m are expected to be managed by the company.
19. The shortfall in the receipt of client contributions from the block booked care home placements is mitigated with savings due to staff vacancies, other miscellaneous savings, and other mitigating factors described in the paragraphs above.
20. The Council has received the allocation and conditions for the Adult Social Care Discharge Fund £500m nationally. The purpose of the grant is to enable more people to be discharged to an appropriate setting with adequate and timely social care support, prioritise those approaches that are most effecting in freeing up hospital beds and boost general adult social care workforce capacity through recruitment and retention. The grant has conditions and reporting requirements attached, including full expenditure to be incurred by 31 March 2023.

Children's Services - net overspend £4.7 million (6.4%)

21. The projected net overspend for children's services is £4.7m a decrease of £0.5m compared with the position reported in November.
22. The projected position includes the recharge to the transformation programme of £1.5m of unbudgeted expenditure incurred to improve the service without there being an expectation of making future budget savings. The forecast currently assumes this element will be covered by a successful capitalisation direction. Should the council move completely towards an approach of funding the 2022/23 transformation investment programme via the flexible use of capital receipts (FUCR) then it is likely that this £1.5m recharge will need to be reversed as the legislation does not allow improvement expenditure to be funded by this mechanism.
23. There has been an increase in grant funding since the November report. Public Health grant of £0.3m has been passed back to the council from the pan-Dorset service (bringing the total for the year to an additional £0.9m compared with the budget), to support qualifying expenditure. In addition, £0.16m has been allocated from the contain outbreak management fund (COMF) contingency to cover unbudgeted expenditure supporting mental health services for young people.
24. Pressures previously reported continue for special educational needs and disabilities (SEND) transport of £1.3m due to fee increases, with an anticipated saving of £0.2m in mainstream transport.
25. Staffing pressures continue with £0.9m remaining after the transfer of unbudgeted costs to the transformation programme noted above. This is due to reliance on higher cost agency staff within social care and higher salary expectations in the market generally. The workforce strategy has been approved by Council and a recruitment drive is preparing to go live to attract and retain permanent social workers.
26. Care demand was reassessed during quarter two which showed a net increase in placement numbers as well as fee increases and growing needs of children with the pressure assessed by the October report at £1m, this remains unchanged. Other previously reported and unchanged pressures include £0.2m of lost savings from an unsuccessful bid to government for a new children's home

27. The service is still expecting pressures from the unaccompanied asylum-seeking children (UASC) cohort as the grant income received does not cover the cost of care provided. There is concern this may increase further as more individuals are being placed in the BCP conurbation.

Operations – net underspend £5.5 million (9.8%)

28. Overall, operations budgets are projecting an underspend, £0.5m higher than last reported. Income generating activities, such as carparking have benefitted from good weather over the first and second quarter but there is some risk as to whether the increased parking charges at the beach of an additional 10% will achieve the associated £0.4m of income forecast. Positive income movements are in the green waste service and further charging of staff time to the capital programme. In addition, mitigation plans have been put in place to address pressures associated with the cost-of-living which includes significant growth in utilities costs of £3.1m plus higher fuel costs. Mitigation plans have been developed to address these.

Communities

29. Within the Communities directorate there are no individual new material pressures. Fees and charges not governed by statutory provisions have been reviewed and increases will be applied to reflect rising costs in line with corporate guidance.

Environment

30. Environment is seeing a strong budget performance with a positive position on recycling price per tonne generating a forecast £2.1m in reduced costs.
31. Identified earlier this year is the additional income from the green waste service of £0.3m due to a combination of recognising the level achieved as part of the 2021/22 outturn alongside the current year price adjustment.
32. In the bereavement service, cremations income pressures have decreased by £0.2m to a net position of £0.4m pressure due to pricing increases, with further work being undertaken in mitigation. The impact of high-cost inquests on the coroner's service is unchanged at £0.1m.
33. Fuel prices remain volatile, and the service are working to mitigate this, including consideration of notice to stop all non-essential travel.

Transport and Engineering

34. The October forecast for 2022/23 of net additional income for car parks is £1.3m. The pressures on the cost of providing the service, identified in June, are reducing due to the ongoing mitigation work. These pressures currently stand at £0.6m.
35. There is more work on capital schemes than anticipated, which results in staffing costs being charged to capital rather than borne by the revenue account. This year this is expected to benefit revenue by £0.3m.
36. Electricity costs associated with street lighting account for a significant element of the £3.1m utility cost pressures in the Operations Directorate reported above. Mitigation measures have been adopted which reduced the figure by £0.2m. Further mitigation work is ongoing.

Destination and Culture

37. Seafront services forecast performance to September has exceeded expectations due to favourable conditions. Risk remains in delivering the income target for the remainder of the year but a forecast surplus of £0.3m is anticipated.
38. The management fee income shortfall for BH Live has reduced slightly from £0.4m to £0.3m. BH Live are currently trading well, however the impact of the cost-of-living crisis on customer behaviour is difficult to predict. Work is on-going with the organisation to bring the forecast outturn back in line with expectations.

Planning

39. The planning service is currently forecasting a balanced budget position. However, there are significant pressures within the service, due to additional costs of agency staff. This is continuing to be addressed through a plan to transition away from reliance on agency staff throughout the remainder of this financial year, and by drawdown of reserves earmarked for the service.

Housing

40. It is still anticipated that the in-year homelessness prevention grant allocation of £2.0m will be fully utilised. This grant is ring-fenced with £5.1m in earmarked reserves from previous year allocations, which is planned to be fully spent by the end of 2024/25 by continuing activities to reduce homelessness. The income shortfall from the acquisition strategy has reduced to £0.1m.
41. The forecast telecare income of £1.4m is still on target to be achieved. This income is from equipment rental charges to associations and new equipment installations. Staff vacancies within the operations centre continue to be filled. A forecast net pressure of £0.25m is presented to reflect a budget realignment identified at outturn.
42. The construction works team (CWT) is on track to meet budgeted surplus of £0.3m. Major projects CWT is delivering this year include housing schemes on behalf of the Housing Revenue Account (HRA) at Wilkinson Drive and Northbourne, Skills & Learning relocation to the Dolphin Centre, Poole Library, Durley Innovation Hub, and the phase 2 refurbishment of the Old Town Hall. Net budget surplus for the in-house team is expected to be delivered.
43. Net rental income from Seascope Homes & Properties Limited previously estimated a pressure of £0.2m. This pressure is now anticipated to reduce to £0.098m and as a result, the income is now forecast to increase to £1.3m. Garages and photovoltaic net surplus budget of £2.2m is also on course to be achieved. Cost pressures in relation to the cost of scaffolding for measurers to defer pigeons from settling are expected to be managed from within existing budget allocations.
44. The costs of administering Ukraine, Syrian and Afghan resettlement schemes are expected to be fully funded from in-year government grant allocations.
45. At £0.2m, utilities pressure from increasing gas and electricity prices is consistent with that forecast within the cost-of-living review reported in May.
46. Housing services has identified £0.7m of cost-of-living mitigation savings and these remain on course to be delivered. The service is therefore forecasting an overall surplus end of year position.

Resources & Chief Executive Office - net underspend £0.2m (0.3%)

47. The main pressures continue to be for utility costs and contract payments for IT systems and the library PFI.
48. Customer Services employee costs are forecast to underspend by £0.6m against the additional £1.5m one-off agreed allocation due to the ongoing difficulties in recruiting to all the available roles. Business Support costs are also forecast to underspend by £0.4m due to unfilled vacancies.
49. Facilities Management: The cost-of-living exercise estimated £0.5m utilities pressure from rising prices. Staff parking income from 1 August 2022 will be used to offset unbudgeted operational costs of Poole Civic Centre. Repairs and maintenance spend across the civic estate are forecast to overspend by £0.2m, all funded from earmarked reserve. To date the Council has incurred £0.1m of works that are expected to be reimbursed from third party insurance claims, and £0.2m of building surveyors and client project managers salaries are expected to be capitalised during the year.
50. Finance: Savings on employee costs from Health & Safety have been realised of £0.2m. The £0.1m pressure on bank charges is due to the continuing management of three bank accounts and the cost of BCP's share of Stour Valley and Poole Partnership is expected to be £0.1m.
51. ICT: No change is proposed to the cost-of-living pressure of £0.2m for software contract inflation, the majority of which is within ICT services. The service also retains historic base budget revenue allocation of £0.2m for ICT replacement, which has not yet been fully utilised.
52. Law & Governance: Additional income from registrars was used to offset the related additional salary costs approved in June. Legal Services has endured staff vacancies throughout the year which has resulted in the employment of additional temporary staff. The budget for local elections is expected to be underspent by £0.2m. This is no longer required to top up the earmarked reserve as there is a separate corporately held budget for this purpose.
53. Human Resources employee costs are forecast to underspend by £0.1m due to vacancies and staff engaged in the transformation work.
54. Major projects team: This team manages delivery of both capital and revenue projects and is funded from a combination of capital resource, revenue budget, external grants, and the transformation programme. There is currently an unfunded salary related pressure of £0.1m for 2022/23 with the potential for this to increase to £0.4 million in 2023/24 and then reducing to £0.3 million in 2024/25 with the current allocation of budget from the transformation programme.

Transformation

55. Transformation savings are on track to deliver £7.2m in year of the £8.7m that had been built into the budget for 2022/23. Consistent with Q1 £1.5m of savings have not yet been identified for delivery.
56. The original savings include certain business support staff savings where the implementation has been delayed. Further work continues in respect of third party spend savings.
57. The estimate of base budget staff costs able to be transferred to the transformation programme has been reduced by a provision of £3.5m from the

£6.7m budgeted. Further work is ongoing to confirm the final figure for 2022/23. This follows a review of the available evidence to date to support the recharge for specific workstreams. It also reflects, staff vacancies reducing support service costs and that some backfill arrangements have been necessary to support business as usual activity which reduces the potential to recharge base costs into the programme.

Central Items - net surplus £11.8m

58. In setting the 2022/23 budget 3.1% was set aside for assumed pay award inflation. This was insufficient to cover the final position agreed with the trade unions by the National Employers for local government services which was a flat rate increase of £1,925 on every spinal column point plus an additional day's annual leave, which calculates as an average 5.4% for our staffing mix. The forecast takes account of the fact that the pay award is likely to add an extra £4.1m to the cost base of the council over and above the £5.5m allowed for as part of the original 2022/23 budget. Work on the impact of the extra days leave is ongoing and will need to be factored into future budget monitoring updates.
59. The council in 2021/22 recognised £5m of potential losses attributable to Bournemouth Development Company LLP ("BDC"), a BCP joint venture company. The council is making a provision for their shareholding as a result of on-going viability demands relating to the Winter Gardens project. Since making this provision the West Cliff Mansions (Durley Road) development has been successfully delivered. Profit from this scheme will be retained by BDC and offset the need for the full provision set aside in 2021/22. The benefit to the Council is circa £1m.
60. Release of the £2.2m base budget revenue contingency for 2022/23. This approach will mean there are no resources set aside for any variations that might occur in the remaining months of the financial year other than the £9m of surplus we are now projecting.
61. Release of the £3.7m assumed revenue budget impact of the proposal to securitise the beach hut income stream included as part of the 2022/23 original budget, because the scheme is not being taken forward. This net reduction includes foregone income, loan repayments and guarantee fees.
62. Investment income is forecasted to deliver £1.9m over budget. This is reflective of increasing interest rates as well as cash balances than previously forecasted.
63. It is anticipated that due to the higher than standard level of budget challenge and scrutiny that the work during the course of the financial year to-date will limit the level of year-end variations. However, there is the possibility of the expenditure control continuing to release further areas of underspending.

Revenue Virements

64. In accordance with the council's financial regulations the following rules associated with revenue virements, and acceptance of grants apply (after advice from the Chief Finance Officer):
 - Acceptance of revenue grants greater than £100,000 and up to £1 million require Cabinet approval
 - Virements over £1 million require prior Council approval.
 - Virements over £500,000 and up to £1 million require prior Cabinet approval.

- Corporate Directors can approve virements over £100,000 up to £500,000.
- Service Directors can approve virements up to £100,000.

65. In accordance with these regulations the following virement requires the approval of **Council**:

Directorate: Adult Social Care

Purpose: Acceptance of £1.46m of grant from the government's adult social care discharge fund

The Council has received the allocation and grant conditions from the Adult Social Care Discharge Fund £500m nationally. The purpose of the grant is to enable more people to be discharged from hospital to an appropriate setting with adequate and timely social care support. Also, to prioritise those approaches that are most effective in freeing up hospital beds and boost general adult social care workforce capacity through recruitment and retention. Of the fund, 60% has been distributed to the integrated care boards and 40% to local authorities. The allocation for BCP is £1.46m.

Financial Strategy Update and MTFP

66. This section of the report provides an update on the Council's financial strategy in accordance with the monthly update recommendation agreed by Cabinet on the 7 September 2022.

67. Autumn Statement

On 17 November 2022, the Chancellor of the Exchequer delivered his Autumn Statement, alongside the Office for Budget Responsibility's (OBR's) new set of economic and fiscal outlook forecasts. The Autumn Statement responded to the OBR forecasts and set out the medium-term path for public finances nationally. This follows the previous Chancellor's Growth Plan announcements in late September 2022, the majority of which were subsequently rolled back, with the notable exception that the Health and Social Care Levy which has been, and remains, cancelled. As part of the statement the Chancellor set two new fiscal policy rules.

- Public sector net debt (excluding the Bank of England) needs to be falling as a percentage of GDP by the fifth year of the rolling forecast; and
- Public sector net borrowing (the deficit) needs to be below 3% of GDP by the fifth year of the rolling forecast.

To meet both of those rules, the Autumn Statement delivered public finance measures related to tax and spending worth £55 billion by 2027/28. Of this, around £30 billion is related to spending policy decisions and £24 billion through tax policy decisions. Most of the decisions on spending will make an impact after this Spending Review period (with extra spending committed in this Spending Review period) and the extra tax revenues phased in gradually over the forecast period.

Specifically, in respect of issues salient to local government, the Autumn Statement made the following announcements

- Local authorities have been given additional flexibility in setting council tax, by increasing the referendum limit for increases in council tax to 3% per year from April 2023. In addition, local authorities with social care responsibilities

will be able to increase the adult social care precept by up to 2% per year. The previous policy, set at the 2021 Spending Review, was for a general limit of 2%, with an extra 1% for adult social care.

- Government will limit the increases in social care rents in 2023/24. Under current rules, rents could have risen by up to 11.1% as they tracked inflation, but now they will only be able to rise by a maximum of 7%.
- Following the recommendations of the independent Low Pay Commission (LPC), the National Living Wage (NLW) for individuals aged 23 and over will be increased by 9.7% to £10.42 an hour from 1 April 2023. This will impact on the cost of many externally procured contracts most notably those associated with the provision of care services.
- The national rollout of social care charging reforms has been delayed from October 2023 to October 2025, although the funding support for local authorities to fund this has been left in place.
- Additional social care grant funding.

£1.3 billion in 2023/24 and £1.9 billion in 2024/25 will be distributed to local authorities through the Social Care Grant for adult and children's social care

£600 million will be distributed in 2023/24 and £1 billion in 2024/25 through the Better Care Fund, with the intention of getting people out of hospital on time into care settings and freeing up NHS beds.

£400 million in 2023/24 and £680 million in 2024/25 will be distributed through a grant ringfenced for adult social care which is also intended to help to support discharge

- A further year-long extension to the Household Support Fund.
- From 1 April 2023, a revaluation will update rateable values for business rates with a £13.6m support package put in place to protect ratepayers facing increases including.

The business rates multipliers for 2023/24, will be frozen

A new Transitional Relief scheme limiting the rate at which bills can increase due to the revaluation.

A more generous Retail, Hospitality and Leisure relief for eligible properties in 2023/24.

A Supporting Small Business scheme to cap bill increases for businesses that lose other relief due to the revaluation.

The Autumn Statement commits to protect Local Authorities for any loss of income as a result of these business rate measures and Local Authorities will receive new burdens funding for any additional administrative and IT costs.

68. Update of Medium-Term Financial Plan

The 23 November Cabinet report set out the previous MTFP position assuming the council does not take the £20m capitalisation direction offered by government via the "minded to" offer from DLUHC

Figure 2: Cabinet 23 November 2022 forecast MTFP Position

	23/24 £m	24/25 £m	25/26 £m	26/27 £m	Total £m
Annual – Net Funding Gap	(0.0)	16.7	(3.1)	(1.0)	12.6
Cumulative MTFP – Net Funding Gap	(0.0)	16.7	13.6	12.6	

Figure 3 below sets out the current MTFP updated for any changes since the November Cabinet report. As a reminder to councillors, the following MTFP variance chart shows changes in the revenue budgets, on an annual basis, either positive numbers which represent additional costs to be met, or negative which represent forecast cost reductions or additional income. The variances are shown in the year in which they are expected to be first seen and are then assumed to recur on an ongoing basis in each of the following years. One-off changes will be seen as an entry in one year and will then being reversed out in a following year. For example, it is currently assumed to use £9m from the forecast outturn for 2022/23 in support of the 2023/24 budget.

Figure 3: Funding Gap for 2023/24 and MTFP Position

Adjustments to the cost of services	23/24 £m	24/25 £m	25/26 £m	26/27 £m	Total £m
Adult social care and public health	20.7	11.6	8.1	8.7	49.1
Adult social care reforms	0.0	0.0	12.8	17.2	30.0
Children's services	14.6	8.4	9.0	9.6	41.6
Operations	7.9	4.5	1.8	1.1	15.3
Reversal of securitisation of income stream proposal	(3.7)	0.0	0.0	0.0	(3.7)
Resource services	1.0	1.4	0.5	0.5	3.4
Staff costs being charged to transformation prior 25/26	0.0	0.0	6.7	0.0	6.7
Capitalisation direction 22/23 cost of capital & interest repayments	0.0	0.0	0.0	0.0	0.0
Transformation base revenue budget costs	1.1	0.0	0.0	0.0	1.1
Transformation redundancy costs that cannot be charged against FUCR	2.1	(1.9)	(0.1)	0.0	0.1
Corporate priorities one-offs for 2022/23	(9.7)	0.0	0.0	0.0	(9.7)
Pay related costs	11.1	7.6	3.6	3.6	25.9
Pay and grading project	1.0	1.1	(0.9)	1.8	3.0
Contingency	0.0	0.0	0.0	0.0	0.0
Debt and capital adjustments	0.2	0.3	(0.3)	(0.1)	0.1
Treasury Management & Investment income adjusted disposals	(1.5)	1.3	(0.1)	0.0	(0.3)
Total adjustments in respect of cost of services	44.8	34.3	41.1	42.4	162.6
Adjustments in respect of resource levels					
Council tax – revenue - 5% 23/24, 2.99% per annum thereafter	(11.6)	(10.9)	(7.6)	(8.0)	(38.1)
Council tax - taxbase	(3.0)	(2.6)	(1.3)	(1.3)	(8.2)
Council tax - single person discount	(0.2)	0.0	0.0	0.0	(0.2)
Council tax - second homes 100% premium	0.0	(5.3)	0.0	0.0	(5.3)
Council tax - empty homes premium after 1st rather than 2nd year	0.0	(0.9)	0.0	0.0	(0.9)
Collection fund – (surplus) / deficit distribution net of S31 grant	4.6	(2.7)	0.0	0.0	1.9
Government core grant funding changes	0.8	0.0	2.5	0.0	3.3
Assumed social care reforms funding	0.0	0.0	(12.8)	(17.2)	(30.0)
Assumed additional social care grant funding	(10.2)	(4.7)	(2.7)	(2.7)	(20.3)
Reserve Funding - One-off funding supporting 2022/23 budget	36.1	0.0	0.0	0.0	36.1
Reserve Funding - Removal of COMF contribution 2022/23 priorities	1.0	0.0	0.0	0.0	1.0
Reserve Funding - Improved outturn 2021/22 to support 23/24 budget	(14.2)	14.2	0.0	0.0	0.0
Reserve Funding - Redirect earmarked reserve to support 23/24 budget	(5.3)	5.3	0.0	0.0	0.0
Reserve Funding - Assumed surplus 2022/23 to support 23/24 budget	(9.0)	9.0	0.0	0.0	0.0
Reserve Funding - Contribution to unearmarked reserves	1.2	0.0	0.0	0.0	1.2
Total previously assumed adjustments in resource levels	(9.8)	1.4	(21.9)	(29.2)	(59.5)
Assumed additional savings, and efficiencies					
Unitemised Transformation savings	(9.0)	(15.9)	0.0	0.0	(24.9)
Following transformation, further net FTE reductions	0.0	0.0	(7.2)	0.0	(7.2)
Scheduled service based savings (include. Adults, Children's, Transformation)	(27.3)	(5.3)	(2.7)	(2.7)	(38.0)
Roundings	0.1	0.1	(0.1)	0.0	0.1
Unidentified Adult Social Care savings (2.99% growth restriction)	0.0	(1.5)	(3.1)	(3.5)	(8.1)
Unidentified Children's savings (2.99% growth restriction)	0.0	(4.5)	(6.5)	(7.0)	(18.0)
Total assumed annual extra savings and efficiencies	(36.2)	(27.1)	(19.6)	(13.2)	(96.1)
Sub Total - Annual – Net Funding Gap	(1.2)	8.6	(0.4)	(0.0)	7.1
Sub Total - Cumulative MTFP – Net Funding Gap	(1.2)	7.5	7.1	7.1	
Scheduled service based savings (includes Adults, Children's, Transformation)	(5.0)	(0.7)	0.1	0.1	(5.5)
Annual – Net Funding Gap	(6.2)	7.9	(0.3)	0.1	1.6
Cumulative MTFP – Net Funding Gap	(6.2)	1.8	1.5	1.6	

As a reminder, the service-based savings and efficiencies are presented above and below a sub-total line. To reiterate, the reason for this is to emphasise that although a lot of the savings will be challenging for the council, those below the line will be more challenging.

The key variances from the position as set out in the previous Cabinet report include.

- a) Further improvement in the forecast outturn for 2022/23. Analysis of these further variances as set out previously in this report, amount to a £0.5m increase in the surplus, and now mean that the overall surplus for the year is predicted to be £9m.
- b) Updates to key financial planning assumption in line with the governments Autumn Statement. This includes assumptions and estimates on council tax, the national living wage, and our local share of the additional social care grant funding.
- c) Update on the assumption associated with the pay award. The Councils Chief Finance Officers has commenced a benchmarking exercise with Unitary Treasurers to ascertain the assumption being made by the sector. This process indicates that the average increase being assumed for 2023/24 is around 4.25%.
- d) Update to the proposed implementation date, and timing of the financial implications, of the pay and grading project. It is understood the change to a 1 January 2024 implementation date and the detailed underlying proposal will be approved by the Chief Executive once the revised proposed 2023/24 budget and MTFP have been endorsed by Cabinet via this report.
- d) Results of the 2022 triannual revaluation of the Dorset Local Government Pension Scheme. The actuary has notified the council that our primary rate of superannuation will need to increase by 1.6% from 17.4% of an employees pay, to 19%. This increase is only partially mitigated by a reduction in the secondary “back-funding” rate which is due to fall from £6.324m to £4.13m (this total is the combined general fund and HRA payment amount).
- e) Provision to increase in the unearmarked reserves to 5% of Net Revenue Expenditure as set out in the reserves section below.

As a consequence of these key changes the Council now has the ability to reprofile £6.2m of saving from 2023/24 into 2024/25. As previously referenced priority is expected to be given to the £5m “below the line” items which were always established as the more challenging savings and efficiency proposals. Cabinet and CMB will now work through the profiling of these as part of the February budget workstream and will look to incorporate feedback from the public engagement exercise and the extended member engagement around the extended Budget Café process.

69. Risks specific to the MTFP cost estimates

Robustness of the estimates. In presenting the proposed 2023/24 budget to Council for approval in February 2023 the Chief Financial Officer will need to provide specific advice around the robustness of the estimates used to prepare the budget. Previous in-year financial strategy update reports presented the detail of the current risk items some of which are set out below.

Transformation Investment Programme: Expenditure

Ability to provide robust evidence to support the inclusion of £6.7m in years 2023/24 and 2024/25 of internal base revenue budget staff costs which can be legitimately recharged to the transformation programme.

Transformation Investment Programme: Savings

The increase in the annual savings target for the transformation programme to £18.7m (£8.7m for 2022/23 plus an extra £10m for 2023/24). The deliverability of this £18.7m will need to be evidenced especially when in-year monitoring demonstrates that £1.5m of the £8.7m target for 2022/23 remains to be delivered as set out earlier in the report and the extra £10m is expected to be delivered by third party spend savings which will be challenged by current market conditions around the cost-of-living.

Accumulating deficit on the Dedicated Schools Grant

Accumulated and growing deficits on the dedicated school's grant, by the 31 March 2024, will be greater than the total reserves available to the council. It continues to be assumed that the current regulations that allow the council to ignore this position will be extended from 31 March 2023 by up to an additional 3-years. This however is not guaranteed and does not provide a solution. Ultimately either the government, local schools, or the council (or a combination therefore) are going to need to identify the resources to address what will be by 31 March 2026 an accumulated deficit of between £102m and £150m.

BCP FuturePlaces Ltd: Working capital loan

The Council have committed a £8m working capital loan to BCP FuturePlaces Ltd a wholly owned teckal company established to drive the Councils regeneration ambitions. They recover expenditure incurred principally by being paid for successful business cases approved by the Council. The council is exposed based on any amounts drawn down from the loan which ultimately prove to be unrecoverable. There are a number of Future Places outline business case reports coming through on the forward plan and as such this risk should be mitigated as those business cases come forward.

Adults and Children's Services: Unidentified Savings

The February 2022 budget report included an assumption that annual growth in Adults and Children's Services will be restricted to 2.99% from 2023/24 onwards. The MTFP as presented in Figure 3 however now (above the line) only includes savings, efficiencies, and service changes that both areas have committed as deliverable in 2023/24. This is not the case in respect of future years with the unidentified savings due to this restriction included in the MTFP amounting to £8.1m in Adult Social Care Services and £18m in Children's Services for the period from 2024/25 onwards. The success of this 2.99% cap should be noted in terms of it largely being delivered in 23/24 with excellent work from both the Children's and Adults teams in delivering this.

70. Update of Medium-Term Financial Plan timeline.

Recognising Government have announced that the provisional Local Government Finance Settlement for 2023/24 will be announced in the week of the 19 to the 23 December 2022 it is proposed that the formal monthly Finance Update report to Cabinet in January 2023 is replaced by a second budget café in the latter half of the month.

Reserves

71. Councils generally hold two main forms of reserves.

72. **Unearmarked Reserves** are set aside to help manage the risk to the council's financial standing in the event of extraordinary or otherwise unforeseen events and to mitigate the underlying operational risk associated with the operation of the council and the management of service expenditure, income, and the council's funding

73. Analysis included in the June MFP Update report to Cabinet showed that on a net revenue expenditure (NRE) basis despite a £0.7m additional investment as part of the 2022/23 budget the percentage dropped to 4.7% which puts us on the lower side of the median, and below the level 5% previously recommended minimum used by the Chartered Institute of Public Finance and Accountancy (CIPFA).

74. To counter this the MTFP now makes provision for the extra £1.234m which is needed to bring the reserves to the 5% previously recommended level. The council's financial strategy continues to be to increase the unearmarked reserves by £0.7m per annum to reflect the increasing level of annual expenditure.

75. **Earmarked Reserves**: are set aside for specific purposes including those held in support of various partnerships where the council is the accountable body, reserves committed to supporting the 2022/23 budget of the Council, reserves which represent government grants received in advance of the associated expenditure, reserves held on behalf of third parties and several reserves the council is required to hold in line with statute or its own governance requirements.

76. As set out in Figure 4 overleaf shows the Council had earmarked reserves of £114m as at the 31 March 2022. Of this the majority (£40m) relates to government grants received in advance of the actual expenditure including £18m specifically to mitigate the impact that various Covid business rates reliefs will have on the council's business rates collection fund.

77. The financial strategy supporting the development of the 2023/24 budget set out the intention to constantly challenge each of the earmarked reserves to ensure that funds are not being tied up unnecessarily. The intention from the review being, where appropriate, to release these resources to support the proposed budgets of the council. This approach will though need to acknowledge the relationship with the growing deficit on the Dedicated Schools Grant.

78. Figure 4: Latest Reserve Forecast

	Balance Actual 31/3/22 £m	Balance Estimate 31/3/23 £m	Balance Estimate 31/3/24 £m	Balance Estimate 31/3/25 £m	Balance Estimate 31/3/26 £m	Balance Estimate 31/3/27 £m
Un-earmarked Reserves	15.3	16.0	17.9	18.6	19.3	20.0
Earmarked Reserves	114.4	35.1	13.9	12.5	12.6	12.8
Reserves established to support the 2023/24 Budget						
Cost of Living Mitigation from 21/22		14.2	0.0	0.0	0.0	0.0
Redirected Earmarked Reserves		5.3	0.0	0.0	0.0	0.0
Assumed 2022/23 surplus		8.9	0.0	0.0	0.0	0.0
Total General Fund Reserves	129.7	79.5	31.8	31.1	31.9	32.8
Dedicated Schools Grant (1)	(20.3)	(36.0)	(62.2)	(99.5)	(149.9)	(215.7)
Dedicated Schools Grant (2)	(20.3)	(36.0)	(57.6)	(80.2)	(102.3)	(121.7)
Net Position DSG1 – (Deficit)	109.4	43.5	(30.4)	(68.4)	(118.0)	(182.9)
Net Position DSG2 – (Deficit)	109.4	43.5	(25.8)	(49.1)	(70.4)	(88.9)

Dedicated Schools Grant (DSG) 2022/23

79. The 2022/23 budgeted high needs funding shortfall is £16.7m. Other DSG blocks have been set with balanced budgets with no surplus available to reduce the overall funding gap. This budget is being reviewed for future years supported by the Department for Education, delivering better value programme (DBV).

80. The accumulated deficit is expected to increase from £20.3m as at 1 April 2022 to £36m by the end of the year with net budget savings of £1m currently identified.

Figure 5: Summary position for dedicated schools grant

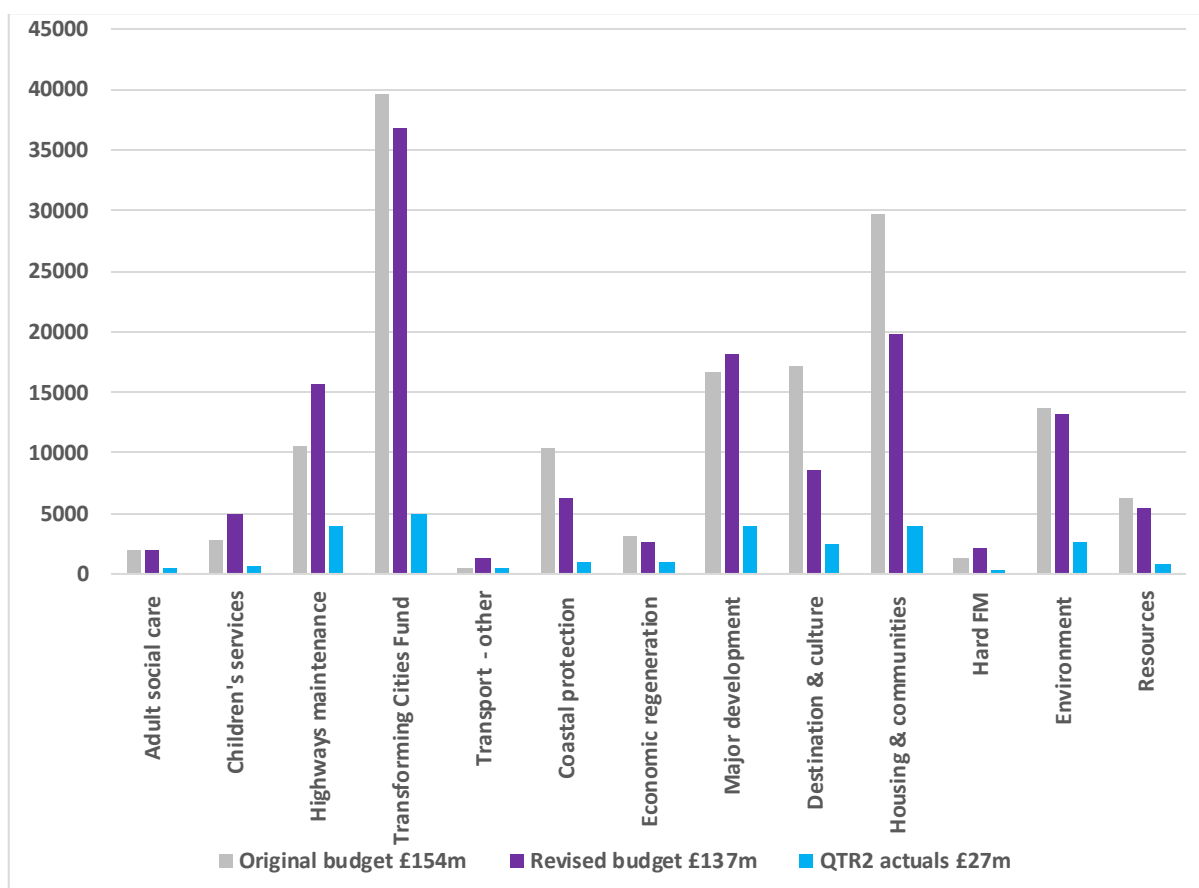
Dedicated Schools Grant	£m
Accumulated deficit 1 April 2022	20.3
Budgeted high needs shortfall 2022/23	16.7
Projected in-year saving	(1.0)
Projected accumulated deficit 31 March 2023	36.0

Capital budget monitoring at quarter two 2022

81. This report covers the council's budgeted capital investment programme (CIP) in respect of general fund capital expenditure only. Housing revenue account (HRA) related capital spend is reported separately within this report.

82. The capital investment programme includes only approved capital schemes that are supported by robust business cases. It does not include pipeline projects that are awaiting business case development and subsequent approval. It also excludes capital funding that, whilst approved, has not yet been allocated to capital projects.
83. In February 2022 Council approved a general fund capital investment programme budget of £154.1m for 2022/23. This budget has since evolved, to include new schemes, inclusion of slippage for 2021/22 and the effect of reprofiling carrying expenditure forward into future years. These have all received appropriate approval in line with BCP financial regulations. The revised capital programme for 2022/23 now stands at £137.3m. The chart below reflects quarter two spend against this revised programme.
84. As at 30 September 2022, around £26.5m of the revised full year capital budget of £137.3m has been spent. This is around 19% of the full year capital budget, which is broadly in line with previous years.
85. The governance process for the capital programme requires capital scheme project managers to continually review and assess scheme progress and to advise as soon as changes to planned spend are required. This is a continual process, with resulting revisions to the capital programme reported to council quarterly through the council budget monitoring (CBM) process.
86. Figure 6 below summarises capital spend by directorate.

Figure 6: Capital Budget Monitoring at 30 September 2022



87. A full narrative on scheme progress and emerging risks and issues is provided as Appendix C.

Financial risks

88. Whilst all capital project budgets approved within the programme are supported by business cases, there is inherent risk that the financial modelling underpinning these business cases is no longer accurate. This risk relates to both capital spend estimates and future income stream projections. The risk is heightened this year because of the impact of ongoing market pressures on raw materials and labour prices and current cost of living estimates on household disposable income with forecasts of 12.5% inflation drift. Advice from the council's insurance brokers is that thorough re-costing exercises for major capital projects are undertaken before they are commenced – particularly where capital budgets were approved over four months ago. Reliance on contingencies within capital projects alone does not provide sufficient assurance over adequacy of capital budgets approved.
89. New capital funding will need to be identified and approved to fund potential capital budget increases. The Council has recently increased its capacity to take out new prudential borrowing in respect of this. The Council's debt threshold was increased to £1.334bn by Council at its 8 November 2022 meeting.
90. There is risk of abortive spend on capital projects that are in the early stages of delivery, but which either require business cases to progress or are no longer financially viable because of current market conditions.
91. There are financial risks around potential repayment of capital funding received that would potentially have to be returned should project milestones fail to be met. This includes capital grant funding and capital receipts. The council currently assumes £1.8 million capital receipts funding for Transformation from the disposal of surplus land around the hospital. This receipt can only be utilised if milestones under sale agreement are met.
92. There is specific risk that income projections factored into the MTFP from planned capital investment are not achieved at the pace and extent as that originally assumed when capital budget was approved. Rental income from the CNHAS programme is one such example. Forecast rental income assumptions in the MTFP have now been amended.
93. The council seeks to maximise the use of external government grants to help deliver its capital ambitions. There is risk that grant will need to be repaid or replaced with alternative capital funding should the council be unable to meet relevant grant conditions. There is also risk that approved capital schemes funded from fixed government grant awards will either need to be revised or alternative funding secured, should costs exceed grant funding available, for example the Transforming Cities Fund programme.
94. There is financial risk around the availability of future third party contributions assumed within the capital programme, given current economic conditions.
95. The council has retained an underlying £0.3 million unallocated 'capital fund' (funded from previous years' contributions from revenue budget) to fund feasibility work for potential future capital schemes and to provide match funding for projects to leverage in new external funding. For context this is equivalent to

0.07% of the current 5-year capital programme (£408m over 5 years). This is a comparatively modest allocation. No provision has been made within the MTFP to increase this.

96. There is a risk that schemes previously approved, based on prevailing and council invest to save interest rates at the time, may need to be revisited due to the increasing cost of borrowing currently being experienced. This may challenge the viability of these schemes. Consequently, projects are being reviewed and monitored and any significant financial movements may require reapproval of schemes.

Capital investment programme – funding £137.3 million.

97. Figure 5 below summarises capital funding allocated to finance the 2022/23 capital programme. More than 50% of the programme is funded from external sources (government grant, third party receipts, s106 contributions and community infrastructure levy (CIL)). The majority of capital funding utilises prudential borrowing, the annual borrowing repayments for which have been factored into the MTFP.
98. Specific earmarked capital (£0.6m) and revenue (£0.7m) reserves are allocated to individual capital schemes in the capital programme, including the Heart of Poole.

Figure 5: Capital funding allocated to finance the 2022/23 capital programme.

General Fund	Planned Programme 2022/23
	£'000
Government Grant	78,805
Third Party Receipts	1,015
s106	3,242
CIL	1,653
External Funding Contributions	84,715
Corporate Revenue Funding for Capital (in year)	521
Capital Fund (previous years revenue funding for capital)	541
Capital Receipts	93
Capital - Earmarked Reserves	635
Revenue - Earmarked Reserves	712
PRU Borrowing - funded from Futures Fund	961
PRU Borrowing - funded from HRA land transfers	1,337
PRU Borrowing - funded from MTFP revenue budget	47,767
BCP Funding Requirement	52,565
Capital Investment Funding	137,280

Approved capital funding not yet allocated to capital projects

99. In addition to the £137.3m capital funding currently allocated to the 2022/23 capital programme the council has the following funding available to support future projects:
- £10m of SEND infrastructure approved borrowing

- Children's services - High needs capital grant funding
- Capital reserves - up to £1.3 million

Capital investment outside of the capital programme

100. The council also has ambitions to invest in major capital schemes in partnership with the Bournemouth Development Company (BDC) and separately via BCP FuturePlaces Ltd, a wholly owned company. Business cases for these schemes will be presented to Cabinet and Council separately as they arise.

Capital budget virements and acceptance of capital grants

101. In accordance with the council's financial regulations the following rules associated with capital virements, and acceptance of grants apply (after advice from the Chief Finance Officer):
- Acceptance of grants greater than £100,000 and up to £1 million require Cabinet approval
 - Virements over £1 million require prior Council approval.
 - Virements over £500,000 and up to £1 million require prior Cabinet approval.
 - Corporate Directors can approve virements over £100,000 up to £500,000.
 - Service Directors can approve virements up to £100,000.
102. There are no new capital virements that require the approval of Cabinet or Council.

Housing revenue account (HRA) monitoring

103. 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.
104. Within the HRA the Council operates 9,575 tenanted properties. The management agreement with PHP was terminated on 30th June 2022 and all properties are now managed in-house by the Council.
105. Appendix D1 and Appendix D2 provides the detail of both revenue and capital budget monitoring for BCP respectively.

Revenue account

106. Rental income: Total dwelling and non-dwelling rental income of £45.3m was budgeted for the year. This is on course to be achieved, with £23.3m billed up to the end of September. The full year forecast for rental income is in line with budget.
107. Repairs & Maintenance costs: The full year forecast for repair costs is £0.5m greater than the £10.0m budget. This is primarily due to the inflationary cost pressures being experienced in this area. For example, the schedule of rates for Poole neighbourhood response repairs was increased by 9.8% at the start of August in accordance with the contract, which references increases to the prevailing rate of CPI inflation. The full-year forecast is considered reasonably cautious. It represents a considerable increase to prior year actual spend, but at the same time represent current market conditions and pressures.

108. Supervision & Management costs: The full year forecast is £0.4m less than budget of £13.5m. Supervision and management costs include utilities spend, which is forecast to be £0.3m greater than budgeted due to the well documented increases in gas and electricity prices. However, the utilities cost pressure is more than offset by the saving arising from no longer incurring PHP senior management costs (£0.3m) and other forecast underspends across both neighbourhoods.
109. Overall, a net surplus of £5.9m (budget £6.0m) is forecast to be transferred into ringfenced HRA reserves to support the HRA's ongoing capital housing stock investment and maintenance needs.
110. Work has commenced to establish consistent accounting policies across the two neighbourhoods. The Council recently appointed a single firm of chartered surveyors to conduct the year-end housing stock valuation of both neighbourhoods, ensuring there will be a consistent valuation approach at the 2022/23 year-end. Depreciation policy will be harmonised when the existing spreadsheet based fixed asset registers are moved into the new finance system (Dynamics 365) which is planned to go live on 1 April 2023.

Capital programme

111. In February 2022 Council approved an HRA capital programme budget of £63.1m for 2022/23. This includes £48.1m investment in major projects, including those delivered as part of the Council Newbuild Housing & Acquisitions Strategy (CNHAS)) and £15m in planned maintenance. Unspent approved capital budget on major projects of £7.8m has been brought forward from prior year and added to current year capital budget allocation.
112. Of this, £8.3m has been spent in the first six months of the year on HRA major projects, including Cynthia House, Project Admiral, Moorside Road, Northbourne Day Centre and Princess Road. A further £5.0m has been spent on planned maintenance (principally windows, bathroom and kitchen refurbishments and disabled adaptations). In total around 27% of HRA capital budget has been utilised in the first half of the year.
113. The same key financial risks apply to the HRA capital programme as the general fund capital programme. These centre broadly around the ongoing increase in capital budgets from price / cost escalation and reduced availability of new capital funding. In previous years new capital projects could potentially have been part funded from HRA capital reserves or unapplied right-to-buy receipts. The availability of these receipts is reducing as historic unallocated funds are allocated to capital schemes within the HRA capital programme.
114. Princess Rd: £22.2m remaining approved budget for the scheme with in-year 2022/23 actual spend to date of £0.43 million. The project is currently on hold while BCP considers options as tender prices quoted are over budget.
115. Templeman House: £4.9 m budget approved to deliver the scheme with £0.3m actual spend in 2022/23. Scheme now going out to tender to finish off works after previous contractor went into administration.
116. Craven Court: £5.2m budget approved. Contractors appointed and about to start works.

117. Duck Lane: £2.2m remaining approved budget on scheme. The scheme has now received planning permission. We are yet to tender for the building works to begin.
118. Hillbourne development: The original 2022/23 budget of £6.7m for this site assumed that construction work would commence in the current year. The start of construction work is now not expected until 23/24, and therefore the budget has been re-phased.
119. Sterte Court Cladding: The completion of this project has been delayed due to the insolvency of a sub-contractor. Total costs to complete the project are now forecast to be £4.3m, which is £0.5m above the approved budget of £3.8m. Nearly all this project is funded from a DLUHC Building Safety Fund grant. A £3.6m grant has been awarded and the Council will be applying for a further grant award to cover the work variations required to complete the project.

HRA Capital budget virements and acceptance of capital grants

120. In accordance with the council's financial regulations the following rules associated with capital virements, and acceptance of grants apply (after advice from the Chief Finance Officer):
 - Acceptance of grants greater than £100,000 and up to £1 million require Cabinet approval
 - Virements over £1 million require prior Council approval.
 - Virements over £500,000 and up to £1 million require prior Cabinet approval.
 - Corporate Directors can approve virements over £100,000 up to £500,000.
 - Service Directors can approve virements up to £100,000.
121. The following HRA capital virement requires the approval of **Cabinet**:

Directorate: Operations – Housing Revenue Account

Purpose: Approve an increase in the budget for the Sterte Court Cladding project of £0.5m, with an application to be made to the DLUHC Building Safety Fund for additional grant funding to cover the work variations required to complete the project. A budget of £3.8m was previously approved for this project.

Background papers

February 2022 Cabinet papers

November Finance Update Report to Cabinet

Appendices

Appendix A1 Projected variances greater than £100,000 for 2022/23

Appendix A2 Revenue summary position 2022/23

Appendix B Schedule of forecast movement in reserves for 2022/23

Appendix C General Fund Capital programme progress 2022/23

Appendix D1 Summary of HRA revenue budget monitoring for 2022/23

BCP COUNCIL
Budget Variances 2022/23

				£000 November Total Variance	£000 December update	£000 December Total Variance
Directorate / Service	Type	Description				
Adult Social Care						
Adult Social Care - Services	Cost of living and other service pressures	Third Party Payments	Estimated care costs increase due to inflationary and market pressures	4,500	400	4,900
		Third Party Payments	Care costs for people with long term conditions	3,278	1,324	4,602
	Savings, Efficiencies and Mitigations	Third Party Payments	Care Cost for people with Learning Disabilities and Mental Health needs	(2,156)	(873)	(3,029)
		Income	Estimated additional income from Health for Continuing Health Care eligible people and Section 117	(2,819)	265	(2,554)
		Income	Section 256 contributions from NHS Dorset	(1,560)	(1,215)	(2,775)
		Income	Service user contributions	(483)	(306)	(789)
		Third Party Payments	Adjustment to the residential and homecare budget from Covid grants	(257)	-	(257)
		Various	Other miscellaneous variances (each less than £100k)	(4)	(109)	(113)
		Employee costs	Directorate unfilled vacancies	(428)	(244)	(672)
		Reserves	Utilisation of earmarked reserves specific to the service	(415)	-	(415)
		Review of earmarked r	Covid pressures	(113)	-	(113)
		Review of earmarked r	Various others each less than £100k	(235)	-	(235)
				-		-
	Adult Social Care - Services Total			(692)	(758)	(1,450)
Commissioning (Adults) & Public Health	Cost of living and other service pressures	Third Party Payments	Tricuro contract impact of cost of living including energy prices	171		171
		Income	Service user contributions	471	(115)	356
	Savings, Efficiencies and Mitigations			-		-
		Third Party Payments	Tricuro efficiencies to manage energy cost pressure	(171)		(171)
		Employee costs	Directorate unfilled vacancies	(52)	(53)	(105)
	Various	Other miscellaneous pressures (each less than £100k)	(75)	37	(38)	
Commissioning Centre of Excellence (Adults) & Public Health Total			344	(131)	213	
Adult Social Care Total			(348)	(889)	(1,237)	
Children's Services						
Children's Services	Cost of living and other service pressures	Third Party Contributions	Health contributions for care placements	1,483		1,483
		School Transport	Non-delivery of SEND transport savings assumed in the 2022/23 base budget	750		750
		School Transport	SEND / mainstream transport contract costs due to the cost of living including fuel prices	1,250		1,250
		School Transport	Mainstream transport - other reasons	(200)		(200)
		Electricity/Gas costs	Assumed price variations	182		182
		Staffing	Overall staffing - continued need for higher than expected levels of agency	860		860
		Staffing	Continuation of additional purchased team (assumed to end in Sept 2022)	-		-
		Care	Residential care 16-18 savings not deliverable as project not taken forward	211		211
		Care	UASC - pressure of grant deficit for those aged over 18	708		708
		Care	Care demand pressures	960		960
	Savings, Efficiencies and Mitigations	Review of earmarked r	Review of Public Health Partnership	(635)	(300)	(935)
		Review of earmarked r	Public Health reserves held by BCP	-		-
		Service saving	Various in-year service savngs (each less than £100k)	(418)	(160)	(578)
Children's Services Total			5,151	(460)	4,691	
Children's Services Total			5,151	(460)	4,691	

				£000 November Total Variance	£000 December update	£000 December Total Variance
Directorate / Service	Type	Description				
Operations						
Housing	Cost of living and other service pressures	Electricity/Gas costs	Assumed price variations	155		155
		Income pressure	Telecare reduction to budgeted income assumed 22/23	250		250
		Expenditure pressure	Council New Build Housing Acquisition Strategy (CNHAS) saving assumed in the 2022/23 base budget	219	-121	98
		Expenditure pressure	Housing related support contracts inflationary clause	150		150
		Service pressures	Housing Options & Partnerships	154		154
	Savings, Efficiencies and Mitigations	Service saving	Additional one-off dividend from Bournemouth Building Maintenance Ltd	(200)		(200)
		Service saving	Harmonisation of recharges to the two HRA neighbourhood accounts	(100)		(100)
		Service saving	Homelessness Prevention Grant utilised to cover budget costs	(100)		(100)
		Service saving	Others miscellaneous savings (each less than £100k)	(393)		(393)
		Housing Total			(19)	(121)
Environment	Cost of living and other service pressures	Income pressure	Crematorium income pressure	600	-167	433
		Expenditure pressure	Hydrotreated Vegetable Oil (HVO) costs	400	-11	389
		Expenditure pressure	Volume of waste bins that need replacement	200	-480	(280)
		Expenditure pressure	Waste Disposal Contract	150	-650	(500)
	Savings, Efficiencies and Mitigations	Service saving	Sales of recycle material – value and volume	(3,100)	500	(2,600)
		Service saving	Capitalisation of neighbourhood highways costs less associated borrowing costs	(930)		(930)
		Service saving	Defer move to HVO fuel across corporate fleet assets (cost avoidance)	(400)	400	-
		Service saving	Sales of waste material from the Household Waste Recycling Centres	(100)		(100)
		Service saving	Green Waste Income	(278)		(278)
		Service saving	Miscellaneuos saving less than £100k	(25)	25	-
		Service saving	Bereavement Services pricing increase options	(167)	167	-
		Service saving	Borrow to finance bin replacements	(347)	347	-
		Environment Total			(3,997)	131
Destination & Culture	Cost of living and other service pressures	Expenditure pressure	BH Live	436	-128	308
				-		-
	Savings, Efficiencies and Mitigations	Service saving	Cultural Compact	(129)		(129)
		Service saving	Festival Coast Live	(125)		(125)
		Service saving	Cultural development and networking	(100)		(100)
		Service saving	Income from BH Live	(200)	200	-
		Review of earmarked r	SLM reserve	(560)	220	(340)
Destination & Culture Total			(678)	292	(386)	
Coroners	Cost of living and other service pressures	Expenditure pressure	Increased / complex caseload	100		100
Coroners Total			100	-	100	
Transport & Engineering	Cost of living and other service pressures	Expenditure pressure	Car Parks, rates increases, card charges and other expenditure items	927	-319	608
		Service saving	Car park income increase to reflect previous year's performance	(1,263)	133	(1,130)
	Savings, Efficiencies and Mitigations	Service saving	Beach car park tariffs increased	(359)		(359)
		Service saving	Remove seasonal concession for car parking	(150)		(150)
		Service saving	Street lighting (excluding utility pressure)	(132)	-213	(345)
		Service saving	Recharging to capital schemes	(340)		(340)
		Service saving	FCERM one off surplus savings from reserve that was to be used for Hamworthy sea wall defences	(260)		(260)
		Service saving	Capitalisation of asset engineering	(125)		(125)
		Service saving	Various others savings each less than £100k	(119)	119	-
		Service saving	Additional income from capital recharges	(400)		(400)
Transport & Engineering Total			(2,221)	(280)	(2,501)	

				£000 November Total Variance	£000 December update	£000 December Total Variance		
Directorate / Service	Type	Description						
	Savings, Efficiencies and Mitigations	Service saving	Utilisation of the Community Prosecutions Earmarked Reserve	(105)		(105)		
		Service saving	Stopping allocation to development of VRN	(150)		(150)		
		Service saving	Recharge of community safety salaries to DA Grant	-	-25	(25)		
		Service saving	Various others savings each less than £100k	(110)	110	-		
Communities Total				(365)	85	(280)		
Operations Directorate General	Cost of living and other service pressures	Electricity/Gas costs	Assumed price variations	3,106	5	3,111		
		Expenditure pressure	Other miscellaneous pressures (each less than £100k)	545	16	561		
	Savings, Efficiencies and Mitigations	Service saving	Other miscellaneous savings (each less than £100k)	(1,264)	(632)	(1,896)		
		Savings, Efficiencies and Mitigations	Service saving	Cleaner, Greener, Safer - Total	(388)	140	(248)	
Operations Directorate General Total				1,999	(471)	1,528		
Operations Total				(5,181)	(364)	(5,545)		
Resources & Transformation								
Customer & Service Delivery	Cost of living/service pressures/savings	Electricity/Gas costs	Facilities Management - Assumed price variations	485		485		
		Employee costs	Business Support		(400)	(400)		
		Service pressures	Customer Services - underspending against £1.5m allocation	(550)		(550)		
		Service pressures	Library PFI Contract inflationary clause	150		150		
		Service pressures	Other less than £100k	83	(449)	(366)		
Customer & Service Delivery Total				168	(849)	(681)		
Resources & Transformation General	Cost of living and other service pressures	Employee costs	Major projects team salaries pressure	135		135		
		Employee costs	Audit & Management Assurance	-	(170)	(170)		
		Employee costs	Vacancies in Human Resources		(127)	(127)		
		Employee costs	Regeneration - Unfilled vacancies / unrequired contingency		(126)	(126)		
		Employee costs	Unfilled vacancies in IT, Data & Analytics		(121)	(121)		
		Third Party Payments	Software contracts inflationary clause - resources	157		157		
		Third Party Payments	Software contracts inflationary clause - SVPP, dev, customer	14		14		
		Service pressures	Development of Mosaic Care System after data migration	250		250		
		Service pressures	Bank Charges		125	125		
		Service pressures	Stour Valley and Poole Partnership - share of overspend		119	119		
		Service pressures	Other miscellaneous variances (each less than £100k)	38	(345)	(307)		
		Service saving	Elections - separate corporate budget for annual contribution to reserve		(155)	(155)		
		Transformation	Recharge to transformation funded from FUCR	-	3,500	3,500		
		Transformation	Shortfall against transformation target	1,595		1,595		
Resources & Transformation General Total				2,189	2,700	4,889		
Resources & Transformation Total				2,357	1,851	4,208		
Central Items								
Central Items	Cost of living and other service pressures	Various	Other miscellaneous pressures (each less than £100k)	(34)		(34)		
		Employee costs	Pay award above budget at £1,925 per FTE	4,139		4,139		
		Employee costs	Assumed 20% element of transformation related redundancy costs which cannot be funded from the FUCR i April 2022 onwards	250		250		
		Interest	Assumed interest payable on capitalisation direction	436	(436)	-		
		Income	Additional Treasury Management Income due to higher interest rates and the additional money made available in advance of spend.	(1,951)	21	(1,930)		
	Savings, Efficiencies and Mitigations	Earmarked Reserve	Release Transformation Mitigation Earmarked Reserve not utilised as planned in 2021/22	(1,949)		(1,949)		
		Grant Income	Contain Outbreak Management Fund resources that the Council is able to carry forward into 2022/23 to fund previously planned expenditure	(1,437)	(412)	(1,849)		
		Grant Income	Anticipation that the final reconciliation of the Covid 19 Sales, Fees and Charges grant claim will be approved by government	(1,402)		(1,402)		
		Financial Services	Stour Valley and Poole Partnership Revenue and Benefits (SVPP) – release of the 2021/22 operational reserve	(435)		(435)		
		Contingency	Contingency released to support in-year position	(2,186)		(2,186)		
		Beach Huts	Beach hut income as not being transferred to a special purpose vehicle	(3,700)		(3,700)		
		Corporate Provisions	Bournemouth Development Company (BDC) released portion of provision	(1,000)		(1,000)		
		Minimum Revenue Pro	Winter Gardens finance loan	(304)		(304)		
		Transformation	Remove 2022/23 share of redundancy costs that cannot be charged to transformation	(250)	250	-		
		Employee costs	Removal of 1.25% National Insurance Levy from November 2022	(583)		(583)		
		Electricity/Gas costs	Utility Cost Forecast variation based on Government support package	(100)		(100)		
		Central Items Total				(10,506)	(577)	(11,083)
		Central Items Total				(10,506)	(577)	(11,083)
		Grand Total				(8,527)	(439)	(8,966)

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BCP Council - General Fund Summary November 2022

Directorate	Revenue	Working Budget £'000	Forecast Outturn £'000	Forecast Variance £'000
Adult Social Care	Expenditure Total	155,939	158,153	2,214
	Income Total	(49,820)	(53,484)	(3,664)
Adult Social Care Total		106,119	104,669	(1,450)
Children's Services (excl DSG)	Expenditure Total	87,769	92,534	4,765
	Income Total	(14,086)	(14,160)	(74)
Children's Services Total		73,683	78,375	4,692
Commissioning Centre of Excellence	Expenditure Total	35,190	36,315	1,125
	Income Total	(23,401)	(24,313)	(912)
Commissioning Centre of Excellence Total		11,789	12,002	213
Operations	Expenditure Total	166,664	165,441	(1,223)
	Income Total	(110,211)	(114,533)	(4,322)
Operations Total		56,453	50,908	(5,544)
Resources & Chief Executive Office	Expenditure Total	178,492	177,603	(889)
	Income Total	(115,283)	(115,284)	(0)
Resources Total		63,209	62,319	(889)
Transformation (inc target savings)	Expenditure Total	16,744	20,244	3,500
	Income Total	(23,590)	(21,995)	1,595
Transformation Total		(6,846)	(1,751)	5,095
Total Net Cost of Service		304,406	306,522	2,116
Corporate Items				
Provision for repayment (MRP)		13,247	13,247	0
Pensions		5,880	5,880	0
Interest on borrowings		3,339	3,339	0
Winter Gardens finance loan		0	(304)	(304)
Contingency		2,185	0	(2,185)
Pay Award 22/23 original allocation		5,856	5,856	0
Pay Award 22/23 inflation		0	4,139	4,139
Removal of 1.25% National Insurance Levy from November 2022		0	(583)	(583)
Utility Cost Forecast variation based on Government support package		0	(100)	(100)
Transformation Redundancy Costs		0	250	250
Other misc cost of living		0	(34)	(34)
Levies (Environment Agency / Fisheries)		615	615	0
Apprentice Levy		622	622	0
Revenue expenditure on surplus assets		267	267	0
Beach Huts Securitisation of Income Stream		3,700	0	(3,700)
Corporate Items	Expenditure Total	35,712	33,194	(2,517)
Corporate Items				
Investment property income		(6,302)	(6,302)	0
Income from HRA		(949)	(949)	0
Other Grant Income		(504)	(504)	0
Interest on cash investments		(45)	(1,975)	(1,930)
Dividend Income		(100)	(100)	0
BDC Winter Gardens Provisions Reduction		0	(1,000)	(1,000)
Movement from reserves		(35,779)	(35,779)	0
Movement from reserves - S31 NNDR Grant		(23,446)	(23,446)	0
Movement from reserves - Council Tax / NNDR Losses Grant		(1,021)	(1,021)	0
Release Transformation Mitigation Earmarked Reserve		0	(1,949)	(1,949)
Contain Outbreak Management Fund resources		0	(1,849)	(1,849)
Covid 19 Sales, Fees and Charges grant claim		0	(1,402)	(1,402)
Stour Valley and Poole Partnership Revenue and Benefits		0	(435)	(435)
Corporate Items	Income Total	(68,146)	(76,711)	(8,565)
Net Budget Requirement		271,972	263,006	(8,966)
Funding				
Council Tax Income		(228,965)	(228,965)	0
Business Rates Income		(56,842)	(56,842)	0
Revenue support grant		(3,122)	(3,122)	0
New Homes Bonus Grant		(1,038)	(1,038)	0
Collection Fund Deficit Distribution (Council Tax)		(357)	(357)	0
Collection Fund Deficit Distribution (NNDR)		22,534	22,534	0
Lower Tier Service Grant 2022/23		(469)	(469)	0
Services Grant 2022/23		(3,714)	(3,714)	0
Total Funding		(271,973)	(271,973)	0
Net Position		(0)	(8,966)	(8,966)

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Appendix B - BCP Council - Earmarked Reserves

Detail	31/03/22 Actual Balances £000's	Estimated movement £000's	31/03/23 Estimated Balances £000's	Estimated movement £000's	31/03/24 Estimated Balances £000's
(A) - Financial Resilience Reserves	(42,433)	13,979	(28,454)	26,959	(1,495)
(B) - Transition and Transformation Reserves	(14,334)	14,334	0	0	0
(C) - Asset Investment Strategy Rent, Renewals and Repairs	(2,990)	2,990	0	0	0
(D) - Insurance Reserve	(3,500)	0	(3,500)	0	(3,500)
(E) - Held in Partnership for External Organisations	(4,467)	2,436	(2,031)	228	(1,803)
(F) - Required by Statute or Legislation	(752)	(145)	(897)	(145)	(1,042)
(G) - Planning Related	(748)	290	(458)	0	(458)
(H) - Government Grants	(11,192)	7,326	(3,979)	1,177	(2,802)
(I) - Maintenance	(1,401)	409	(992)	13	(979)
(J) - ICT Development & Improvement	(1,426)	731	(695)	37	(658)
(K) - Corporate Priorities & Improvements	(2,497)	793	(1,704)	504	(1,200)
Sub Total Earmarked Reserve Balance	(85,740)	43,143	(42,710)	28,773	(13,937)
(Hi) - Government Grants (Covid)	(8,483)	7,082	(1,288)	1,168	(120)
(Hii) - NNDR Covid Grants	(19,097)	0	0	0	0
(Ki) - Covid recovery resources	(1,005)	445	(560)	560	0
Sub Total Covid Earmarked Reserve Balance	(28,585)	7,527	(1,848)	1,728	(120)
Total Earmarked Reserve Balance	(114,325)	50,670	(44,558)	30,501	(14,057)

(A) - Financial Resilience Reserves

	31/03/22 Actual £000's	Estimated Movement £000's	31/03/23 Estimated £000's	Estimated Movement £000's	31/03/24 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.					
MTFP Mitigation Reserve	(8,778)	8,778	0	0	0
MTFP Mitigation Reserve- annual review of reserves	(1,914)	1,914	0	0	0
Regeneration Priorities	(3,156)	1,697	0	0	0
Cleaner Greener Safer	(439)	439	0	0	0
Outturn 2021/22	(6,805)	3,286	(3,519)	3,519	0
Covid 19 Financial Resilience Reserve	(9,982)	9,982	0	0	0
Financial Services Capacity system development	(50)	50	0	0	0
Cost of Living Step 1	(2,900)	0	(2,900)	2,900	0
Cost of Living Step 2	(8,409)	638	(7,771)	7,771	0
Financial Resilience Reserves	(42,433)	26,784	(14,190)	14,190	0

(B) - Transition and Transformation Reserves

	31/03/22 Actual £000's	Estimated Movement £000's	31/03/23 Estimated £000's	Estimated Movement £000's	31/03/24 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 Reserve	(14,149)	14,149	0	0	0
BCP Programme Resources Pay & Reward Strategy	(185)	185	0	0	0
Transition and Transformation Reserves	(14,334)	14,334	0	0	0

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

	31/03/22 Actual £000's	Estimated Movement £000's	31/03/23 Estimated £000's	Estimated Movement £000's	31/03/24 Estimated £000's
Purpose: Resources set a side 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	(2,990)	0	0	0	0

(D) - Insurance Reserve

	31/03/22 Actual £000's	Estimated Movement £000's	31/03/23 Estimated £000's	Estimated Movement £000's	31/03/24 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)	0	(3,500)	0	(3,500)

(E) - Held in Partnership for External Organisations

	31/03/22 Actual £000's	Estimated Movement £000's	31/03/23 Estimated £000's	Estimated Movement £000's	31/03/24 Estimated £000's
Purpose: Amounts held in trust on behalf of partners or external third party organisations.					
Dorset Waste Partnership	(202)	0	(202)	0	(202)
Dorset Adult Learning Service	(652)	200	(353)	0	(353)
Stour Valley and Poole Partnership	(1,849)	1,849	0	0	0
CCG Emotional Wellbeing and Mental Health	(78)	78	0	0	0
Flippers Nursery	(188)	0	(188)	0	(188)
Adult Safeguarding Board	(67)	0	(67)	67	0
Dorset Youth Offending Service Partnership	(536)	100	(436)	100	(336)
Music and Arts Education Partnership	(407)	0	(407)	0	(407)
Youth Programme	(50)	0	(50)	0	(50)
Bournemouth 2026 - West Howe Bid	(45)	0	(45)	0	(45)
Better Care Fund	(270)	189	(61)	61	0
Aspire Adoption Partnership	(90)	0	(90)	0	(90)
Local Safeguarding Partnership Board	(33)	0	(33)	0	(33)
Held in Partnership for External Organisations	(4,467)	2,416	(1,932)	228	(1,704)

(F) - Required by Statute or Legislation

	31/03/22 Actual £000's	Estimated Movement £000's	31/03/23 Estimated £000's	Estimated Movement £000's	31/03/24 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	(139)	0	(139)	0	(139)
Bournemouth Library Private Finance Initiative (PFI)	(683)	(145)	(828)	(145)	(973)
Carbon Trust	70	0	70	0	70
Required by Statute or Legislation	(752)	(145)	(897)	(145)	(1,042)

(G) - Planning Related

	31/03/22 Actual £000's	Estimated Movement £000's	31/03/23 Estimated £000's	Estimated Movement £000's	31/03/24 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	(484)	39	(445)	0	(445)
Planning Hearing and Enforcement Reserve	(73)	60	(13)	0	(13)
Other Planning Related Reserves	(191)	191	0	0	0
Planning Related	(748)	290	(458)	0	(458)

(H) - Government Grants

	31/03/22 Actual £000's	Estimated Movement £000's	31/03/23 Estimated £000's	Estimated Movement £000's	31/03/24 Estimated £000's
Purpose: Amounts which the council is required to hold as a reserve in line with specific grant conditions.					
Government Grants	(11,192)	6,497	(3,979)	1,177	(2,802)
COVID 19 Government Grants	(8,483)	7,082	(1,288)	1,168	(120)
NNDR Covid Grants	(19,097)	19,097	0	0	0
Total Unspent Grants	(38,772)	32,676	(5,267)	2,345	(2,922)

(I) - Maintenance

	31/03/22 Actual £000's	Estimated Movement £000's	31/03/23 Estimated £000's	Estimated Movement £000's	31/03/24 Estimated £000's
Purpose: Reserves and sinking funds designed to support maintenance investments in specific services or assets.					
Corporate Maintenance Fund	(251)	0	(251)	0	(251)
Other Maintenance Related Reserves	(1,150)	409	(741)	13	(728)
Maintenance	(1,401)	409	(992)	13	(979)

(J) - ICT Development & Improvement

	31/03/22 Actual £000's	Estimated Movement £000's	31/03/23 Estimated £000's	Estimated Movement £000's	31/03/24 Estimated £000's
Purpose: Resources set aside to meet various ICT improvement projects					
ICT Development & Improvement	(1,426)	731	(695)	37	(658)

(K) -Corporate Priorities & Improvements

	31/03/22 Actual £000's	Estimated Movement £000's	31/03/23 Estimated £000's	Estimated Movement £000's	31/03/24 Estimated £000's
Purpose: Amounts set a side to deliver various priorities, some of which will be of a historical nature inherited from the predecessor authorities.					
Capital Feasibility and Small Works Fund	(16)	16	0	0	0
Local Elections Reserve	(527)	(170)	(697)	527	(170)
Other Corporate Priorities & Improvements	(1,954)	947	(1,007)	(23)	(1,030)
Covid recovery resources	(1,005)	445	(560)	560	0
Corporate Priorities & Improvements	(3,502)	1,238	(2,264)	1,064	(1,200)

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Appendix C

Capital investment programme (CIP) – 2022/2023 narrative by directorate

Capital Investment Programme

Adults Social Care £1.9 million - BCP plans to invest £1.9 million this year in integrated community care equipment to further promote independent living at home. This is an annual commitment funded from government grant.

The Service is currently working on plans to deliver the Extra Care Housing Strategy.

Children's Services £4.9 million - Hillbourne School had a planned budget spend of £0.87 million in the current year and of that, actual spend of £0.4 million has been incurred on new school buildings and immediate external environments. Scheme is still in progress and is scheduled to complete July 2024.

As part of the Council's strategy to address growth and associated financial pressure in the High Needs Block, work is underway to implement a programme of expansion of specialist school places across the conurbation which will help provide local access to cost effective places and a reduction in the Council's reliance on costly independent placements. As part of this strategy the Service is underway to deliver places for young people with an Education Health and Care Plan at Throop Learning Centre. The scheme forms part of the SEND Programme of Expansion. In addition, it is planned that Broadstone Middle School run by the Castleman Academy Trust will expand the existing resource base to provide an additional eight resource base places for children with autism spectrum condition (ASC). The proposal is for the expansion of the existing resource base known locally as The Link, from 15 places to 23 places from September 2022.

Avonbourne School - In line with the amended budget of £500k approved by Cabinet in December 2021 and working in partnership with the Council, United Learning Trust has developed a scheme to provide a total of 150 places over three years achieved through extensive remodelling of existing school accommodation. Following a spatial assessment by an external consultant, the scheme will provide sufficient general and specialist teaching spaces and student and staff WCs. Three bulge classes will have been planned for by September 2022 and a further two are planned for September 2023.

Highways £17.1 million - This includes £15.7 million planned spend on integrated transport and structural capital maintenance, challenge fund interventions and active travel highway improvements. This spend is funded predominantly from DfT capital grant (Local Transport Plan, Pothole Grant, Challenge Fund and Active Travel Fund).

Of the above, £0.7 million of LTP / Pothole Grant funding together with £1 million borrowing is allocated to Neighbourhood Services operations for highways improvements undertaken across the conurbation.

A further £1.4 million spend is planned on transportation projects that have benefited in prior years from Dorset Local Enterprise Partnership (DLEP) pipeline grant funding and are now utilising an element of approved BCP LTP funding to complete. The primary scheme amongst these is the Ferndown-Wallisdown-Poole corridor of which £1.2 million is profiled this year for delivery of phase 2. A further phase is planned but this is yet to be programmed.

Highways TCF £36.9 million – The Transforming Cities Fund (TCF) Programme benefits from £79.3 million of Department for Transport (DfT) TCF grant funding. The council liaises closely with DfT on programme delivery and the profile of planned spend. A total of £21.4 million of this grant has already been utilised in prior years in delivering key elements of this programme. The remainder will be spent across 2022/23 and 2023/24.

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Capital investment programme (CIP) – 2022/2023 narrative by directorate

To date, in the current financial year, full business cases for the SED TCF have been approved (in line with TCF Programme Board governance framework) and construction has commenced/completed for interventions at Magna Road (S6-1), Ringwood Road (Longham Minis to Church Road) (S5-9) and Wimborne Road in Dorset (S5-12 and S5-14.) At Wimborne Road in Poole (C5-1) construction re-commenced in September 22 after the summer break. Whitelegg Way (S6-3), Leigh Road (S5-12), Kings Park (C1-2) and Rigler Road (C3-2) have been completed. Planning permission has now been received for two new pedestrian and cycle bridges for Glenferness Avenue (C2-3.) This is a key milestone in terms of the C2-3 programme and allows for more certainty around the programme which is linked to the Network Rail possessions planned in November 2023. Meetings have taken place with the Portfolio Holder and relevant Ward Members, including further engagement during Q2 with the Bus Operator ahead of the Public Information Event for Northbourne/Redhill Roundabouts and Castle Lane West (S6-2, S6-4 and C2-5), that is scheduled for Q3. Two schemes (Ringwood Road and Glenferness Ave) have been presented to the BCP EqlA Panel, with positive outcomes in both cases.

The Construction programme and costs continue to be challenging particularly due to the ongoing significant number of national/global issues which are out of BCPs control. These include the impact of Covid, inflation, the conflict in the Ukraine and the rising costs of materials, energy and fuel. The programme has continued whilst we manage the challenges with the Department of Transport. The number of final business cases planned to be brought forward for SED TCF Programme Board approval during the remainder of the financial year is 4.

Coastal protection £6.3 million – Delivered in partnership with the Environment Agency this year's forecasted expenditure includes £3.8 million investment for continued work on the Poole Bay beach management programme and £1.25 million to progress Poole Bridge to Hunger Hill (PB2HH).

Regeneration £2.7 million – Includes £0.7 million budget for completion of phases one and two of the Lansdowne Business District public realm programme funded by BCP unapplied developer contributions. (Dorset Local Enterprise Partnership (DLEP) grant for this scheme was fully utilised in previous years.) No further funding has yet been approved for completion of phases 3 and 4.

£0.8 million is the remaining profiled spend for the relocation of the Skills & Learning Service from Oakdale to the Dolphin Centre.

£0.3 million is anticipated to be spent on the BIC Medium Term Refurbishment Plan this year which will include upgrading digital infrastructure. The remaining investment (£1.5 million) is now planned for 2023/2024.

Major Development £18.1 million – This includes £12.2 million spend this year for Carter's Quay which is a Build to Rent (BTR) residential scheme by the Council earmarked to provide 161 new homes and ancillary ground floor residential amenity and commercial space. A further £23.8 million spend is planned over 2023 – 2025. This is being fully funded by prudential borrowing.

In November 2021 £5.9 million was approved for the Smart Places Gigabit Fibre Scheme (funded through borrowing via BCP Future Fund). Of this £0.2 million is planned to be spent this financial year with £5.7 million across 2023-2025.

Council approved a £2.6 million allocation from the Future Fund for investment in Pokesdown Railway Station – a joint project with Network Rail/South Western Railway who are currently working on design. The main construction works are profiled for 2024/25. £0.2 million spend expected this year.

Appendix C

Capital investment programme (CIP) – 2022/2023 narrative by directorate

£1.6 million this year is to progress the Highways infrastructure works at Wessex fields. Further funding (Futures Fund borrowing) for works which will fall in 2023/2024 was approved by Cabinet and is being recommended to Council on 8 November.

Other major projects currently being developed include Town Fund schemes supporting the regeneration of Boscombe, and Poole Civic Centre and Christchurch Civic Offices. The latter two are being progressed by BCP FuturePlaces the wholly owned council company set up to drive placemaking regeneration and property market transformation in support of the aspirations set out in the Council's Big Plan.

Destination & culture £8.6 million – including capital spend at Upton Country Park, Russell Cotes and Poole Museums, Rossmore Leisure Centre and the seafront programme.

Due to inflationary pressures in the market the Service is in the process of revising business cases to try and secure additional funding to deliver the projects. There is a plan to present the following capital projects again to Cabinet for approval in the future:

- Canford Cliffs Pavilion – current budget approved for delivery of scheme is £1.1 million. This has been reprofiled into 2023/24 until a revised business case is developed. There has been no actual spend incurred to date in 2022/23 (2021/22: nil).
- New Beach Huts – £3.1 million available capital budget approved to deliver scheme. This has been reprofiled into 2023/24 until a revised business case is developed. There has been no actual spend incurred to date in 2022/23 (2021/22: nil).
- Bistro Redevelopment - £6.1 million approved capital budget has been reprofiled into 2023/24 until a revised business case is developed. Up to date actual spend on the project for 2022/23 has been £0.133 million (2021/22: £0.5 million)
- Mudeford CAFÉ £0.96 million has been reprofiled into 2023/24. No actual spend has been incurred in the current year as the Service is currently waiting on a planning decision for development of the site. Planning decision expected in November 2022.

Durley Chine Environment Hub - £1.8 million capital budget approved for 2022-26. Project is funded through Coastal Communities Fund grant. £1.5m actual spend incurred in 2021/22 and £0.38 million spent to date in the current year (22/23). Expectations are that the site will be up and running in the Autumn with a public launch Easter 2023. There currently is a funding gap of £0.4 million which the Service is looking to address.

The 2022/23 cultural programme includes £3.3 million profiled spend on Heritage fund schemes - Upton Country Park (UCP), Highcliffe Castle and Poole Museum projects. UCP and Poole Museum schemes are programmed to complete delivery in future years. Also within the cultural programme is the decarbonisation works at the Poole Museum which benefits from significant Salix grant funding. The remaining £1 million on this project is being spent this year.

Housing £19.8 million – The council approved its Council Newbuild Housing & Acquisition Strategy (CNHAS) in November 2021. £14.2 million investment is planned spend under CNHAS this year.

Work has begun on the delivery of private rented sector accommodation and a new hostel at Princess Road. £0.3 million is planned spend for this year with a further £13.6 million to be spent across 2023-2025 to complete the programme. Given the wider financial landscape particularly material inflation and interest rate increases, schemes are being reviewed to ensure still affordable before commencing with an acquisition.

The council continues to invest in its ongoing Disabled Facilities Grant (DFG) programme. Forecasted spend for this year is £4 million funded by government grant allocation.

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Capital investment programme (CIP) – 2022/2023 narrative by directorate

Estates £2.2 million – this represents profiled spend on hard facilities management across the authority and includes investment in the maintenance of BH Live assets funded from council reserves and investment across the wider civic estate part funded from the Public Sector Decarbonisation Scheme (PSDS) Salix grant. All Salix funded projects are time limited and must deliver target cost/carbon savings. Up to £1.2 million Salix funding is underwritten by the Green Futures Fund should this be required. Salix have now validated the council's submission of eligible spend and the projects are nearing completion.

Environment £13.3 million – this includes £9.9 million profiled spend this year on fleet operations and management in line with the Sustainable Fleet Management Strategy approved by Council in September 2021. This programme is fully funded by prudential borrowing.

£0.5 million is planned spend on the council's Cleaner Greener Safer programme, which supports the Council's 2030 carbon neutral declaration and is consistent with its Sustainable Fleet Management Strategy and Fleet Replacement Programme.

Around £2.4 million is profiled to be spent on various projects as part of the council's investment in its Parks and Open Space management.

Resources £5.5 million – £2.8 million is currently scheduled to be spent this year to complete part of the council's accommodation strategy facilitating the move to the new civic offices in Bournemouth. An additional £1.3 million relating to the Coroners Service and Bournemouth Customer Services has been reprofiled into 2023/24.

As part of the transformation programme £1 million is due to be spent this year to maintain and improve agile working arrangements and to continue investment in backup and security, and data management. This is in addition to the £0.6 million planned investment in the annual ICT investment plan. £0.7 million relates to planned spend on the Bournemouth and Poole Crematorium refurbishment projects.

HRA - Revenue Account 2022/23

	Full year budget £000	Full year forecast £000	Quarter 2 actuals £000	Forecast variance £000
Income				
Dwelling rents	(45,043)	(45,043)	(23,328)	0
Non-dwelling rents	(270)	(270)	(132)	0
Charges for services and facilities	(2,103)	(2,066)	(839)	37
Contributions to expenditure	(381)	(527)	(264)	(146)
Other income	0	0	0	0
Total income	(47,797)	(47,906)	(24,563)	(109)
Expenditure				
Repairs and Maintenance	10,036	10,536	4,688	500
Supervision and Management	13,549	13,129	4,316	(420)
Rent, rates, taxes and other charges	427	439	45	12
Bad or doubtful debts	400	400	0	0
Capital financing costs (debt management costs)	186	186	0	0
Depreciation	11,791	11,791	0	0
Net interest payable	5,446	5,446	2,337	0
Total expenditure	41,835	41,927	11,386	92
Net operating (surplus) / deficit	(5,962)	(5,979)	(13,177)	(17)
Appropriations to reserves				
Transfer to/from HRA reserve	5,962	5,979	0	17
Total appropriations	5,962	5,979	0	17
(Surplus) / deficit	0	0	(13,177)	0

BCP HRA - Capital programme 2022/23

	Original budget £000	Budget adjustment £000	September forecast £000	September YTD spend £000	Budget remaining £000
Major projects - construction					
Moorside Road	1,939	(101)	1,838	1,007	831
Templeman House	3,000	(2,708)	292	292	(0)
Craven Court	2,750	(1,805)	945	4	941
Duck Lane Phase 2	1,400	(1,398)	2	1	0
Wilkinson Drive	1,816	(231)	1,585	291	1,294
Cabbage Patch Car Park	1,790	347	2,137	897	1,240
Northbourne Day Centre	1,141	382	1,523	712	811
Luckham Road/Charminster Road	0	175	175	1	174
Princess Road	10,000	(9,568)	432	328	104
Mountbatten Gardens	149	(108)	41	42	(0)
43 Bingham Road	0	150	150	14	136
Roeshot Hill	0	4	4	4	0
Cladding	397	213	610	379	231
New Build - Infill Projects	145	0	145	32	113
New Build - Montacute	0	0	0	1	(1)
Old Town Tower Block Works (Project Admiral)	4,022	(322)	3,700	1,490	2,210
Herbert Avenue Modular	2,656	(1,036)	1,620	694	926
Cynthia House	2,785	(575)	2,210	1,112	1,098
Hillborne School Development	6,655	(5,880)	775	33	742
Egmont Road	310	(295)	15	2	13
Sopers/Cavan Crescent Development	440	(425)	15	1	14
Oakdale	1,920	(1,920)	0	0	0
Major projects - feasibility					
Heart of West Howe SRT	0	20	20	0	20
Beaufort Park/Cranleigh road	600	(600)	0	0	0
Surrey Road	350	(6)	344	9	335
Palmerstone Road	0	0	0	1	(1)
Urgent Feasibility works	0	(4)	(4)	9	(13)
Other					
Purchase and Repair - generic code	1,500	0	1,500	0	1,500
New build & acquisition	200	0	200	0	200
Capitalised salary costs	433	0	433	184	249
Small Projects/Acquisitions	1,500	0	1,500	644	856
New computer system	180	0	180	90	90
sub-total major projects	48,078	(14,655)	33,423	8,274	25,149
Planned maintenance					
External standard doors	272	0	272	61	211
Fire safety programmes	1,248	0	1,248	493	755
Kitchen replacement programme	1,900	0	1,900	639	1,261
Heating & hot water systems	1,069	0	1,069	519	550
Bathrooms	1,005	0	1,005	368	637
Building envelope	324	0	324	99	225
Electrical and lighting works	648	0	648	62	586
Door entry system	77	0	77	6	71
Structural repairs and works	58	0	58	9	49
Lift improvements & replacements	168	0	168	74	94
Outbuildings (inc garages)	45	0	45	7	38
Asbestos	100	0	100	38	62
Insulation / Energy conservation / Environmental	1,250	0	1,250	81	1,169
Windows	1,800	0	1,800	1,208	592
Building external works	840	0	840	258	582
Boundaries, communal areas, hardscapes, drainage	200	0	200	98	102
Roofing	915	0	915	78	837
Bedroom extensions	50	0	50	12	38
Plastering	81	0	81	25	56
Housing & Health Safety Cat 1 & 2	138	0	138	8	130
Disabled adaptations	600	350	950	439	511
Various programmes (under £100k)	350	0	350	267	83
Sheltered sites	50	0	50	0	50
Contingency	500	0	500	0	500
Capitalised salaries	952	0	952	156	797
Other (PV Installations, Sustainability,Voids)	0	650	650	-11	661
sub-total planned maintenance	14,640	1,000	15,640	4,994	10,646
total capital programme	62,718	(13,655)	49,063	13,268	35,795

Percentage budget capital programme spend (as % of forecast)

27%

CABINET



Report subject	Externalisation of the Russell-Cotes Art Gallery & Museum
Meeting date	14 December 2022
Status	Public Report
Executive summary	<p>The Russell-Cotes Art Gallery and Museum (RCAGM) with its Grade 2* listed house and internationally significant collections was gifted to the people of Bournemouth in 1908 and was held in trust by Bournemouth Borough Council and its successors, as sole Trustee, ever since. (Charity Reg No 306288).</p> <p>When making decisions on the Russell-Cotes, the Council, as Trustee, is required to act in the best interests of the charity (rather than the Local Authority).</p> <p>The Bournemouth Borough Council Act, 1985 superseded previous indentures, and required Cabinet to act as the Museum's Management Committee. Cabinet has delegated its responsibilities to the Russell-Cotes Management Committee, which acts as a subcommittee. It consists of Councillors and non-voting independent members. It has determined, after detailed investigation that full independence is the best way to safeguard the long-term future of the Museum.</p> <p>The governance, relatively unchanged for 100 years, is a mix of Local Authority and charity practice which cannot provide appropriate oversight, financial transparency or strategic leadership and does not meet the required standards for a modern charity. Due to the current charitable arrangements there is no opportunity to combine the Russell-Cotes with other local museums.</p> <p>The Museum building and collections are at risk without substantial investment and the financial burden on the Council will be considerable. The best way to mitigate this risk is to enable the museum to fundraise, but grant-giving bodies have been very clear that whilst the current governance arrangements continue substantial funding is unlikely. Indeed, the Arts Council rejected a recent application for NPO funding, citing inadequate governance.</p> <p>Whilst there are risks for both the Council and the future charity in pursuing the route of independence, the risks of not doing so are</p>

	<p>far greater. The Charity Commission has examined the issues and invited the Council to submit a request for change.</p> <p>A detailed negotiation of the funding and Service Level Agreement arrangements will be held between BCP Council and the new Trustee during the transition period as the governance issues are resolved.</p>
Recommendations	<p>It is RECOMMENDED that Cabinet agrees and approves the progress of externalisation and submits the following recommendations:</p> <p>The Council agrees</p> <ul style="list-style-type: none"> • that the future of the Russell-Cotes Art Gallery & Museum, for which it is sole trustee, would be best served by externalisation in the form of the transfer of Sole Trusteeship to a new corporate entity (CLG or CIO) to operate and manage the charity. • as Sole Trustee of the Russell-Cotes Art Gallery & Museum to make a formal application to the Charity Commission for a change of governance under Section 73 of Charities Act 2011 to replace the Council as sole trustee with a new corporate entity (CLG or CIO) acting as sole trustee and for the modernisation of governance articles. • to establish a Corporate Entity (CLG or CIO) and appoint a Shadow Board of 5 nominees to oversee the transition to independence, provide continuity and stability and to maintain an on-going supportive relationship with the new CLG/CIO. • to negotiate, during the transition phase, future years grant support for the new Trustee, along with the transfer of assets, lease arrangements etc with an expected vesting day of 1 April 2024 at the earliest. • To delegate authority to the Director of Finance, Director of Law & Governance and the Chief Operations Officer to determine the best financial model in consultation with the Portfolio Holder.
Reason for recommendations	<p>To safeguard the Russell-Cotes Art Gallery and Museum in the longer term.</p>

	To modernise the governance arrangements for the charity and enable it deliver its charitable objectives, fundraise effectively and thrive in the future.
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Portfolio Holder(s):	Cllr Beverley Dunlop, Portfolio Holder for Tourism, Culture and Vibrant Places
Corporate Director	Jess Gibbons, Chief Operations Officer
Report Authors	Sarah Newman, Museum Manager Michael Spender, Head of Culture Chris Saunders, Director, Destination and Culture
Wards	Bournemouth Town Centre Ward
Classification	For Decision

Background

Governance Arrangements

1. In 1908, Merton and Annie Russell-Cotes made a lease and deed of gift of East Cliff Hall and a collection of paintings and property to the Mayor, Alderman and Burgesses of the County Borough of Bournemouth (the Corporation) to be held in trust 'for the purpose of forming an Art Gallery and Museum for the use, benefit, and enjoyment of the inhabitants of and visitors to Bournemouth.' Subsequent Deeds of Gift were made and the freehold of East Cliff Hall transferred in 1918.
2. The house, collections and contents are owned (vested in trust) by the charity as are the collections/ contents subsequently acquired by RCAGM. The Deed of Gift provided that after the deaths of the Russell-Cotes (enacted following Merton's death in 1921), the RCAGM was to be managed by a Management Committee. Under the original 1908 deed, the prescribed constitution of the Management Committee was four elected members of Bournemouth Borough Council and between five to seven non-councillor members.
3. The Russell-Cotes Art Gallery Charitable Trust was formed on 30th July 1962 to take over responsibility for the house & contents with Bournemouth Borough Council as the sole trustee of the charity.
4. The Bournemouth Borough Council Act of 1985 superseded previous indentures and states "the Corporation shall manage, regulate control and deal with the trust, premises and property by means of a committee (hereafter called the 'Management Committee') appointed by them in accordance with section 102 of the Local Government Act 1972." Section 3:6.2 of the Council's constitution allocates this 'local choice function' to its Cabinet. Therefore, Cabinet became the RCAGM's

Management Committee and this governance arrangement was enshrined in the Bournemouth Borough Council Act and the Council's constitution.

5. Bournemouth Borough Council's Cabinet's remit covered the full gamut of Council business and had little capacity for regular, detailed consideration of the work of the RCAGM. During the development of the RCAGM Business Transformation Strategy in 2000s, a management board acting as a 'shadow' management committee met regularly to steer the strategy process and make key decisions, but this fell into abeyance for several years.
6. For a period, decisions were signed off solely by the Portfolio Holder for Tourism, giving rise to concerns around appropriate scrutiny and conflict of interest.
7. Consequently, museum accreditation review by Arts Council England (ACE) highlighted a significant weakness in governance arrangements and this coincided with the Charity Commission's concerns over the late filing of accounts. The Charity Commission opened a statutory inquiry under section 46 of the Charities Act 2011 in 2013 when the Council failed to submit accounts for FY 2010/11 and FY 2011/12.

Current Arrangements

8. The governance arrangements were therefore reviewed and agreed by Cabinet on 27th January 2016 and subsequently by full Council on 1st March 2016.
9. The Agreement was to create a Management Committee of the following composition:
 - The Portfolio Holder
 - Two further Council members
 - 4 external (Non-Council Members)
 - Sir George Meyrick (or the person for the time being in enjoyment of the title), in compliance with the Bournemouth Borough Council Act.
10. Crucially, its external members do not have voting rights (as the Committee is a sub-committee of Cabinet). Instead, a Shadow Vote is taken, to record the views of the non-Councillors before a formal vote is taken.
11. The Management Committee was created according to plan and has been functioning since the latter part of 2016. Its modus operandi is a variation on a local authority themed committee meeting and secretariat is provided from within the Council's administration. It meets twice yearly, in public, to review the museum's strategic, operational and financial position, so its range and impact is very different to that of an independent museum board. Its Reports are recorded by Cabinet.
12. In April 2019, major local government reorganisation was undertaken across the Dorset area and Bournemouth Borough Council became part of the significantly larger Bournemouth, Christchurch and Poole Council. Now BCP Council acts as Sole Trustee for the registered charity (number 306288) and submits accounts to the Charity Commission annually.

Governance Review

13. As required by Arts Council England in their 2015 Accreditation Review (see below) and by best practice, the Management Committee has been considering whether its

governance arrangements (largely established 100 years earlier) meet the standards required of a modern charity.

Areas for improvement (2011 Standard)

- **1.2 Governance:** by next return:
 - provide finalised terms of reference for the management committee with appropriate approval
 - provide approved conflicts of interest policy to support the management committee's work
 - outline the steps taken to review the revised governance arrangements after 12 months to ensure the revised structure is operating effectively, making amendments as required
 - confirm process taken and planned to induct new members of the governing body (the management committee) into their roles.

14. In 2018, in order to examine the governance issue more fully, the RCAGM commissioned a governance options appraisal and future business plan to be drawn up with funding from the Heritage Lottery Fund (HLF) Resilience Fund. Focus Consultants were appointed to undertake this and the reports are available in the background papers (Appendices 10 and 11)

Options Analysis

15. Focus Consultants carried out a detailed Options Review (Appendix 10), evaluating the following options:
- The Russell-Cotes becomes an independent trust to give it the best chance to deliver genuine charitable and financial separation and to allow the flexibility and freedom to fundraise and operate in a more dynamic way.
 - Maintain Current structure under BCP Council. This option will not deal with the existing weaknesses in the governance and financial separation. There are several other Cultural and Heritage assets that BCP Council has responsibility for including the Poole Museum and Scaplen's Court, Highcliffe Castle and the Red House Museum. Each of these are managed and run in the most appropriate way for them and given each one is unique in its setting and collection it is unlikely a 'one size fits all' approach would work going forward. The Russell-Cotes is the only asset which is a charity.
 - Integration with an existing trust. This option potentially delivers the advantages of option 1 but risks RCAGM being diluted and having a loss of control with the wider audience.
 - Contract with a private sector partner. There are limited operators working in this sector. This option will have a negative impact on the ability to fundraise and potentially take the museum in an alternative strategic direction.
16. At their meeting on 29 March 2019, the Russell-Cotes Art Gallery & Museum Management Committee considered the full reports into Governance Options and Business Planning and agreed the museum would be best served by moving to full trust status, allowing the museum to:
- Better fulfil its long-term strategic direction and potential to deliver the charitable objectives

- Be in a better position to maximise the potential to generate income from fundraising and commercial activities to support the charity, particularly the capital investment needed for the museum's survival and future
 - Provide resilient, sustainable and appropriate organisational support.
17. The Committee recognised the complexities of achieving full trust status required further examination and testing before a commitment could be made and that the final decision should lie with BCP Council.
 18. It has since conducted extensive consultation, commissioned specialist reports to further interrogate the case for independence, partly funded by ACE Cultural Recovery Fund.

Current challenges

19. The Museum has reached a tipping point where the Council is unable to invest to the required level to support such a fragile building with its attendant staffing and resource costs but the museum is not constituted in a way to be able to fill the gap by driving income generation or charitable donations from external supporters. Accreditation is also at risk.
20. The Museum recently applied unsuccessfully for arts Council England National Portfolio Organisation funding and was unsuccessful. One of the reasons cited was the inadequacy of the current governance arrangements.

Budget Pressure

21. The Museum has faced continuous reductions in its subsidy since at least 2012. Subsidies have reduced from £1,100,000 per annum in 2010 to £280,000 in 2019. Such pressures are likely to continue.
22. The Museum is already one of the market leaders amongst museums locally in income generation, so without investment, there is no capacity to drive further income streams or reduce costs.

Urgent Capital Investment Needed

23. The Russell-Cotes is a Grade2* listed building with fragile decorative features internally and externally, placed on an exposed position on the cliff-top of Bournemouth and it needs urgent capital investment to ensure its survival and a sustained maintenance programme to safeguard its future. The has not received any significant capital investment since the HLF grant of 1999-2000.
24. Without maintenance and repair, the museum is at risk of irrecoverable loss of historic features, such as the Conservatory, and of being unable to open to the public.
25. Council Building Maintenance budgets are currently sufficient to cover compliance and responsive maintenance only and not to carry out sustained maintenance and improvements.
26. According to a specialist condition survey in 2020 the museum needs £3,378,630 (excl inflation, VAT and consultant fees) investment in the museum fabric, services and fire protection just in order to stand still. These costs were identified by Philip Hughes, specialist historic building surveyor in an independent survey. See Appendix 6 – Asset Transfer and Building Liabilities

Condition Survey 2020 by Philip Hughes Associates - full costs							
Category	Urgent	within 18 months	within 5 years	foreseeable future	further investigations	suggested improvements	total
Category	A	B	C	D	F	I	
General	£0	£25,000	£0	£0	£64,750	£0	£89,750
Main building	£73,310	£302,400	£359,150	£113,670	£91,180	£218,100	£1,157,810
Eastern Galleries	£1,350	£17,400	£68,520	£98,700	£4,100	£29,400	£219,470
Western Galleries/Mod	£4,200	£25,270	£44,900	£74,550	£11,170	£110,010	£270,100
Services fire protection	£125,000	£693,000	£387,000	£51,700	£159,000	£183,000	£1,598,700
Terrace and steps	£0	£0	£7,400	£33,400	£2,000	£0	£42,800
							£0
Total	£203,860	£1,063,070	£866,970	£372,020	£332,200	£540,510	£3,378,630
professional fees @18%							£608,153.40
total							£3,986,783

27. The Council's own condition survey carried out in-house by Council surveyors in 2019 suggested £2,247,500 was required with an additional £470,300 for the Study Centre.

Council led survey					
museum	1 urgent	2 within 2 years	3 within 5 years	4 - beyond 5 years	
building	£46,000	£382,500	£330,500	£39,500	£798,500
electrical	£27,000	£249,000	£32,000	£0	£308,000
mechanical	£240,000	£337,000	£546,000	£18,000	£1,141,000
Total	£313,000	£968,500	£908,500	£57,500	£2,247,500
study centre					
building	£67,800	£204,500	£133,000	£0	£405,300
electrical	£0	£22,500	£17,000	£0	£39,500
mechanical	£25,500	£0	£0	£0	£25,500
total	£93,300	£227,000	£150,000	£0	£470,300

28. The costs identified are merely to maintain the status quo and do not provide the entrance, orientation, catering, toilet or storage facilities expected of a 21st century visitor attraction, let alone Bournemouth's flagship cultural offer.

Unsatisfactory Governance Limits Operations and Activities

29. The Management Committee identified the following major challenges which have inhibited the museum from operating effectively and delivering its charitable objectives.

Lack of Strategic Support, Leadership and Oversight expected of a modern Board of Trustees

30. The current arrangement does not give access to the range of expertise, experience and diversity required of a charity in the sector. Councillors are appointed according to the election cycle and makes it difficult to put together a Board with the required range of expertise or ensure continuity.
31. Non-councillors are appointed to the board to bring additional expertise and experience but they are merely advisory and have no formal responsibility. The

shadow vote is designed to give some semblance of input but essentially the Councillors are the only members with decision-making powers. The arrangement is not attractive to external appointees.

32. The Russell-Cotes needs expertise across a broad range of issues given the complexity of running a historic house museum eg legal, business, collections and building management and also access to high level networks and fundraising opportunities.
33. All charities are reliant on fundraising to support the delivery of their charitable objectives and the Russell-Cotes has very significant financial pressures due to the costs of maintaining and conserving a Grade II* listed building with significant art collection, as well as delivering a first-class visitor experience. The need to raise money from individuals, corporations and trusts is evident and the Management Committee as currently constituted is limited in its ability to support this requirement.

Lack of Accountability

34. The charity is an unincorporated Trust, operating essentially as a department of BCP Council which means there is a lack of separation of roles and responsibilities making lines of accountability very blurred. This is a major deterrent to fundraising.
35. Whilst separate budgets are kept and accounts are submitted to the Charity Commission annually, the Charity has no separate bank account. This lack of financial transparency is not good practice and is a serious deterrent to donors who wish to make payments to the named charity not BCP Council, restricting the charity's ability to raise funds. It also makes auditing difficult and in 2021 the Audit Report from Grant Thornton recommended that the charity had its own accounts.
36. As an unincorporated Trust, the Russell-Cotes has no legal status and all contracts are agreed essentially by Council officers. The Committee meets to note the activities of the charity and to 'approve' the accounts, budgets, applications for grants, but control of finances etc are all managed elsewhere. This lack of accountability threatens the Museum's Accreditation status which requires clear lines of accountability to ensure the appropriate management of very significant heritage assets.

Inherent Conflict of interest

37. The three Councillors are the only Committee members with voting rights, but their position is compromised because they are also, and primarily, BCP Councillors, with wider responsibilities. This conflict is particularly evident in dealing with funding issues.
38. Although this conflict is acknowledged and open, it can be difficult for Councillors to advocate for funding and support for the charity, to themselves as Councillors of BCP Council. There is potential for serious conflicts of interests. Whilst external appointees would vote on any proposal, their views would only be advisory.

Benefits of independence for the Russell-Cotes

39. A fully Independent Trust will provide:
 - **Legal Clarity** – by incorporating the charity as a CLG/CIO, there will be legal clarity, transparency and separation for the museum which will be then able to

demonstrate good governance to external organisations, stakeholders and supporters. It will then clearly meet the required standards for Accreditation with the Arts Council.

- **Expertise** - A new Board of Directors with authority and responsibility brings a range of expertise, experience, commitment and energy to support and drive the Russell-Cotes to deliver its charitable objectives.
- **Commitment and Consistency** – BCP Council will give on-going financial (and organisational) commitment to support the Russell-Cotes to demonstrate that it values the museum for its importance to the arts, heritage and cultural life of Bournemouth, both for visitors and tourists.

This commitment is vital, to the sustainability of the Russell-Cotes. This is not a short-term cost saving exercise, but a way to ensure the long-term future of the Museum. The Russell-Cotes will only attract match funding from HLF, ACE, private funders etc if BCP Council continue to support and invest in it.

- **Trust (community, public and funder accountability)**– financial transparency will enable the museum to fundraise more ambitiously and successfully. Currently there is ambiguity with the relationship with the Council. Donations go into the BCP bank account, and it is not easy to demonstrate that funds received are truly additional.

Separation will allow for complete transparency which makes the museum much more appealing to individual donors, grant-giving trusts and provides direct and uncompromised control of RC budgets allowing trustees, bound by charitable codes of conduct to spend in the best interests of the museum and to leverage funding.

- **Realisation of Latent Potential** of the museum which has a fantastic collection, beautiful building, stunning location, a powerful narrative and offers an almost unique immersive experience. There is a huge potential audience in a large conurbation (500,000) which attracts 9 million tourists a year. Independence would put the Russell-Cotes in a better position to emerge from the shadows, operate entrepreneurially and to deliver on a much larger scale and stage.
- **Capital investment** By demonstrating competency, capacity and good governance over the short term, it is anticipated that a newly independent Russell-Cotes will be able to attract significant funding from National Heritage Lottery Fund and grant-giving funders to invest in programming, engagement, building, displays and ancillary services so that it can generate further income and develop sustainability.

The Russell-Cotes needs a major capital investment project to conserve its historic features and to remodel or rebuild the 1990s modern wing to provide the entrance way, orientation, catering and visitor facilities and to upgrade storage and service facilities which are commensurate with the quality of the offer. It is envisaged that such a project could cost £10 million.

Benefits of Independence for the Council and Wider Community

40. Currently the Russell-Cotes does not deliver to its full potential as a heritage asset and a visitor attraction for the area. By enabling the museum to externalise, it will deliver tangible benefits for the BCP area in providing a cultural offer which is both inclusive and accessible for local people and has the quality and reach of a genuinely world-class institution. The Russell-Cotes collection is regularly loaned to

national museums (Tate, Victoria and Albert Museum, National Gallery of Scotland) and around the world, including recently to museums in Singapore, Japan, Italy, the Netherlands and Ireland.

41. Delivering an excellent cultural offer delivers directly in support of the Council strategy of Dynamic Places, Connected Communities and Fulfilled Lives. The transition of RCAGM to a fully independent museum trust aligns with the BCP Council Plan 2019, which identifies Connected Communities as a key strand of local authority ambition. This theme articulates a need to “strengthen the cultural identity of our towns and places” and “engage with our communities.” The Fulfilled Lives theme cites the need to “promote lifelong learning for all”; the Russell Cotes with its strong sense of place and diverse and educational public programme, clearly links to the delivery of both these priorities. Full independence will strengthen its capacity to do so.
42. It also delivers against the ‘Big Vision’ which aims to make BCP ‘a world class city region – one of the best coastal places in the world to work, live, invest and play’ with a wealth of culture as a key component.
43. One of BCP’s early adopted strategic focuses was to work in partnership with others to commission a Cultural Enquiry. The Enquiry was a comprehensive and robust analysis of the role that culture plays in people’s lives and the opportunity for a long-term cultural vision at the heart of communities in the new area covering Bournemouth, Christchurch, Poole (BCP) unitary authority. The authority has gone on to commit to this strategic approach to culture and the enquiry identified a clear need for improved cultural infrastructure and planning. The proposed governance change at the Russell Cotes will facilitate and support this, representing as it does, one of the primary and most nationally significant assets within the BCP area.
44. The Council has also invested in the Cultural Compact – a multi partner approach to develop and lead the cultural offering across the three towns and to attract future investment. The Russell-Cotes will be able to become an active partner in driving this ambitious agenda.
45. Externalising the Russell-Cotes offers an opportunity to garner support from a range of stakeholders – financial and organisational - to ensure that this museum thrives. Without this approach, the entire liability for maintaining and enhancing the museum, its fragile building and collection and its offer, lies with BCP Council.

New Governance Arrangements

Recommendation for a New Sole Corporate Entity to Replace BCP Council as Trustee

46. The complexity of the existing arrangements, enacted in the BBC Act 1985 and the limited options for any change have necessitated a long and close examination of options for change which provide protection for the Charity and scope for development in its best interests. Specialist charity law firm, Bates Wells LLP ‘conducted a structure and legal options review’ (Appendix 7) outlining the different options available.
47. Option B of a new sole corporate trustee for the existing charity was considered by the Management Committee as the best option for the Russell-Cotes was outlined.
48. The options outlined were:

- 'Full Incorporation' was considered and rejected because of the additional complexity of administering the museum as two charities – one for the permanent endowment and the other for other assets. (Option A)
- New Sole Corporate Trustee of the Existing Charity The establishment of a new independent corporate entity as the sole corporate trustee of the Existing Charity, in place of the Council, taking on its assets as trustee (Option B).
- 'Establishing a new entity with leased assets' was also rejected as it would not provide the necessary independence and freedom for the new charity or guarantee the level of investment by BCP Council needed to safeguard the future of the museum. (Option C)

New Sole Corporate Trustee

49. The new entity would be a separate, independent corporate entity which would act as sole Trustee as BCP Council does now. It would probably be a Company Limited by Guarantee and it may or may not have charitable status, as the Existing Charity already has this status and change to this part of our constitution may cause confusion. (NB BCP Council does not have charitable status). A CLG is a tried and tested form for not-for-profit entities with the company structure being a familiar structure to stakeholders. It is commonly used, widely understood and malleable in the sense that it is able to accommodate a wide range of governance dynamics and interests. It can access debt financing and social investment. An alternative model would be the Foundation CIO model. Further legal advice would be sought as to which would be the best model.
50. A CLG would be incorporated providing limited liability to its directors and members and a legal personality to the new organisation which will allow it to enter contracts and relationships in its own name. It would take on all of the Council's existing duties and responsibilities including the operational management of the existing charity and all liabilities and responsibilities for managing the museum in the future
51. As a CLG it would report to the Companies House and to the Charity Commission if registered as a charity. It would have a legal status, hold a bank account, enter into contracts, employ staff and be compliant with accreditation requirements in the manner of other independent museums.
52. The Russell-Cotes charity would remain, with the same Charity Number, retaining ownership of the assets and maintaining the same charitable objectives. It would continue to submit annual accounts to the Charity Commission.

Board of Directors Replace Management Committee

53. The new trustee would have its own board of directors, which would act as the Management Committee in place of the current Council Management Committee under the Existing Charity's Governing Documents.
54. The potential membership and structure of the new entity would be as outlined in the Recommendations for the new Governance Structure report by Sam Hunt following consultation with Russell-Cotes Management Committee. (see Appendix 9).
55. The Board would consist of up to 9 Trustees, because of the wide range of skills and experience needed for the new entity
 - 2 members would be nominated by BCP Council, who may be Councillors, Council officers or individuals appointed for their expertise. This would

maintain the close ongoing relationship between the Council and Russell-Cotes although in their role as directors, these Council appointments are required by law to act in the best interests of the charity.

- Sir George Meyrick or the holder of the Baronetcy
 - Up to six independent trustees, recruited on the basis of the skills and experience they would bring to the trust and to reflect the diversity of our community. Access to high-level networks that would be of value to the RCAGM is a further consideration.
56. This arrangement would maintain the historic and vital relationship of the Russell-Cotes to BCP Council and the Meyrick Baronetcy as outlined in the 1908 Deed of Gift and ensure continuity. However, the charity would also need to ensure that there are sufficient skills on the Board to operate effectively, drive the organisation, provide informed direction to its staff and access high level networks and relationships with potential stakeholders and partners. It also needs to recruit a Board with a diversity of members that reflects the communities and audiences it seeks to engage.
57. It is axiomatic that while Board members may present the views of a particular stakeholder group and contribute their practical experience, they must act in the best interests of the organisation when making decisions as members of the Board.
58. It is likely that directors would serve a 3 year term of office with the possibility of serving one additional term before a break of at least one year.

Asset Transfer

59. The museum's building and collections are already held in permanent endowment by the existing charity, so there is no requirement to make any transfer arrangements.
60. However, other assets such as staff, ICT equipment, office furniture etc would be transferred by the Council to the new CLG. See Appendix 6 Asset transfer

Modernisation of the Governance Document

61. The charity operates under a number of governance documents from 1908 Indentures etc to the Bournemouth Borough Council Act 1985 which sets out limits of the powers of the Trustee (eg loaning, selling the collection) and these would be updated.
62. Proposals are subject to any conditions laid out by the Charity Commission in the Scheme.

Transition to new Governance Arrangements

63. The Russell-Cotes Management Committee has been in discussion with the Charity Commission about the legal routes available for governance change. As the current arrangements are laid down in the Bournemouth Borough Council Act 1985, changes cannot be made under its normal jurisdiction, but will need a parliamentary scheme. In Summer 2022, the Committee submitted a request to the Charity Commission for permission to apply for a parliamentary scheme, in the best interests of the charity. In August 2022, the Charity Commission was satisfied of the need for a scheme and has invited BCP Council, as sole Trustee, to submit a formal application for a parliamentary scheme under Section 73 of the Charities Act, 2011

to replace the local authority trustee and management committee with a new corporate trustee. (See Appendix 9 – Letter from Charity Commission).

Implementation of Governance Changes

64. BCP Council as sole Trustee, would formally write to the Charity Commission to ask for a parliamentary scheme under section 73 of the Charities Act 2011, supported by evidence that it is the agreed decision of the Trustee (ie a Minute of BCP Council)
65. BCP Council would set out exactly what the charity would like the parliamentary scheme to achieve (subject to further legal advice) and the Commission would consider the most effective way to achieve this (via the scheme or under normal jurisdiction).
66. BCP Council would set up the new corporate trustee (CLG or CIO) and board of Directors.
67. It is recommended that the Council would appoint up to six members from the current RCAGM Management Committee to the shadow board of the new Corporate Entity which would then be appropriately supported to agree the charitable objectives, meet any Charity Commission requirements and appoint up to 4 additional members with the required experience and skills (as identified by a skills audit). This would consist of:
 - 2 councillors
 - 1 or 2 external appointees
 - Sir George Meyrick
68. The Charity Commission would draft the scheme in consultation with the BCP Council as Trustee and with the new Corporate Entity as new Trustee. Under the Procedure for Parliamentary Schemes the following process would be pursued.
 - Application for a Parliamentary Scheme by the BCP Council as Trustee
 - Drafting Phase of the scheme by the Commission in consultation with all parties
 - The Publicity and Modification Phase when public notice is given and representations invited
 - Final Internal approval by the Commission
 - Submission to the Minister
 - Ministerial approval and settlement
 - Parliamentary phase when laid before Parliament and come into force unless either House passes an annulment.
69. The Shadow board would act as a working group with immediate effect, meeting regularly until vesting day when it would take over the responsibility for the Russell-Cotes. The current Management Committee would continue to meet until this point.
70. It is envisaged that this process will be lengthy but the new arrangements could be in place for 1 April 2024.

Business Model

New 10-year Financial Model

71. A draft Business Plan is being developed with external support to demonstrate that an independent Russell-Cotes is operationally viable with ongoing support from the Council.
72. The draft Plan is articulated over a 10-year period, in order to demonstrate fully the benefits of independence both in terms of achieving the required level of capital investment for the Russell-Cotes, greater financial sustainability and to demonstrate the potential savings to BCP Council.

BCP Financial Support over 10 years

73. Under this model, the Council would make a funding agreement, renewable every 5 years. Ongoing financial support from the Council demonstrates Council commitment to funders, stakeholders and the community more widely.
74. Negotiations for the level of funding, which would be anticipated to reduce over 10 years, would be developed during the Transition phase.

Relationship with Council via Service Level Agreement

75. The Council would manage its future relationship with the new entity delivering the management of the assets and the delivery of services via a Service level agreement. The SLA would broadly follow the same model used for other cultural organisations eg Red House Museum in Christchurch, Pavilion Dance Southwest and Bournemouth Symphony Orchestra.
76. The SLA which would identify mutually agreed KPIs such as
 - Maintenance of Accredited museum status
 - Visitor numbers
 - Programming
 - Target audiences

And establish regular reporting and communication with officers and councillors as required. See Appendix 4 – Management and Funding Agreement.

77. The agreement would be termed a grant in order to satisfy Legal and procurement requirements about State Aid and Procurement issues (see Legal notes below).

Legacy Investment in the Russell-Cotes

78. Although one of the drivers for independence is the ability to fundraise more successfully especially for capital works, experience elsewhere demonstrates it will take time to develop and it is not feasible for the new entity to take on the liability for a building in such a poor condition without some reserves, or initial investment.
79. The Building Condition Survey of 2020 identified nearly £4million of maintenance work required in the next 5 years
80. The RCAGM has been successful in its application for funding from the Arts Council MEND fund, which will provide £518,000 of funding towards a £974,000 project to refurbish the conservatory and renew some of the Mechanical and Engineering

Services. Other funding has been provided by public donations, CIL and Prudential Borrowing.

81. During the transition phase, the Council and new Trustee would negotiate support to address the urgent maintenance work required. The new Trustee and the Council will need to be assured that the new Trustee has the necessary reserves and resources to take on such a liability.
82. This funding will give the new Trustee time to establish itself, and its fundraising capacity before assuming the liability for all the work identified as required in the foreseeable future (see appendix 6) and for which the Council will no longer be liable. It will also be able to use the funding to leverage further support from funders such as NHLF, Heritage England etc.
83. A potential approach to future investment in the Russell-Cotes is covered in the Financial Model.

Building Maintenance Implications

84. The Russell-Cotes would resume responsibility for the building maintenance and management of the Museum from the central Building Maintenance team to ensure a more appropriate conservation-led approach, best practice and value for money.
85. Statutory requirements eg inspections such as electrics, alarms lift, PAT and water testing, would be managed in house and a budget has been allocated for this and for remedial repairs, based on historic data.
86. Additional budget for annual maintenance has been allocated in line with the recommendations of the Philip Hughes Associates Condition Survey.
87. The grant allocated by the Council to support the legacy building work will be of a sufficient scale that an additional Project Manager (Engineer or Surveyor) would be recruited to the team to manage the works and budgets in partnership with the Lead Consultant and Quantity Surveyor.
88. Greater investment in ongoing building maintenance is budgeted for the museum post capital project.

Study Centre

89. Detailed arrangements for the Study Centre would be made during the transition phase but it is likely that the Study Centre could be leased to the new Trustee on a short-term, minimal repairing peppercorn lease. This building is well placed but not fit for purpose and in very poor condition so in the longer term the expectation would be that the museum would seek new, better suited premises possibly in conjunction with other museums in the area, notably Poole Museum or as part of the capital project of 2028/9. The Council would support the Russell-Cotes to find alternative accommodation.

Transition/Implementation funding

90. A significant amount of preparatory work has been achieved. During 2023/24, work would need to be done to establish the new legal entity through the Charity Commission, recruit and induct the Shadow Board and develop policy frameworks, establish the Funding and Service Level Agreements, TUPE staff and make the

necessary pension arrangements, recruit any new staff, remodel ICT and establish the necessary banking, financial and accountancy systems.

91. It is anticipated that the museum and council would require £100,000 for the transition costs and the Council's legal costs. Funding is being sought externally to cover the majority of the costs, but £10,000 would be matched through the museum's existing revenue budgets.

Public Consultation

92. A review of national, regional and local stakeholders was carried out to understand the implications and impacts of this proposal. Consultees included major stakeholders such as Arts Council, National Heritage Fund and Department for Culture, Media and Sport. Local cultural stakeholders such as Southampton City Art Gallery, Bournemouth Symphony Orchestra were included and other stakeholders such as the Universities and Chambers of Commerce.
93. The respondents were unanimously agreed that such a decision should be made by the Charity in its best interests and they could see no reason why it would impact on their relationship with the museum.
94. In the spring 2022, the Russell-Cotes conducted a survey of views from its Friends, Annual Ticket holders and volunteers. 40 responses. A letter outlining the proposed changes and their impact, together with a link to a survey was sent to 110 volunteers and 100 Friends of the Museum. 40 responses were received.
- 88% of respondents agreed that BCP Council should establish a fully independent trust to lead and manage the Russell-Cotes.
 - 10% were undecided,
 - 2% disagreed with the proposal.
95. Moreover, 90% felt that the Museum had the potential to deliver more for Bournemouth's residents and visitors. Respondents thought that there were risks to the governance change but these were outweighed by the benefits, which were that a charity with a strong and expert board, would provide greater strategic leadership, be able to leverage more funding and act more swiftly and entrepreneurially. The main disadvantages identified were the loss of the Council as lender of last resort and the financial risk. However, others identified that staying with the Council also brought risks as Council budgets were placed under increasing pressure. Respondents stated that other Museums were able to function very well as independent charities, though they also evidenced others which were less successful.
96. The Charity Commission has asked for further comprehensive and full consultation to be undertaken by the Russell-Cotes (not the Local Authority) prior to the drafting of the scheme to identify any issues and opposition. The Russell-Cotes will undertake further consultation and updates with all key stakeholders eg Arts Council. It will undertake full consultation with the general public with on line and on site information and invitations to online and on site focus groups in order to satisfy the Commission.

Options Appraisal

97. See Focus Consultants Report which examined available options including no change. (Appendix 10)

Resource implications

ICT

98. IT and IS have confirmed that in principle most ICT equipment can be transferred to the new entity, subject to detailed arrangements that will be established in the Transition phase.

Summary of financial implications

99. The 10 year business plan will be fully developed to ensure the Museum is financially sustainable.
100. Detailed negotiations of the financial support and due diligence of the business plan will take place during the transition phase. This will look at revenue support, capital investment and how it can be funded, cashflow arrangements, reserves policy, VAT and state aid issues.
101. Funding for reviews of financial arrangements, VAT and pensions has been costed into the Transition costs.

Summary of legal implications

102. The legal team has been consulted throughout the process and is supportive of the project. It has sought quotes from suitably experienced law firms to handle the legal work on behalf of the Council and these have been included in the transition costs.

Summary of human resources implications

103. The Russell-Cotes has ten full-time and four part-time permanent staff and nine zero hours staff, making a 17 FTE. It is envisaged that all will transfer to the new entity.
104. The staff would be subject to TUPE regulations and as such would transfer with their existing terms and conditions across to the new entity. There is a legally defined process that would begin once any decision had been made, supported by BCP Council HR teams.
105. A detailed review of the pension options for existing and new staff would be made during the Transition period.

Summary of sustainability impact

106. None anticipated. This is a governance change which will ensure the survival of an important historic asset which provides benefits to the health, well-being, culture and economy of the area. Only positive impacts are expected. Assessment will be completed in time for the Council meeting in January 2023.

Summary of public health implications

107. n/a

Summary of equality implications

108. None anticipated as this is a governance change – EIA Panel to be conducted on 13 December 2022

Summary of risk assessment

109. See Appendix 2 Risk Register

Background papers

RCAGM Management Committee Agenda and Papers **29 March 2019**

RCAGM Management Committee Agenda and Papers **22 January 2020**

RCAGM Management Committee Agenda and Papers **8 January 2021 (Restricted)**

RCAGM Management Committee Agenda and Papers **22 October 2021**

RCAGM Management Committee Agenda and Papers **4 May 2022 (Restricted)**

RCAGM Management Committee Agenda and Papers **24 October 2022 (Restricted)**

Appendices

Appendix 1	Equalities Impact Assessment (to be completed prior to Cabinet meeting 14 December 2022)
2	Risk Register (exempt)
3	Environmental Assessment (to come)
4	Management and Funding Agreement Heads of Terms
5	Stakeholder Review
6	State of Repair Statement on Museum Properties & Asset Transfer and Management (exempt)
7	A structure and legal options review' undertaken by Bates Wells LLP (exempt)
8	Charity Commission Invitation to Apply for Governance Change (exempt)
9	New Governance Proposals by Sam Hunt (exempt)
10	Focus Consultants – Governance Options
11	Focus Consultants – Outline Business Plan

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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**Stakeholder and Public Consultation on Proposed Governance Change at
Russell Cotes Art Gallery and Museum**

1. Overview

Consultation was carried out in 2021 with key stakeholders, such as Arts Council, National Heritage Lottery Fund.

Further consultation was carried out with supporters of the Russell-Cotes (Friends and volunteers) in Spring 2022 at the request of the Charity Commission.

2. Key Stakeholders

2.1 In Spring 2021 it was identified that it was timely and appropriate to formally consult key stakeholders of the Russell Cotes Art Gallery and Museum on the proposed changes to its governance. Although there had already been informal conversations and the emergent proposals were in the public domain, it was recognised that a more structured and focused approach would be valuable to fully ascertain the views and perspectives of those organisations closely invested or linked to the successful operation of the museum.

2.2 The purpose was bi-fold; to ensure that stakeholders were aware of the proposed direction of travel and fully informed and secondly to solicit and understand the views of stakeholders in relation to the proposed change and invite them to identify any opportunities or issues they envisage may impact on future relationships and development. It is intended that the results of this consultation will be integrated into the thinking and planning around RC externalisation and represented and shared through key decision reports.

2.3 In terms of methodology, the team modelled the consultative process on set of key questions which are provided below. This was to ensure a consistent baseline, although conversations kept open to facilitate flexibility for individual responses. Because of continued social distancing restrictions, all interviews were conducted via telephone/teams/zoom, as preferred by the consultee.

2.4 All consultees were provided with summary information on the proposed changes in advance, both by bespoke email and a generic document, as provided in Appendix 1.

Core Questions for Consultees

1. Do you agree or disagree that BCP Council should establish a not-for-profit charitable trust to lead and manage the Russell Cotes Art Gallery and Museum?
2. Do you agree or disagree that the ownership of the Russell Cotes building and collections can be effectively managed for the long term by an independent heritage trust?

3. If the RC became a fully independent trust, do you feel it would impact on your relationship with it? Would you be more or less likely to support/work with the Trust compared to it being part of the Council.
4. Can you foresee any particular advantages or disadvantages for the Russell Cotes and its partners if it moves to fully independent status?
5. Prior to this consultation were you aware of the proposal to consider converting RC to a fully independent trust?
6. This consultation is about getting a wide range of views to help us develop our plans. For that reason we would welcome any comments or concerns you have about the proposed approach, your current involvement with the RC and how you might wish to be involved with the RC if it moved into a full not-for-profit trust.

2.5 The key stakeholder list was agreed in advance and twelve organisations were identified as being core respondents. Critically this included Arts Council England, National Lottery Heritage Fund, DCMS, Association of Independent Museums, both Bournemouth universities and neighbouring cultural organisations and partners.

3. Key Findings

3.1 The conversations with consultees were conducted over April/May 2021 and were positive and productive. Feedback is captured below within our framework, with additional and supplementary observations from stakeholders represented in the final paragraph. An important outcome is the clear appetite for continued communication with stakeholders as the process progresses.

1. Do you agree or disagree that BCP Council should establish a not-for-profit charitable trust to lead and manage the Russell Cotes Art Gallery and Museum?	<p>All respondents recognised that this could constitute a positive change in terms of continued viability and sustainability.</p> <p>Some observed that the current arrangement had inherent challenges, particularly in terms of their organisation being able to fund the RC's work appropriately.</p> <p>One stakeholder commented that, <i>"if an organisation is operating within a framework which inhibits growth, change and innovation, it should be addressed."</i></p>
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	<p>Several expressed the view that is absolutely needed to be the clear decision of the Council itself as sole trustee.</p> <p>Over half of stakeholders emphasised that if the process proceeded, it would be important to safeguard the relationship with the council as the museum would need ongoing financial support to safeguard the building and collections – it would never be viable without grant aid because of the conservation and maintenance costs of such a collection.</p> <p>Must have a backup that if the organisation should fail, the museum and collections can return to the Council.</p>
2. Do you agree or disagree that the ownership of the Russell Cotes building and collections can be effectively managed for the long term by an independent heritage trust?	<p>This was largely a binary question and all stakeholders agreed that effective management by an independent trust was completely viable.</p> <p>A few caveated their responses, with some highlighting clear advantages (in terms of new funding streams), and several highlighting the need for clear and transparent agreements with the local authority</p> <p>Several highlighted other museum and cultural services that had successfully transitioned.</p>
3. If the RC became a fully independent trust, do you feel it would impact on your relationship with it? Would you be more or less likely to support/work with the Trust compared to it being part of the Council.	<p>No stakeholder identified a negative impact on future relationships if the governance changed. Several felt that there could be an improvement as <i>“current governance sometimes gets in the way”</i> and, <i>“it would make it easier to develop partnerships, drive funding and achieve productive collaborations because of the importance of branding and identity which would be stronger as an independent organisation.”</i></p> <p>All of the funding stakeholders agreed that there would no adverse impact.</p>
4. Can you foresee any particular advantages or disadvantages for the Russell Cotes and its partners if it moves to fully independent status?	<p>Stakeholders identified a range of potential implications. The advantages identified included – more freedom and capacity to be flexible and change with the times; greater</p>

	<p>decision making capability: more straightforward for funders; greater fundraising options for RC; greater opportunities for collaboration</p> <p>Disadvantages – two stakeholders were concerned that change might impact on how the Council perceive their relationship with the Museum, that the organisation as a whole would need to be much more robust and engaged with the business and governance side to ensure financial success and that greater integration with other Council cultural services would be lost</p>
5. Prior to this consultation were you aware of the proposal to consider converting RC to a fully independent trust?	About 90% of stakeholders were already aware, but many valued the opportunity to have a more in-depth discussion on the process and the planned nature of the change.
6. This consultation is about getting a wide range of views to help us develop our plans. For that reason we would welcome any comments or concerns you have about the proposed approach, your current involvement with the RC and how you might wish to be involved with the RC if it moved into a full not-for-profit trust.	<p>Several stakeholders identified that there is significant potential to improve the Russell Cotes, both in terms of the quality of its visitor offer and its profile.</p> <p>Many respondents had specific ideas for partnership working – from shared audience development planning to wider cultural programming.</p> <p>DCMS expressed that they were happy to support change through a statutory instrument if necessary</p>

4. Public Consultation

4.1 The Management Committee has not taken extensive formal public consultation on the proposals to date for the following reasons:

- the technical issue of the governance change is hard to communicate
- the long uncertainty about the feasibility of making any change and legal process required
- The exact changes are still unknown

4.2 However, the review of governance has been in the public domain and subject to public scrutiny since May 2018. At the May 2018 meeting of the Management Committee which is held in public at the Museum, and the minutes of which are

publicly available on the website and subject to regular scrutiny by the local press, agreement was made by the Management Committee to seek a grant from the Heritage Lottery Fund to review the governance in the light of continued concern about the effectiveness of the new arrangements in meeting the needs of the Museum.

4.3 The topic has been raised at every Management Committee meeting since, though sometimes in private session. The proposed changes have also been communicated to volunteers and Friends of the museum as an aspiration for a number of years. To date the only response has been received. The three Councillors as members of the Management Committee are in touch with their ward members and are unaware of any likely opposition to the proposals which aim to safeguard the future of the museum.

4.4 In June 2022, at the request of the Charity Commission, consultation has been undertaken with the public. A letter outlining the proposed changes and their impact, together with a link to a survey has been sent to 110 volunteers and 100 Friends of the Museum. 40 responses were received.

- 88% of respondents agreed that BCP Council should establish a fully independent trust to lead and manage the Russell-Cotes.
- 10% were undecided,
- 2% disagreed with the proposal.

4.5 Moreover, 89% felt that the Museum had the potential to deliver more for Bournemouth's residents and visitors. Respondents thought that there were risks to the governance change but these were outweighed by the benefits, which were that a charity with a strong and expert board, would provide greater strategic leadership, be able to leverage more funding and act more swiftly and entrepreneurially. The main disadvantages identified were the loss of the Council as lender of last resort and the financial risk. However, others identified that staying with the Council also brought risks as Council budgets were placed under increasing pressure. Respondents stated that other Museums were able to function very well as independent charities, though they also evidenced others which were less successful.

Appendix 1

The Governance of the Russell Cotes Art Gallery & Museum – The Case for Change

Background

1. The Russell-Cotes Art Gallery & Museum is a historic house, museum and art gallery. A Grade 2* listed building, it has an internationally important collection of Victorian art and ethnography. The collection is of national significance and unrivalled regionally.
2. In 1908 Sir Merton & Lady Russell-Cotes gifted the contents of their home to the Bournemouth Corporation, later Bournemouth Borough Council, together with a lease for the house itself. In 1918, Lady Russell-Cotes granted the freehold of the property to the Council. The Council is required to hold the contents and the house for the benefit for the people of and visitors to Bournemouth. When the couple died, the house was opened as a museum in 1922 and has been operating as such ever since.
3. The Russell-Cotes Art Gallery Charitable Trust was formed on 30th July 1962 to take over responsibility for the house & contents and Bournemouth Borough Council is the sole trustee of the charity.
4. The Bournemouth Borough Council Act 1985 codified the existing arrangements by setting out what the Council as Trustee can do with the house and exhibits and includes the storage, loans to other museums and sale of damaged poor condition items.
5. Now BCP Council acts as Sole Trustee for the registered charity (number 306288) and submits accounts to the Charity Commission annually.
6. The charity owns its collection and building and the freehold.

Current Governance

7. The current governance arrangements were agreed by Cabinet on 27th January 2016 as a response to the Museum accreditation by Arts Council England (ACE) which highlighted a significant weakness in this regard together with the Charity's Commissions concerns over the late filing of accounts.
8. Under this arrangement, Cabinet delegates responsibility to the RCAGM Management Committee which meets twice a year with minutes of meetings noted and agreed by Cabinet.
9. The Management Committee is currently made up of:
 - a. The Portfolio Holder
 - b. Two further Council Members
 - c. 4 external (Non-Council) Members

- d. Sir George Meyrick (or the person for the time being in enjoyment of the title), in compliance with the Bournemouth Borough Council Act.

Governance Issues

10. The legal framework which the museum currently operates is part Charities Act and part Local Government Act. Neither sit very well together nor complement each other.
11. To comply with the Local Government Act non-council members cannot lawfully exercise formal voting rights. So, a shadow vote on any issue is taken of non-Councillors and recorded in the minutes, before the formal vote is taken by Councillors only.
12. Whilst this system works in theory, in practice it means the committee is hamstrung by the lack of separation of roles and responsibilities required by the charitable status. It does not allow for the range of skills, creativity and input from non-council members the Museum needs to thrive and is normal within the sector. It has neither the power, control nor responsibilities of a normal Trustee board.
13. The compromise makes external partners nervous and makes fundraising particularly challenging.
14. The current arrangement is not satisfactory and was identified as requiring monitoring at the Museum's last accreditation by the Arts Council in 2015.

Review of Governance 2018 - 2021

15. To examine the issue more fully, the RCAGM commissioned a governance options appraisal and future business plan to be drawn up with funding from the Heritage Lottery Fund (HLF) Resilience Fund in Autumn 2018. Focus Consultants were appointed to undertake this work in 2018 (their reports are available in the RCAGM Management Committee agenda and papers in 29 March 2019 at link).

Options Analysis

16. Focus Consultants carried out a detailed Options Review, evaluating the following options:
 - 16.1 the Russell-Cotes becomes an independent trust (preferred Option) to give it the best chance to deliver genuine charitable and financial separation and to allow the flexibility and freedom to fundraise and operate in a more dynamic way.
 - 16.2 Maintain Current structure under BCP Council. This option will not deal with the existing weaknesses in the governance and financial separation. There are several other Cultural and Heritage assets that BCP Council has responsibility for including the Poole Museum and Scaplen's Court, Highcliffe Castle and the Red House Museum. Each of these

are managed and run in the most appropriate way for them and given each one is unique in its setting and collection it is unlikely a 'one size fits all' approach would work going forward.

16.3 Integration with an existing trust. This option potentially delivers the advantages of option 1 but risks RCAGM being diluted and having a loss of control with the wider audience.

16.4 Contract with a private sector partner. There are limited operators working in this sector. This option will have a negative impact on the ability to fundraise and potentially take the museum in an alternative strategic direction.

17. At their meeting on 29 March 2019, the Russell-Cotes Art Gallery & Museum Management Committee considered the full reports into Governance Options and Business Planning and agreed the museum would be best served by moving to full trust status, allowing the museum to:

- Better fulfil its long-term strategic direction and potential to deliver the charitable objectives
- Be in a better position to maximise the potential to generate income from fundraising and commercial activities to support the charity, particularly the capital investment needed for the museum's survival and future
- Provide resilient, sustainable and appropriate organisational support.

18. The Committee recognised the complexities of achieving full trust status required further examination and testing before a commitment could be made and that the final decision should lie with BCP Council Cabinet.

19. It has since conducted extensive consultation, commissioned specialist reports to further interrogate the case for independence, partly funded by ACE Coronavirus Recovery Fund. A Cabinet report is currently being prepared to make the case for full independence.

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Russell Cotes Art Gallery and Museum

Governance Options Review

March 2019



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APPENDICES

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1.0 Introduction

In September 2018, Russell-Cotes Art Gallery and Museum (RCAGM) appointed Focus Consultants to conduct an Options Appraisal to establish the feasibility and potential benefits of alternative service delivery mechanisms. This appointment was within the context of a changing local authority environment and in particular, securing the optimum operational and financial performance of Russell-Cotes Museum & Art Gallery.

The need for the work is in part driven by the local government reorganisation where a new unitary council will be created to provide all local government services in Bournemouth, Christchurch and Poole (BCP).

The other driver is the current governance arrangement for RCAGM which presents a number of challenges. RCAGM is a registered charity with Bournemouth Borough Council acting as sole Trustee through a Management Committee. The Committee only meets twice yearly with external members not able to vote. The museum does not possess the independence and self-determination of a fully independent charity nor does it derive the benefits of being a fully integrated local government service, it is a hybrid. Combining with Poole and Christchurch could further impact on RCAGM by introducing new challenges such as reorganisation and the requirement to operate to a new set of priorities and targets driven by an even broader strategic and geographic agenda.

Many cultural organisations are exploring or have moved to new forms of governance with the emphasis on flexibility in going to market, meeting customer demands and optimising income through enterprise activity. These new forms of governance are increasingly including Community Interest Companies and Charitable Incorporated Organisations.

This option appraisal therefore looks to review a number of alternative governance models for RCAGM and to evaluate the considerations of each.

The scope of the appraisal is:

- To review the existing service delivery at RCAGM including collections management, learning, community engagement and other identified services.
- To identify existing models of service delivery in the museums sector that could inform the recommended approach, and assess their advantages and disadvantages.
- To assess the acceptability for each alternative delivery model identified.

Ultimately, the aim of the study is to establish if there is an alternative method of governance that will create a sustainable business model to create a long term, financially independent organisation.

2.0 Russell Cotes Art Gallery and Museum

The Russell-Cotes Art Gallery & Museum (RCAGM) is an exuberant late-Victorian sea-front villa built by the Bournemouth hotelier and art collector Merton Russell-Cotes as a birthday present for his wife Annie. Russell-Cotes himself played a significant part in the design and interior decoration of the building, which reflects many of the artistic decorative fashions of the late Victorian period. What makes the RCAGM of exceptional national significance is the combination of the building and the collections. The rooms are filled with Russell-Cotes's collection of contemporary British paintings and sculpture and artefacts amassed from their extensive foreign travels.

In 1908, Annie Russell-Cotes gave the house to the people of Bournemouth as an art gallery and museum. The Borough Council, as trustee, has administered the museum ever since.

The RCAGM is a building of national importance for its historic and architectural interest and is recognised by its Grade II* listed status.

2.1 Mission Statement

RCAGM's Mission Statement currently reads:

Our Mission is to inspire and enrich the lives of Bournemouth's residents and visitors by creating a cultural flagship around a unique house and international art collections.

2.2 Existing Governance Arrangements

The governance arrangements for RCAGM have not varied significantly since its establishment in the early twentieth century, although they have been strengthened and formalized within the last couple of years.

In 1908 Merton and Annie Russell-Cotes transferred their home and collections to the people of Bournemouth. They did so by way of a Deed of Gift, which created the RCAGM (a charity). Bournemouth Borough Council (BBC) is, and always has been, the sole Trustee of that charity. The Deed of Gift provided that after the deaths of the Russell-Cotes (enacted following Merton's death in 1921), the RCAGM was to be managed by a Management Committee. The house and collections/ contents are owned (vested in trust) by the charity as are the collections/ contents subsequently acquired by RCAGM.

Under the original 1908 deed, the prescribed constitution of the Management Committee was four elected members of BBC and between five to seven non-councillor members.

The Bournemouth Borough Council Act of 1985 superseded previous indentures and states "the Corporation shall manage, regulate control and deal with the trust, premises and property by means of a committee (hereafter called the 'management committee') appointed by them in accordance with section 102 of the Local Government Act 1972." Section 3:6.2 of the Council's constitution allocates this 'local choice function' to Cabinet.

Therefore, Cabinet became the RCAGM's management committee and this governance arrangement was enshrined in the Bournemouth Borough Council Act and the Council's constitution. BBC's Cabinet remit covers the full range of Council business and it has little capacity for regular, detailed consideration of the work of RCAGM.

During the development of the RCAGM Business Transformation Strategy a management board acting as a 'shadow' management committee met regularly to steer the strategy process and make key decisions, but this fell into abeyance for several years until a more formal substitute was agreed by Cabinet on 27th January 2016 and subsequently by full Council on 1st March 2016.

The Agreement was to create a Management Committee of the following composition:

- The Portfolio Holder
- Two further Council members
- 4 external (Non-Council Members)
- Sir George Meyrick (or the person for the time being in enjoyment of the title), in compliance with the Bournemouth Borough Council Act. A substitute can be agreed with the elected chair prior to any meeting.

A role description and person specification were created for the external appointments and widely advertised. Specific external expertise was sought across the following areas:

- Academic or professional specialism in fine and decorative arts
- Expertise in historic house/ art gallery of regional/national significance
- Marketing/ PR professional with strong track record in the cultural sector
- Local business leader and/or commercial heritage expertise.

This committee was created according to plan and has been functioning since the latter part of 2016. Its modus operandi is a variation on a local authority themed committee meeting and secretariat is provided from within the Council's administration. It meets twice yearly to review the museum's strategic, operational and financial position, so its range and impact is very different to that of an independent museum board. Key to note here is that external members do not have voting rights.

3.0 Current Challenges Facing the Service

Over the last 10 years, RCAGM has been unable to develop its services to Bournemouth residents and visitors due to budget reductions (reduced from £1.37million at its peak to £703,000). RCAGM received funding from both the Council and the MLA Renaissance programme which provided annual grants of between £200,000 and £400,000 and peaking at £481,470 in 2007/2008. The loss of Renaissance and the effect of the global recession since 2009 has led to huge pressures on the services and this has resulted in changes in the way RCAGM operates. It is considered that this pressure on public sector finances is unlikely to reduce in the foreseeable future and this will have an impact on future delivery within RCAGM. The contribution of the Council and other funding bodies has continued to reduce and in 2017/18 is now £250,000 of direct support.

RCAGM has however, had a number of recent successes including completing the Skylight project which replaced skylights in galleries 1-14, a Heritage Lottery Fund supported project that enabled people from the LGBT community to curate highlights from the ceramics collection and the launch of a new Friends of group. Despite this, the museum still faces a number of challenges.

These are listed as:

3.1 Formation of a new Local Authority

As of April 2019, Dorset's nine councils will be merged into two unitary authorities. This will see Bournemouth, Poole and Christchurch amalgamated and a second council formed from Dorset County Council, East Dorset, North Dorset, Purbeck, Weymouth & Portland and West Dorset. After April 2019, RCAGM will come under the former.

The reason stated for the reorganisation is to enable the councils to have a stronger, co-ordinated voice when bidding for government funding and investment for things such as road improvements, housing, schools and economic regeneration. It is planned to improve local government and service delivery, generate savings, increase financial resilience, facilitate a more strategic and holistic approach to planning and housing challenges, and sustain good local services. There is a predicted saving of £108 million over six years.

Due to the current governance arrangement, where the Management Committee is made up of three council representatives, the following potential risks relating to the transfer to the new Council have been identified:

- A period of strategic and operational change or uncertainty could potentially dilute, divert or reduce the focus and performance of RCAGM
- Being part of a more diverse and broader geographical Council could make it more difficult to advocate for the highly individual and complex needs and priorities of the Russell-Cotes (part historic house, part art gallery and museum)
- RCAGM's business model and its high levels of admissions and secondary spend income generation in relation to its turnover is not replicated elsewhere within the conurbation, so added value will be minimal.

- The income from RCAGM may be diluted and/or dispersed as a result of the transfer and this could constrain RCAGM's ability to move toward a more self-sustaining financial model
- Russell Cotes has a lean and specialised team, tightly fitted to its specific collections and operational requirements therefore, shared service savings are not applicable with no potential for reductions which would not compromise the service.
- There are few synergies between the RCAGM with its experience, expertise and reliance on income generation and visitor focussed entrepreneurship and fundraising, and the model of free, community focussed local history museums in Poole and Christchurch.
- There is the potential that the new joint museum service will seek to create a new 'brand' and introduce joint programming and activities which will divert the RCAGM from pursuing its identified charitable and strategic objectives and hinder its ability to become sustainable. It could also be difficult to profile and promote this adequately and appropriately within a larger marketing strategy for the area.
- There is no expectation that there will be increased funding available. Given the ongoing financial constraints on all Local Authorities, there is negligible potential for revenue growth or enhanced investment or maintenance. RCAGM is clear that the path to greater financial viability lies exclusively with driving visitor numbers, admissions and secondary spend. A potential academic approach with fundamentally different museum and heritage facilities would not facilitate this.

3.2 Current Governance Arrangements

Although an independent charity by name, RCAGM is in many ways governed by senior staff from within the Council and by systems which are not necessarily designed with the museum's best interests in mind. The needs of the Charity Act and the Local Government Act are often contradictory and sometimes place the museum in a difficult and compromised position.

RCAGM is a registered charity with the Council acting as sole Trustee. The current governance arrangement is by Management Committee made up of the Council's Portfolio Holder, two Council Members, four external members (non-Council and chosen for their expertise) and Sir George Meyrick (or whoever holds the position at the time). External members do not have formal voting right although steps are taken to ensure the views of non-members are taken into account through a formal shadow vote.

Secretariat is provided by the council and the Committee meets twice yearly to review the museums strategy and operational and financial positions. This is a fairly recent arrangement that looked to ensure a more robust governance and separation of the decision making from the Council. It was also designed to be more in keeping with how a charity is managed. However, there are still challenges around conflicts of interest, appropriate levels of commitment, skills and expertise and a need to balance agendas.

In line with the requirement of ACE Accreditation a questionnaire was sent out to Management Committee members to evaluate their views on the operation of the Committee. Five members responded. Although no major single issue was identified by the members in concerns to management, strategy or governance, it revealed that there was some dissatisfaction with every aspect of their work. Particular areas of concern from this sample were around the Committee's understanding of their roles, their skill sets, the frequency of meetings and not being able to provide strategic direction. See Appendix 1.

To feed into this information, and to help with the baseline review, Focus undertook a skills review of the Management Committee members, asking all members of the group to complete a short questionnaire. Five Committee Members responded and the results are summarised below.

	Experience of this	Understanding of this	Total
Administration	5	2	7
Board / Committee Experience	4	3	7
Business / Financial Planning	5	2	7
Charity/voluntary organisation governance	4	1	5
Capital/building projects	4	3	7
Change Management	4	2	6
Conflict Resolution	2	3	5
Education and Learning	4	1	5
Enterprise / Business Development	3	3	6
Fundraising / Bid Development	3	3	6
Heritage and Conservation	2	1	3
Human Resources / People Management	5	1	6
Information Technology	2	3	5
Leadership	4	2	6
Legal	1	1	2
Local Knowledge / Contacts	4	3	7
Marketing, Communications and PR	3	3	6
Monitoring and Evaluation	3	2	5
Project / Programme Management	4	2	6
Voluntary and Community Sector Experience	2	1	3
Volunteer support	3	1	4

From the table above, it appears that the current Committee is strong on aspects such administration, board and committee experience, change management and fundraising etc. but lacks skills and experience in heritage and conservation, legal and volunteer and community experience. If a decision is made to stay 'as is' and transfer RCAGM to the new local authority it would be worth addressing these gaps, even looking at those flagged as amber such as monitoring and evaluation, enterprise and business. The latter would be even more justified in light of the potential for continued Local Authority budget reductions.

The age demographic of the membership of the Management Committee is also summarised below.

Age range demographic	
17 or younger	
18-20	
21-29	
30-39	
40-49	1
50-59	1
60 or older	3

Again, if RCAGM is to remain 'as is', it would be worth looking at diversifying the board in terms of its age range.

The skills review also asked Committee members to summarise their experience and background. Of the members that responded, their experience includes:

- A Bournemouth Councillor with Cabinet Portfolio for Tourism, Leisure and the Arts who also has a number of years' experience as a Board member and 30 years' experience of private sector management.
- An agent for the NFU Mutual (involving insuring listed buildings and contents) with previous experience in the financial sector.
- Museums Advisor for Dorset, Bournemouth and Poole who was previously Arts and Heritage Manager for Southampton City Council and Head of Culture and Libraries for London Borough of Redbridge. They have an extensive track record of delivering high profile capital projects relating to the development of new museums and the renovation and interpretation of historic buildings.
- A Councillor for Bournemouth Central Ward for 30 years and employee of Lloyds Bank.
- A Principal and Vice Chancellor of a specialist university of art and design with extensive committee and Board experience. Also, a resident within the Borough and strong supporter of the arts, recently appointed Chair of Cultural Partnership. Usefully, this role will consider the position of arts and culture within the new unitary authority.

Those that completed the Review were also asked if there were any perceived skills gaps on the Committee or if there were any training needs. The comments were:

- *'The current committee has a broad knowledge of skills but maybe weakest in their knowledge of Trust Governance.'*
- *'Understanding the implications of dealing with and insuring a listed building should anything go wrong'*
- *'Whilst we have one member with experience of heritage and conservation the Management Panel would benefit from the addition of candidate/s with skills directly related to the collection.'*
- *'At present the board functions more like a local authority committee than an independent museum trust board. This is as much to do with the committee's terms of reference and the frequency of meetings as the skills base. If the museum were to become fully independent there would be a clear need for board members with specialisms in finance, law, marketing and fine & decorative art programming (preferably at a national level).
Even in its present form it might be useful for management committee members (including elected members) to gain a better insight into how an independent museum trust works at governance level - perhaps through meeting/shadowing an effective museum board – potentially AIM might be able to offer a good match through its Prospering Boards Programme (Helen Wilkinson).'*
- *'Experience of property maintenance.'*

3.3 Cuts to Local Authority Budget

As described above, RCAGM has worked in an environment of reducing budgets for a number of years. There has been a period of adjustment after the loss of significant funding from Renaissance in the Regions, the Art Council and continued reduction of funding from Bournemouth Borough Council each year resulting in annual job losses and restructuring. It is not envisaged that any more money will be made available as a result of the formation of the new Local Authority.

This reduction in funding has given rise to a major change of outlook and ethos for RCAGM over this period. It has meant significant improvements have made the museum more commercially minded, financially self-reliant and somewhat improved governance arrangements.

3.4 Income Targets

After a budget reduction in 2018/19, no new savings targets have been set for the Museum in 2019/20. Venue hire and weddings are a fairly recent additions to RCAGM's income generating streams and have yet to fully establish themselves. Record sales have been recorded for the shop and visitor numbers have exceeded 50,000. RCAGM does not have a separate bank account and due to the current way of accounting it makes it appear that £1.3 million is received in income by the charity. This lack of transparency can be problematic for some funders and when appealing for donations. Having this arrangement also makes it difficult to set up online donations and direct debts.

It is also difficult to track money through the system. As donations such as legacies increase, RCAGM has to set up individual restricted funds with specific criteria to enable funds to be carried beyond the financial year end. It becomes difficult to keep track of these funds within the Council and across financial years. Not having its own bank account also means that RCAGM does not accrue any interest on the funds it generates.

RCAGM's accounts are written as such that income is expressed as being spent on fundraising rather than delivering its charitable activities. Apart from being misleading, it also means that RCAGM pays the Fundraising Levy. Although a relatively small amount at £800, it is unnecessary and could be used elsewhere.

3.5 Sustainability of Catering offer

RCAGM's has a café that can be accessed without paying the admission fee. It was previously run by Urban Guilds for three and a half years paying a small rental to the museum in that time. In 2017, the café was bought 'in-house' and RCAGM aim to develop an Action Plan in the near future to maximise this opportunity.

3.6 Ability to Fund Raise / Secure Grant Income

RCAGM has already been successful in securing a number of grants for specific ventures such as the Skylight and LGBT projects. However, because of some of the issues outlined in section 3.4, the museum finds it difficult to raise funds from donations and initiatives that involve direct debits such as

Friends, Annual Ticket Schemes, etc. Grant funding has become increasingly difficult to secure as competition increases and lottery income fluctuates.

3.7 Condition of the Site/ Lack of Capital Investment

Maintaining the care of the collection and the house remains one of the most difficult challenges for RCAGM. The lack of major capital investment has an impact on the condition of the house and in turn, an impact on the collection and visitor experience. This is linked to Section 3.3 where Local Authority budgets have been heavily cut since 2010.

A Conservation Management Plan (CMP) produced in June 2012 by Richard Griffiths Architects notes that the Art Gallery and Museum buildings are not in good condition despite HLF-funded refurbishment works. This is partly due to the location of the museum on an exposed cliff top. The report also notes that considerable work is required to bring the fabric of the building up to a satisfactory condition.

The Plan also notes that due to a lack of resources, there are now issues with the collections and their ongoing management and care. Storage facilities are adequate in terms of security and environmental control, but space is lacking both on and off-site and in parts it is reported to be actively causing damage to the collections. Poorly functioning air management system in the galleries, and lack of comprehensive environmental monitoring data also contributes. RCAGM used to manage its own building budget, but this now sits with the BBC where it competes with the rest of the Authority for priority. Reduced budgets mean that only urgent repairs are undertaken and there is no budget for the on-going maintenance and repairs required to ensure the long-term survival of a Grade II* listed building exposed to the Channel weather and increasing storms.

Requests by RCAGM for maintenance, repairs and any new capital investment such as IT systems often take a considerable amount of time to resolve.

3.8 Maintaining/ Increasing Visitor Figures

As of May 2018, RCAGM reports that visitors have seen an increase despite various difficulties that included road closures and bad weather. Admission charges were also increased during this period. The total visitor figures for 2017-18 were 50,365, up by 1,825 on 2016-17. Other 2017-18 usage is as follows:

- 7,716 enquires
- 78,826 unique website users
- 4,285 followers and 17,500 likes on Facebook
- 1,764 followers on twitter
- 1,017 offsite participants.

Challenges include increasing the numbers of first-time visitors (particularly tourists in Bournemouth) and creating an offer which encourages those living in the locality and region to return regularly.

3.9 Engaging a Wider Audience

Because of its exceptional character, the result of the unique house and collection, RCAGM has an audience which is local, regional, national and international.

Wessex Partnership data gathered in 2016 breaks down RCAGM current visitor demographic and is as follows:

- 64% of visitors are female
- Most visitors are aged 55 and over
- 84% consider themselves white British
- 89% do not consider themselves to have a limiting disability.

The museum recognises that there is need to ensure it engages a wider audience and to aid this it supports all cultural, arts and heritage activities in Bournemouth where possible. Examples include supporting the Art by the Sea Festival in Bournemouth, working with the Cultural Hub (on schools and education Projects) through programming and contributing to strategic reviews of arts and culture.

RCAGM also works with specific community groups where relevant to the house and its collections. A recent HLF project allowed RCAGM to work with those from the LGBT community to curate an exhibition.

In a bid to not be project driven, the museum looks for long-term sustainable relationships and these are being developed with the Indian community and people living with mental health conditions.

Despite all this good work, challenges include a lack of financial resources to cover the associated costs and staff capacity to deliver often, labour intensive projects, alongside the limitation of the physical space to organise large-scale events, workshops type activities and catering.

3.10 Lack/flexibility of marketing

RCAGM has had some recent successes in raising its profile. These includes becoming the Mayor's Charity 2017/18 and some permanent signage on the pier and sea front. However, challenges have arisen from ongoing changes to the marketing support for the museum both in terms of structure and personnel. This is at the same time as increased income targets which rely on increasing visitor numbers paying higher admission charges. A dedicated post was subsumed into the tourism marketing team in 2014 requiring the Museum to compete with other marketing and tourism priorities such as the general tourism offer for Bournemouth as a holiday destination, the Air Festival, Arts by the Sea Festival, etc. In order to raise marketing capacity, the museum decided to secure an additional dedicated part-time marketing post, on a short-term contract in 2018 and funded from its core budget.

It also appears that because RCAGM is seen to be part of the BBC it is often not consulted by outside organisations such as the Business Improvement District. This makes advocacy and influence very difficult as it is assumed that the interests RCAGM are being protected and represented by the Council.

4.0 Vision for the Future

In early December 2018, Focus held a consultation session with staff and volunteers at RCAGM. This session looked at the possible options for the museum going forward, details of this can be found in Section 5.1, and also asked for thoughts on the direction of the museum should it be governed by an independent Trust. The group was split into three smaller groups and asked to work on three key areas giving their opinions on related questions:

Group 1 looked at collections:

1. How can we use the collection to better engage those who do visit?
2. How can we use the collection to better engage those who do not visit?
3. How could we use the collection to improve financial sustainability?

Group 2 looked at customers:

1. When thinking about our customers, what are the current challenges? e.g. parking etc.
2. How can we improve on our visitor experience?
3. Are there audiences missing and how do we engage/re-engage them?

Group 3 looked at financial sustainability:

1. When thinking about our financial sustainability, what are the challenges?
2. How do we use our core offer to build our organisational resilience and sustainability?

This session was fruitful with both staff and volunteers engaging in the exercise. The notes from this session have been written up and can be found in Appendix 2 but in summary staff and volunteers felt that:

- **Collection-** more interactives and better/more interpretation would help better engage those that visited. Regarding those that do not visit, it was felt that RCAGM could do more in the media and get better at promotion. It was thought that loaning items from the collection and reflecting the collection in shop merchandise could help improve financial sustainability.
- **Customers-** when considering the challenges, parking was identified as was the use of appropriate marketing/promotional tools for the appropriate audience e.g. older generation do not tend to use social media. To improve the experience RCAGM staff felt there was a need to follow up on successes to find out what worked. When looking at missing audiences, participants thought that targeting specialist groups might have benefit.
- **Financial sustainability-** This proved more difficult for participants to quantify with much time spent discussing the topic and ideas, but the group felt that making a good profit was one of the biggest challenges as well as finding the subsidy the council currently puts into the museum should it go to independent Trust. The group also felt that better engaging with local people could help build organisational resilience and stability.

Whether RCAGM decide to pursue the independent Trust option or not, the thoughts of staff and volunteers will no doubt assist in finalising a suitably ambitious vision for museum going forward. We would recommend that this work is continued.

5.0 Identifying Options to Achieve the Vision of the Service

Essentially there are two high level options. Option 1 is for RCAGM to be managed within the new structure of the new unitary authority which is as yet unpublished, but will see all the museums operating from within a single department. Option 2 is to seek an alternative governance model and there are a number of options within this.

Typically, a change in governance means moving the function into a newly created organisation or into an existing organisation through a provider. The strongest argument for such a move is an increase in enterprise, i.e. greater flexibility and responsiveness to customers, donors and funders. Evidence from elsewhere in the country shows that this increased enterprise potential is achievable, but is strongly influenced by the local context.

Within the above context, the following options for future governance have been identified. These are:

- **Option 1** - Transfer to, and remain within the new BCP Council
- **Option 2** - New, fully independent single Trust for Russell Cotes Art Gallery and Museum
- **Option 3** - Management contract with an established Trust
- **Option 4** - Contract with a private sector partner.

Each of these options is described in more detail.

Option 1: Transfer into BPC Under Current Structure

RCAGM would maintain its current governance structure whilst operating as part of the new authority. The service would continue to operate under significant budgetary pressures and face challenges of the current governance arrangements which will continue to have an impact on service delivery. This would also mean the service would continue to be Local Authority controlled and operated within a changing market place where by museums and cultural services are increasingly moving to more entrepreneurial business models. However, the future is unknown and it could be possible that RCAGM would benefit from being in a cultural service with a wider scope.

Options 2: New, Fully Independent Single Trust for RCAGM

A new single, stand-alone Trust would be established to manage RCAGM. The staff would transfer to the new Trust and the new BCP Council would enter into various contractual arrangements with the new Trust setting out the terms and conditions of any funding from the Council, the management arrangements for the collections and key operational issues relating to staffing and performance standards. It is assumed that these contractual arrangements will be for a set period of time and this will need to be specified.

Option 3: Management Contract with an Established Trust

An agreement would be made with an existing cultural/heritage Trust such as the Hampshire Cultural Trust or West Dorset Heritage Trust to manage RCAGM. The staff would transfer to the established Trust. The cultural/ heritage Trust will already have in place support service functions so there would be no need to duplicate these functions. BCP Council would enter into various contractual arrangements with the existing Trust relating to funding, management, staffing and operation of the service. It is assumed that these contractual arrangements will be for a set period of time and this will need to be specified.

Options 4: Contract with Private Sector Contractor

This would involve transferring the service to a private sector operator following a competitive tendering process. The existing Trust would enter into a contractual agreement with the private sector operator to deliver agreed services in accordance with a service specification.

5.1 Staff and Volunteers Session

Focus considered it appropriate to consult staff and volunteers on the future of museum and held a workshop session in December 2018 where participants were asked to give their thoughts on the governance options being considered for RCAGM. The group was split into two smaller groups and asked to work on two options per group. There was good discussion with all participants engaging in the task, but only Options 1 and 2 were discussed in any depth.

The notes from this session have been written up and can be found in Appendix 3 but in summary staff and volunteers felt that:

Option 1: Transfer into BCP Under Current Structure

The positives of staying 'as is' would ensure 'checks and balances', and a financial safety net. Being linked to the council was also considered as bringing benefits in relation to reputation.

The concerns about the status quo were around the perceived inflexibility of the council, being part of a larger, new council and a risk of less 'personal investment' and slow service provision.

Options 2: New, Fully Independent Single Trust for RCAGM

The positives of moving to an independent trust were sovereignty, freedom to run RCAGM as required, potential for new partnerships and possible funding opportunities.

Concerns were around the risk of having to sell items from the collection if the new trust got into difficulty. There was also concern around the cost of any transfer and issues relating to pensions, HR support and the general financial risk.

6.0 Comparator Case Studies

In order to inform the analysis of the above options, Focus has carried out extensive research into heritage sites that have moved from local authority to Trust. This was done through desk-based research, face to face and telephone interviews and site visits. The case studies have focused on how the transfer to Trust came about, the structure and make-up of the governance model, benefits and challenges of the move and the ongoing relationship with the Local Authority, if any. It proved difficult to find direct comparisons as RCAGM is so unique and there are also few examples where only one museum run heritage site has transferred to Trust. Nevertheless, the experience of the following comparators offers good insight.

6.1 Towner Art Gallery, Eastbourne

Towner is a contemporary art gallery and museum in South East England presenting major exhibitions of UK and international contemporary art. It also a renowned collection of art from across the ages. Towner dates back to 1920, with the original bequest of 22 paintings by Alderman John Chisholm Towner. The gallery opened to the public in 1923. By the 1990s, the gallery had outgrown its Old Town home. The Georgian property was not accessible and it lacked a shop, café and activity space. The new Towner opened in April 2009 in an £8.58m purpose-built gallery, the largest in South East England. It includes fully accessible collection display, storage and research facilities. Note: many staff have moved on since the Towner was taken on by the Trust and so some information is lacking in terms of costs and considerations.

6.1.1 Services

- The Towner is open all year round and is free to enter. It is open 10-5pm Tuesday to Sunday.
- It has a programme of events, talks and tours. During 2015- 2016 the Towner supported over 3,000 babies, toddlers, children, young people, families and adults enjoy and achieve in the arts. The gallery works with schools, colleges and universities. It also engages community groups, youth services, health care providers, museums and libraries.
- It has a café bar and a shop and hireable space.

6.1.2 Structure

The Towner was previously run by Eastbourne Borough Council (EBC) who set up the New Towner Trust as a fundraising entity pre-2009 in anticipation of the new building. This charity was dissolved and a new Trust was set up as a Charitable Company Limited by Guarantee in 2013. It was this charity that took on the running of the gallery. Towner Enterprises was also established in 2013 as private company to manage income from the café, shops and room hire, etc. The main sources of income for the Trust are grants from EBC and the Art Council, the Towner is an MPO Level 2, from fundraising from philanthropy and commerce and touring exhibitions.

The Trust wants to invest in the building and its core offer e.g. café. Trust will have to reduce its programme if grants can't be bought in.

The last accounts reported that the Towner received £2.7m in income and spent £1.6m.

The Towner Trust has 11 trustees and two of these are EBC representatives. Trustees include:

- A Journalist and Broadcaster
- An Architect
- Head, Cultural Property DCMS (1999-2012)
- Director for House of Illustration
- Director of HR for Specsavers
- An Art Consultant
- Senior Lecturer in Art History.

The Trust does not carry out regular skills review, but is very aware that there needs to be a move to diversify the Board. This will be addressed in the next year.

6.1.3 Relationship with Local Authority

The Towner Galley is a high specification building and with the move to Trust, EBC made a saving of approximately £150,000 plus salaries. There is a four-year funding cycle and this has been reduced from £600,000 to ££200,000 per year (2018-22). It will be reduced by a further £100k by 2022. This grant money is currently one third of the Gallery's income.

EBC own building and the Trust has a 40-year lease with peppercorn rent. EBC are responsible for replacement and the Trust is responsible for maintenance. This arrangement can cause a bit of negotiation when deciding on what is replacement and what is repair. All the collection up to 2014 is owned by EBC and anything after is owned by the Trust.

Benefits of going to/being a Trust	Challenges of going to/being a Trust
<ul style="list-style-type: none"> • Able to be much more agile • Able to be fleet-of-foot for finance, payroll etc. • Fundraising as charity and gift aid is now possible. • Big grants have allowed investment in programmes. Visitor figures pre-trust were 80-90k and they are now 140k due to better programming. 	<ul style="list-style-type: none"> • Loss of all procedures, standardised processes and of expert staff to produce them. • Loss of HR, H&S support • IT stayed with EBC but this will change as it is difficult for EBC to keep up with new technology or software etc. Big task to find a new provider. • Currently, income generated through commerce etc., would not replace a loss in core funding from EBC.
Lessons learned/Recommendations	
<ul style="list-style-type: none"> • Do not underestimate the skills, procedure's and polices you may lose. • Wherever possible, be sure to demonstrate value to the local authority to protect any grants. • Make sure legal agreements are water tight- Future proofing. Do not underestimate cost of this either. • Be mindful of meeting fixed costs and do not underestimate these. • Be mindful that people will move on who were involved in the move on so be prepared for that loss of knowledge. 	

6.2 Cogges Manor Farm, Oxfordshire

Cogges Manor Farm was once a working farm and is located in Witney, Oxfordshire. It was purchased by Oxfordshire County Council (OCC) in 1974 and turned into a museum. The 13th century manor house and 17th century farm buildings are Grade II* Listed and it is a Scheduled Ancient Monument.

The cost of running Cogges to OCC was £250,000 per annum and the site was making little income. At the end of the summer season 2009, OCC withdrew its funding and the museum closed. After much outcry from the local community, an option appraisal was carried out which resulted in the recommendation to form a trust to re-open and run the museum. The site was closed for two years while the trust was set up and a lease agreed with OCC.

When the Trust took on Cogges it did not do any fundraising until it had a robust business model in place, it also did not fundraise for revenue. £100,000 of revenue funding received from the Council was spent on income generating streams only e.g. families and weddings. For the Trust, Schools and audience development work would become a priority when the site was improved and financially sound. Another £100,000 from OCC was used for capital.

It is encouraging to note that the Trust had an operating profit within three years. It now has a track record with funders and is about to embark on a £1.5 million HLF project to revamp interpretation (not done since the 80s). It has taken 7 years for the Trust to be in position to deliver such a project

6.2.1 Services

Cogges is open from March until November. Admission is as follows:

	Gift aid	Non-gift aid
Adult	£6.50	£5.90
Child (3-16)	£4.50	£4.09
Family (2 Adults + up to 3 Children	£19.50	£17.72
Group (pp)	£5.50	£4.50

Visitors can explore 15 acres of the manor house and grounds, walled garden, picnic orchard, moated islands and river Windrush walk. There are also farm animals.

6.2.2 Structure

Cogges is a Charitable Company Limited by Guarantee with private hire and sales through Cogges Heritage Enterprises, a wholly owned subsidiary of Cogges Heritage Trust.

The Board of Trustees is made up of people representing different communities, many of them local and offering a broad range of skills.

Board members include:

- A Head of Registration, Coroner's & Cultural Services at Oxfordshire County Council
- The Cabinet Member for Cultural & Community Services at Oxfordshire County Council.

- A Head of Participation with the National Trust.
- Deputy Managing Director, Retail & Commercial, for Shelter.
- Chairman of the Board of Trustees for Citizens Advice North Oxfordshire & South Northants.

A full list, including experience, can be found on the Cogges website. Age range of members is mid-30s to early 70s. The Board is described as not very diverse however, it is noted that the demographic of the area is not particularly diverse. There is currently no lawyer and this by design. If need this will be bought in. Regular skill reviews of the Board are carried out. There are still trustees in place from 2011, but these are being phased out slowly to not cause disruption.

The last accounts reported that Cogges income was £416, 000 and spending totaled £396,000.

6.2.3 Relationship with Local Authority

The Council initially provided funding to set up the new Trust and to enable Cogges to open to the public. The Council provided £200,000 split £100,000 between costs to address capital works and £100,000 for revenue. After this initial £200,000 investment the Trust received no funds from the local authority and pride themselves on now being almost independent. The Trust has 23 years left to run on a 30-year repair lease. There was a small collection, but the Trust gave this back to the OCC.

In order to accept the above mentioned HLF grant, the Trust needed an extension on the lease so it would meet grant conditions however, the OCC was not able to agree this and so the Trust has started negotiations to buy the freehold.

Benefits of going to/being a Trust	Challenges of going to/being a Trust
<ul style="list-style-type: none"> • Independence • Freedom to make own decisions • Can be fleet if foot 	<ul style="list-style-type: none"> • The OCC has not been able to keep up with repairs due to budget cuts and issues relating to the collapse Carillion, one of its contractors. • Due to a lack of repairs, income from weddings is at risk. The barn is slowly becoming unfit to use. This could be resolved with the Trust purchasing the site from OCC. • Bringing people to with you in a vision of independence can be a challenge • TUPE'd Staff can come with attitudes that are tied to being Public Sector.
Lessons learned/Recommendations	
<ul style="list-style-type: none"> • Independence- value it and take risks. Be fleet of foot and don't bind yourself with the red tape gone before. • Focus- if you were starting from scratch, what would you do and how would you do it? • Be hard, delay what you want to do until you are in a position to do it e.g. audience development etc. Taking on old staff can make this difficult. • Try not to go into an agreement for repairs as LAs have other priorities. • Better to negotiate a decent amount of money upfront to kick start the repairs. • Be aware that where revenue comes from the local authority, the Trust may not necessarily make the best decisions for the organisation as they are responsible to LA. • Focus on what makes money. Cogges didn't do anything for schools in the first few years because it didn't make any money. Important things e.g. audience development, do not have happen now, build the business to provide stability. • Becoming totally independent should be the end goal. 	

6.3 Wycombe Museum, Buckinghamshire

Castle Hill House was opened as Wycombe Museum in 1962. The Museum explores the history of Wycombe District and its surrounding areas. It has an internationally recognised chair collection and includes 'The History of Wycombe in 10 Objects', an art gallery, a 1920's kitchen and changing temporary exhibitions. The site is a scheduled Ancient Monument, and the house itself is a Grade II Listed Building.

In December 2015 the museum re-opened after a period of major refurbishments, adding a café, shop and expanded gallery space.

6.3.1 Services

The museum is free admission and is open:

Monday to Thursday: 10am to 4:30pm

Friday: 10am to 4pm

Saturday: 10am to 4.30pm

Sunday: 12pm to 4.30pm.

The collection is largely local history related. It has a lively programme of exhibitions, events and talks. It also has a well-used service for schools tailored to suit Foundation Stage, and Key Stages 1 & 2.

There is a shop and café that serves hot & cold drinks and light refreshments. There is a small on-site car park. There are two hireable spaces, one large and one small and housed in the stable and coach blocks. These spaces are also used by the museum's learning services. The museum has a Friends group and an Adopt an Object scheme.

6.3.2 Structure

As noted, the museum was originally run by Wycombe District Council (WDC), but after various budget cuts and subsequent restructuring it was transferred to Wycombe Heritage & Arts Trust (WHAT) in 2016.

WHAT was set up by the council as a Charitable Company Limited by Guarantee. The original board was made up of representation from community interest groups such as the local history society. The Trust has mooted whether a Charitable Incorporated Organisation might now be a better model due to a lack administration capacity, but this has not gone any further.

There are currently 11 Trustees with experience including a volunteering specialist, director of impact for foodbanks, visitor analysis specialist, back office fundraiser and a wedding coordinator. The Chair of the Trust is the chair of local boards and has health well-being experience. Recruitment is mainly carried out through AIM and REACH Volunteering. The Trust acknowledges that it does not have as much community representation as it should.

Income is mostly derived from the café, shop, funding bids and the Council. Events make very little after staff costs. In the most recent account submitted to the Commission income was £284,000 with spending at £356,400.

6.3.3 Relationship with Local Authority

The current agreement with the local authority is via a Service Level Agreement where the Council is responsible for the collection, the buildings and finance. £1.2m is provided by WDC over five years. This amount is tapered and will end in 2021. Council owns the collection and has loaned it to the Trust for a period of 25 years.

The SLA is currently being revised to become a Partnership Agreement as it is thought this would provide a better fit with what the Trust is currently providing. Staff were TUPEd over in the move and retained benefits of public sector package such as leave and pension provision. Any new staff are on new contracts.

Benefits of going to/being a Trust	Challenges of going to/being a Trust
<ul style="list-style-type: none"> • Freedom and entrepreneurialism. • Opportunity to respond to things quickly. • Funding is easier to apply for (as a council run service, applications had to go to very senior, busy officers). • Marketing is in many ways easier. • Staff are now drawn from the local area as the site is seen as being a community venue. This creates a sense of ownership and staff work incredibly hard on that basis. • Museum staff now tend to have 'can-do' positive attitude. • No red tape • No endless restructuring 	<ul style="list-style-type: none"> • The Council no longer provides IT or HR support. The lack of these services was felt most in 2016 when the new Trust had no service support while bedding in. • Contract from council puts all maintenance onto Trust except for the fabric of building and guttering. • There is no facilities department and so there is a lack of maintenance where the council is responsible. This impacts on income as hireable space is slowly becoming inadequate. • Trees need addressing but as an outside service, there is no sense of urgency from the company contracted by WDC. • Lack of support for finance management. Despite the Agreement, this is currently carried out solely by a Board Member. • Council own the collection, but responsibility for it sits with the Trust as per the loan agreement. Collection is not in ideal conditions and Trust cannot afford to move it out due to the Council charging commercial rent on new storage.

6.4 Established Trust-

6.4.1 South West Heritage Trust

South West Heritage Trust (SWHT) was formed in 2014 to deliver the museums, archive and historic environment service for Somerset County Council (SCC). The Trust also delivers the Devon County Council's archives and local studies service and Taunton Castle which was previously run by Somerset Archaeological and Natural History Society.

It took approximately one year to set -up the charity and get it into an operating position. Much of the move was done internally to keep cost down, but there was some support by an outside consultancy and each party had their own legal teams.

6.4.2 Services

Services include:

- Somerset Archives and local Studies
- Museum of Somerset
- Somerset Rural life Museum
- The Brick and Tile Museum
- Devonshire Archives and Local Studies
- Archaeology and Built Heritage services.

6.4.3 Structure

When considering a new governance model, the options considered were to stay 'as is', go to an independent trust, outsource to a For-Profit company or outsource to a new Not-For-Profit.

A Private operator was considered, but there were no comparable examples at the time and so this was dismissed early on. After a lengthy and carefully thought-out process, the chosen option was Charitable Company Limited by Guarantee; a trading arm was also set up.

There are 12 members of the Board of Trustees and include:

- The former Director of Social Services at Somerset County Council
- The former director of Heritage Protection at English Heritage (now Historic England)
- A chartered accountant
- Cabinet member for Business, Inward Investment and Policy at Somerset County Council (SCC's nominated member)
- Cabinet member for Community and Environment Services at Devon County Council (DCC's nominated member)
- An arts professional
- Various museums professionals.

The Board is diverse in its skills and experience, but the Trust admits it needs a better gender balance.

The Board meets quarterly and is supported by three committees:

- Personnel Committee
- Finance Committee
- Marketing and Communications Committee

The Trust reports that the main sources of income are from the councils (70%) and from the Café and shops. The Café are run through concessions and the shops are run 'in-house'. Income is also earned through events, hire, access to records and contract arrangements with other authorities through consultancy services. The most recent account show income of £3,517,575 and £4,218,113 in expenditure.

6.4.4 Relationship with Local Authority

At the setting up of the Trust, there was a five-year funding agreement with the Councils involved. The agreement with SCC started with £1.6m and tapered. DCC contribution was much less due to the Trust taking on less of its service and was equivalent to one post. There was an income target of £800,000 and it is encouraging that this has been exceeded by 30%!

In relation to setting up the Trust, there was also some one-off funding. The Budget for the transition was £150,000 from SCC (75%) and £50,000 from DCC (25%). It must be noted that there were lots of sunk costs such as officer time to help with the transition. The biggest cost related to legal services as there were numerous agreements needed across all parties.

There is a current contract arrangement for SCC to continue to provide payroll and H & S for the Trust and HR is provided by a pay as you service. Legal advice is sought when necessary. The Trust does not own assets and acts as a management organisation with 30-year leases agreed as part of the transfer.

Benefits of going to/being a Trust	Challenges of going to/being a Trust
<ul style="list-style-type: none"> • Able to diversify income • Save on business rates • Capitalise on opportunities for change • Able to be more efficient, flexible and entrepreneurial. • Better marketing • Able to apply for funding more freely • Recruitment is easier and more flexible 	<ul style="list-style-type: none"> • There were no reserves for the Trust and it has worked to build its reserves. • Trust didn't have a reputation and had to build a profile when it came to loans and funders etc. • Because of the size of the service there were many complexities, both operationally and legally when moving to Trust. • It is considered that there is less security when a service not delivered by a Local Authority • There is still bureaucracy with a Board, just a different type however, a Board recruited for its interests and specialisms is more engaged.

Lessons learned/Recommendations

- Encourage close relationship with the Council. Having a commissioner will help to keep relationships after the move.
- Ensure multiple partnerships with other organisations.
- Negotiate for a grant arrangement
- VAT advice essential!
- Make sure service continues to meet Council agendas to ensure it is seen as relevant.
- Set realistic a realistic timetable for transition.
- Create a shadow board to help with the transition
- Ensure you have the capacity for the move, do not underestimate the work involved.
- Ensure you consult staff, volunteers and stakeholders.

6.5 Private Sector Operators

Whilst there are a number of private sector operators of leisure services, there are still very limited examples of private sector companies operating heritage services as a whole. Gunnersbury Park was a good example, where the park estate was funded and administered through a joint management arrangement between Hounslow and Ealing Councils as joint owners. All services were managed by Hounslow Council through a service contract with private sector partner, Carillion, but this came to an end when Carilion went into involuntary liquidation.

6.5.1 Continuum Leading Attractions

Continuum develop and operate a number of visitor attractions, some of which are their own and some they operate on behalf of partners. Attractions operated by Continuum include:

- Spinnaker Tower, Portsmouth
- Oxford Castle Unlocked
- The Real Mary King's Close, Edinburgh
- The Canterbury Tales, Canterbury
- Kent Life, Kent
- York's CHOCOLATE Story, York.

Therefore, whilst Continuum do deliver visitor services, the focus is on the operation of visitor attractions and it is considered unlikely that the company would have the complete range of skills necessary to take on the operation of a museum service as a whole.

6.5.2 Imperial War Museum

As of the 1st of April 2014, the Imperial War Museum transferred all of its visitor services and security to the security company, The Shield Group after a procurement process.

This is an example where parts of a service have been contacted out to the private sector. However, it must be noted that this is only a small part of the service and it is difficult to identify businesses that would have the skills base to take on the operation of RCAGM wholesale e.g. collections management, schools and community engagement.

7.0 Key Considerations

In order to establish a broad understanding of the key implications of continuing with the status quo for the short to medium term or transferring the service to an alternative governance model, an analysis of the following financial implications have been undertaken.

What needs to be remembered is the RCAGM already benefits from some of the advantages of being a trust such as tax relief, VAT efficiencies and Gift Aid.

7.1 Staffing

The Transfer of Undertakings Regulations (TUPE) protects employees' terms and conditions when a business or undertaking, or part of one, is transferred to a new employer. It applies to all employees who are employed by the transferor (the current employer) and work in the part of the business that is to be transferred. If the Service is transferred to an alternative governance model outside the Council, TUPE regulations will apply.

Best practice is for consultation periods to be in line with statutory redundancy consultation i.e. 45 days for less than 100 employees and 90 days for more than 100 employees. The consultation period may also be influenced by the pension arrangements. Failure to conduct reasonable consultation may result in liability for compensation which may be up to 13 weeks' pay.

7.2 Pensions

Under an alternative governance model, existing service staff will transfer under the TUPE regulations. TUPE would require the Trust(s) to provide a comparable pension scheme. In previous experience, advice has been that the new trust, where this is the preferred option, to be admitted to the pension scheme used by the local authority and staff are TUPE over the same scheme. There is a financial risk associated with the pension fund where any future shortfall due to changes in national conditions must be funded upon application to the scheme. The Pension Scheme would undertake an Actuary valuation to determine the new employer contributions, the shortfall and a suggested indemnity or bond to meet the level of risk identified. It is a strong recommendation that professional advice is taken on the topic of pensions.

7.3 Fundraising

There is often a reluctance to donate money to a service that is seen to be part of a local authority and therefore there may be more potential to secure philanthropic donations through a Trust model. This would only be achievable if fundraising skills existing within the Trust organisation and may require a shift in culture within any new organisation. Generally, as a charity, a Trust will be able to fundraise for itself more successfully than as part of the Council. As well as philanthropic donations, this could include:

- Grants from statutory funders and broader range of foundations and trusts for specific projects or part projects
- Corporate gift-in-kind or donation

- Corporate sponsorship funding activities or projects
- Payroll Giving benefits the donor and the charity
- Gross interest on savings
- Corporate gain corporation tax benefits resulting from Gift Aid donations to charities
- Legacies that reduce personal inheritance tax.

RCAGM is a Trust, but its hybrid nature means it is seen more as Local Authority Service.

7.4 Central Costs

Bournemouth Borough Council provides central support services to RCAGM, including the provision of Building Maintenance, Finance, HR, Marketing and Communications and IT services. An independent Trust may still choose to have these goods and services provided by the Council and this may form part of the agreement with the Council but alternatively the Trust may have the option of accessing the market for cheaper services. If these services are to be provided by the Local Authority, these costs will need to be considered in establishing funding arrangements for the new governing body.

7.5 New Operational Costs

These could include any new resources needed by a Trust as compared to a Local Authority's museums service such as new staff posts such as a Chief Executive, Business Manager, senior finance post, HR support, ICT support, increased marketing budget, staff training and estate management and the cost of providing new services to be purchased from others, particularly if central services are not to be provided by the Council. These costs would be less if the service joined an existing organisation which was already meeting these costs. A significant marketing budget will be a key to the success of any alternative governance model.

7.6 Set Up and Transitional Costs

The transfer of the service to an Independent Trust would have significant set up costs, and these would include:

Costs associated with the procurement of the contract to deliver the service, legal costs for the preparation of the governing document, funding agreement, any asset transfer agreement and collections agreements and leases and / licences. There will also be costs associated with the TUPE process. Other costs could include:

- Actuary valuation for pensions transfer
- Business planning support including detailed VAT assessments
- Recruitment and training of new staff if required
- Recruitment and training of Trustees
- Development of a new corporate identity
- Launch costs.
- IT
- Marketing and communications.

How the alternative governance model is operated and procured will determine the set-up costs.

8.0 Scoring the Options

In order to assess the 4 options identified above, a scoring approach has been developed to help understand the relative merits of each option. The key considerations of RCAGM have been used as the basis of this approach with a number of additional selection criteria. These were:

- Meets RCAGM aims and objectives/ vision/ priorities which includes:
 - Maintains a high-quality museum and arts service
 - Maintains and improves the stewardship, knowledge, conservation, management and access to the collection
 - Maintains and broadens audiences and enhances offer and engagement for audiences
 - Ability to respond quickly to opportunities and change
 - Maintains existing service
 - Opportunities to develop new services/partnership
- Flexibility to maximise revenue income generating opportunities/ potential to improve long term sustainability/ able to use funds for the museum's best interests.
- Offers opportunities for further capital investments
- Provides organisational stability to enable sustainability and planning
- Raises profile of museum regionally and nationally
- Contributes to the wider social, economic, educational and cultural agenda of the region.

The table below sets out the scoring approach used. Each option was assessed against the above criteria on the basis of how each option might be performing in the short to medium term. The scores range from 0-5 as follows:

Score	Meaning
4-5	<ul style="list-style-type: none"> • Major improvement likely. • Potential for substantial advantages • Best outcome.
2-3	<ul style="list-style-type: none"> • Some improvement likely. • Potential advantages outweigh potential disadvantages. • Acceptable outcome.
0-1	<ul style="list-style-type: none"> • No improvement likely or could be worse off. • Potential disadvantages outweigh any potential advantages. Worst outcome.

	Transfer to BPC under current structure	New Trust for RCAGM	Contract with established Trust	Contract with private operator
Meets RCAGM aims/ objectives/ priorities	Service is embedded in BCP delivery and therefore would have to also meet BCP priorities.	RCAGM would set its own aims/ objectives/ priorities.	Within a wider Trust, aims/ objectives/ priorities would need to be balanced with the requirements of the other partners.	A private company would be accountable to its shareholders and therefore limits the ability to focus on RCAGM aims/ objectives/ priorities.
	1	5	3	1
Flexibility to max. income generation and improve long-term sustainability	Income generation is good with significant costs covered however, opportunities for flexibility and diversification are limited within the Local Authority.	As an independent charity, all Trust options offer more potential for a secure income base and ability to attract more external funding and donations. Also, with more flexibility and the ability to bring onboard additional commercially minded Trustees, there would be opportunities to increase generation through commercial activities.	As a charity, all Trust options offer more potential for a secure income base and ability to attract more external funding and donations. Also, with more flexibility and the ability to bring onboard additional commercially minded Trustees, there would be opportunities to increase income generation through commercial activities. Existing organisation may already have strong skills in this area but could be limited by Trust's broader priorities.	A private company would have increased potential as it would focus on commercialisation and long-term sustainability, but this could be put before delivering a quality, wide ranging heritage service.
	1	4	3	2
Opportunity for capital investment	Opportunities are limited due to continued budget pressure on Local Authority. However, RCAGM is already a Trust and raising funds for capital investment is still possible. No change expected here.	RCAGM would have more flexibility to prioritise where capital investment is needed and apply for funds or direct surplus appropriately.	RCAGM could have more flexibility to prioritise where capital investment is needed and apply for funds or direct surplus appropriately. However, this would be dependent on the contract terms and wider priorities of the established Trust. Integration may increase access to funding due to a broader market and offer, but this is dependent on the nature of the organisation and skills.	Commercial operator is unlikely to have access to grant funding, but there may be investment opportunities. A company would also want to invest in its product to ensure quality and therefore, profit.
	1	3	3	1
Provides organisational stability for sustainability & planning	RCAGM remaining 'as is' offers organisational continuity and stability, but with continued budget pressure means that planning in the long term is difficult.	Staff would TUPE over to new Trust. Trust would be protected from Local Authority budget cuts and the implication this might have to staffing levels etc. However, it would need to ensure appropriate levels of revenue for the future through sustainable business plan	Staff would TUPE over to new Trust. Trust would be protected from Local Authority budget cuts and the implication this might have to staffing levels etc. However, a need to balance priorities across the established Trust could impact upon stability of RCAGM.	The transfer staff to a private company may not be favourable and could result in initial turnover. As long as the company was turning a profit, the organisation would be stable.
	2	3	3	1
Raises profile of RCAGM regionally and nationally	RCAGM will be part of a larger portfolio of sites and there is a risk that profile will actually be lost. Visitors to Christchurch and Poole, however may be made aware of RCAGM due to any joint marketing.	Independent Trust option would provide increased freedom and flexibility to develop new initiatives and approaches as well as increased income potential to improve the offer. There is also the opportunity to bring in Trustees to support development.	Trust option would provide increased freedom and flexibility to develop new initiatives and approaches as well as increased income potential to improve the offer. This will be as part of a larger portfolio and could provide benefits through joint marketing, but there is also a risk of lost profile within a wider offer.	Profile raising would be a priority for a private company as this ensures visits and in turn, profit. It would also have flexibility to respond. There is a risk that RCAGM could have a limited say in this.
	2	4	3	2
Contributes to wider social, economic, educational agenda of the regions	RCAGM will continue to achieve this but enhancing this would be limited by budget pressures.	Independent Trust option opens up the flexibility to achieve this and would be driven by the agreed charitable purposes of the Trust. This would need to be driven by Trustees and dependant on operating income. There is also more opportunity for partnerships.	Trust option open up the flexibility to achieve this and would be driven by the agreed charitable purposes of the Trust. Which agendas were being contributed to would need to be agreed with the established Trust.	Commercial operator will be primarily driven by commercial opportunities but this could adhere to many local agendas around economic regeneration, job creation etc.
	3	4	3	1
Score Total	10	23	18	8

9.0 Analysing the Options

Option 1: Maintain Current Structure under new BCP Council	
Advantages	<ul style="list-style-type: none"> • Minimum impact on staff/ services/ service users in the short term. • Retention of existing staff and expertise • Potential for closer partnership working with Poole and Christchurch. • The Council essentially retains the risk of the service.
Disadvantages	<ul style="list-style-type: none"> • Existing weaknesses in governance will remain and potentially be increased due to impact of larger council. • Continued lack of financial separation and the issues related to this • Decisions may be made in the best interests of the conurbation not RCAGM. • Service delivery at RCAGM could be compromised for the wider interests of museums in Poole and Christchurch. • It becomes more difficult to demonstrate transparency around income raised for the charity being spent on the Russell-Cotes. • The new Council may want to take RCAGM in a new direction either strategically, operationally, financially or museologically. • Risk that staff and resources could be deployed to support the other museums. • The RCAGM 'brand' could be diluted to support joint marketing. • Service will continue to face financial pressures and it may become increasingly difficult for BCP Council to fund RCAGM at existing levels. • Continued lack of investment in maintenance, repairs and capital projects. • Continued issue with low pay for professional staff and the issues related to this e.g. difficulty recruiting • Limited opportunity for philanthropic giving/ wider fundraising. • Lack of strategic fit between RCAGM and wider BCP Council heritage and arts venues. • Limited opportunity to develop short term opportunity for capital investment.

Option 2: New, Independent Trust for RCAGM	
Advantages	<ul style="list-style-type: none"> • Opportunities for genuine community/ stakeholder engagement. • Genuine independence and the benefits that come with this e.g. can set own agendas, better championing & representation • Financial separation and the benefits that come with this e.g. accurate representation of the accounts. • Surpluses generated can be reinvested in the improvement of RCAGM. • Potential for reduction in grant aid support to RCAGM from BCP Council (likely to be in the medium term not short term). • Increased ability to attract external funding and philanthropic donations. • Retention of existing staff and expertise through TUPE. • Trust would be a single purpose organisation able to operate in a more commercial and dynamic way. • Able to work in genuine partnership with the Council and other partners to guide the strategic direction of the new Trust. • BCP could retain a strategic role in the service, providing financial support which would be subject to terms and conditions. The Council could therefore be satisfied that the new Trust is helping achieve its objectives in relation to arts, heritage and culture. • Able to ensure the organisation is set up appropriately and is 'fit for purpose' in order to make decisions quickly and maximise business opportunities and respond to changing audience needs and expectations. • By appointing Trustees with relevant skills and experience, the Trust can bring a different focus to the delivery of services e.g. engaging Trustees from the private sector. • Greater flexibility and freedom to develop according to audience needs. • Greater marketing opportunities and flexibility. • Non-political and therefore has more opportunity to be business driven.
Disadvantages	<ul style="list-style-type: none"> • Due to the new Governance requirements there will be additional administrative requirements such as bi-monthly /quarterly Trustees meetings. • Additional set up and transitional costs for moving to independence. • If not managed effectively, the Trust could be declared insolvent and responsibility for the service could revert back to BCP Council. • Potential for unsatisfactory agreement with BCP regarding collections, repairs, grant contributions etc. • Potential for lack of definition of the relationship between the Trust and BCP Council. • Potential increased VAT liability • Likely additional management responsibilities in areas, such as repairs and maintenance, HR, Legal, IT etc • Potential issues around having staff within the organisation on different terms and conditions due to TUPE. • Unlikely to be any cost savings to BCP Council in the short term

Option 3: Integration with established Trust

Advantages	<p>As an existing Trust, all the advantages of Option 2 are also advantages to Option 3 to a greater or lesser extent. In addition:</p> <ul style="list-style-type: none"> • Set up costs are likely to be reduced as much of the set-up work has already been undertaken. • Increased buying power may lead to reduced costs. Savings to BCP may come quicker as a result of this. • There could be an enhanced cultural presence from being part of a larger organisation with more opportunities for growing the cultural offer and promoting Bournemouth. • Potentially widens and makes more visible the cultural offer to Bournemouth residents. • Brings new expertise to the areas in terms of staff skills and experience. • Savings may be higher due to economies of scale of working across a wider area. • Potential to increase funding successes due to the wider offer and heritage portfolio.
Disadvantages	<p>As an existing Trust, all the disadvantages of Option 2 are also the disadvantages to Option 3 to a greater or lesser extent. In addition:</p> <ul style="list-style-type: none"> • There is a potential for a loss of control locally with RCAGM having less of a strategic influence on the wider Trust. • Aspirations for the service locally will need to be balanced with aspirations across the whole Trust area. • Potential for lack of definition of the relationship between the Trust and BCP Council and between the Council and other Trust partners. • Potential issues around having staff within the organisation on different terms and conditions. • Risk of RCAGM brand dilution • No guarantee of increased maintenance, repairs or capital investment as priorities will need to be balanced • Inability to identify a potential partner locally with all the experience and capacity to be able to take on the responsibilities of the service.

Option 4: Contract with a private sector partner	
Advantages	<ul style="list-style-type: none"> • Potential for investment as part of the contract with the operator. • Savings may be generated through economies of scale.
Disadvantages	<ul style="list-style-type: none"> • Whilst there are a number of private sector operators providing leisure management services, there are limited private sector operators providing heritage services. • Being associated with a commercial operator could make advocacy and representation difficult. • Potential risk to maintaining Accreditation. • No stakeholder involvement at Board level. • Would impact on ability to undertake fundraising. • Loss of strategic relationship with BCP Council. • No guaranteed reinvestment of surpluses. • Potential failure to meet the wider non-commercial aims and objectives of RCAGM

10.0 Conclusions and Recommendations

From the scoring exercise and subsequent analysis of the advantages, disadvantages and risks of the options it is considered that a move to a fully Independent Trust will offer a number of significant benefits and it is recommended that a Business Case be developed for RCAGM based upon a move to a new governance structure as a fully independent body.

Initial legal feedback on the process for such a change in governance has been secured from Lester Aldridge, who have confirmed that a Foundation CIO is the most suitable legal form for RCAGM.

Lester Aldridge have suggested that the new Charity would enter into a long lease of the building with the existing Charity, as the landlord, retaining responsibility for the repairs. The lease would need to include appropriate break clauses.

Under this arrangement there would be two charities and the initial legal advice received was that the property would continue to be held by the Council under Section 57 of the Bournemouth Borough Council Act 1985 (until it is superseded by the Act creating the new authority) as one charity. The collection and the operation of RCAGM would fall under the new charity.

Please note we would recommend that this advice is reviewed as we believe that it would be more appropriate and reduce risk for the ownership of the collection, like the property, too also remain with the existing Charity with the new Charity having the benefit of a long term collection loan agreement.

The governance changes detailed above would require changes to the governance of the charity established by the 1985 Act. The procedure for this is set out in Section 75 Charities Act 2011. An application is made to the Charity Commission for a Scheme to alter the provisions of the 1985 Act. Once the Scheme is settled by the Commission, it has to be given effect by an order of the Minister for the Cabinet Office. The order must be laid before Parliament and, depending upon the exact nature of the changes to be made by the Scheme is either subject to a “negative resolution” procedure (i.e. it will take effect unless there are objections within a certain period) or it will require a resolution of each House of Parliament.

The timescale for the above process will require more detailed discussion but Lester Aldridge have advised that if the Scheme is settled by the Charities Commission, the Commission and/or the Attorney General’s office will normally deal with the Parliamentary aspects.

As part of the development of the Business Plan, a transition plan will be developed which will include budgetary allowances for the legal input associated with the move to a fully independent Foundation CIO.

Appendix 1

Management Committee Evaluation

Management Committee Evaluation Questionnaire

1 = Strongly Disagree 2 = Partly Disagree 3 = Partly Agree 4 = Strongly Agree

The Management Committee

	1	2	3	4
1. Management Committee members understand their individual and collective roles and responsibilities.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
2. The skills of the Management Committee are adequate and complementary.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3. Meetings are held sufficiently frequently.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. The Management Committee works and communicates well together.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
5. The Management Committee works and communicates well with senior officers.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
6. The Management Committee understands the distinction between Management Committee and management responsibilities.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
7. Management Committee members give sufficient time to the organisation and contribute in areas outside of Management Committee meetings.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Strategy and direction

	1	2	3	4
8. The Management Committee understand how it meets its charitable objectives and demonstrates public benefit	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
9. The Management Committee provides clear strategic direction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
10. The Management Committee receives regular and timely reports in order to support its decisions.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Governance

	1	2	3	4
11. The Management Committee understands and keeps up to date with its legal and ethical responsibilities.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
12. The Management Committee keeps abreast of sector developments.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
13. The Management Committee ensures that assets of the charity are adequately safeguarded.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Any other comments?

Appendix 2

Staff and Volunteer Vision

COLLECTION: Fabric, Fittings and Contents of RC Arts Gallery & Museum
<p>How can we use the collection to better engage those who do visit?</p> <ul style="list-style-type: none"> • Headphones, videos • Pro-active e.g, like the sheets looking for items in the Collection as well as looking at it • Descriptions next to pictures, not just on cards • Funding to improve the rooms • More guided tours • Regular spot talks • Dress the dining room more.
<p>How can we use the collection to better engage those who do not visit?</p> <ul style="list-style-type: none"> • Promote location tying in 'Beauty and the Beach' image for RC Exhibitions to attract new visitors: • More media attention – local newspapers as well as social media • Promotion, promotion, promotion
<p>How could we use the collection to improve financial sustainability?</p> <ul style="list-style-type: none"> • Loaning Collection more often! • Get more out of study centre storage • Shop – expand best seller items, etc to café area • Review layout • Sponsor a painting initiative! (businesses, benefactors, etc)

CUSTOMERS
<p>When thinking about our customers, what are the current challenges? e.g. parking etc.</p> <ul style="list-style-type: none"> • Parking Costs • Older demographic does not use social media. What other means should be used? Most use email and could ask for email addresses for updates of events
<p>How can we improve on our visitor experience?</p> <ul style="list-style-type: none"> • Informing locally/ customer base demographic • How to follow up on successes? • Older demographic does not use social media. What other means should be used? Most use email and could ask for email addresses for updates of events. • Improve ambience lighting?
<p>Are there audiences missing and how do we engage/re-engage them?</p> <ul style="list-style-type: none"> • Target specialist interest groups and links with other town museums and attractions. • More information for foreign visitors in their lingo • Pro to Option 2 (independent charity) is control of publicity.

FINANCIAL SUSTAINABILITY

When thinking about our financial sustainability, what are the challenges?

- Making a good profit
- Subsidy? £250k
- No overspend?
- Outgoings i.e. salaries
- Building
- Insurance

How do we use our core offer to build our organisational resilience and sustainability?

- Build up preserve fund
- I/D potential
- New ways of operating
- Engaging more with locals?

ACTIONS

Do we have expertise?

Appendix 3

Staff and Volunteer Session Options

OPTION 1- STATUS QUO	
PROS	CONS
Checks and balances exist	Council can be dogmatic or whimsical due to lack of interest and skills
Financial safety net	New large Council will have less personal investment
Service provision	Service provision is slow
Employees are L.G.C.S.	Employees are L.G.C.S.
Wider expertise e.g. architecture	Freedom to choose service providers for specific areas.
Reputation of Council assures service providers they will be paid	

OPTION 2 - INDEPENDANCE	
PROS	CONS
Sovereign	Could sell objects
Run as we want it	Legal
Security = Future of house	Pensions
As Charity, extra funds	HR
New network i.e. Uni	Salaries
Exciting	Risks: = financial = expertise

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Russell Cotes Art Gallery and Museum

Outline Business Plan

March 2019



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APPENDICES

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1.0 Introduction

This outline Business Plan summarises the financial and operational implications of the Russell Cotes Museum and Art Gallery should it be established as an independent Trust. This Business Plan covers the five-year period between April 2020 and March 2025. This report is intended to demonstrate to Bournemouth Borough Council the financial and organisational sustainability of RCAGM as it moves away from its current position of a council-run facility.

The report is structured as follows:

Section 2 – Existing Situation Analysis: an introduction to the current offer at RCAGM and its users, the current management and governance structures and a summary of its current financial position.

Section 3 – Financial Appraisal: an overview of the financial projections for the RCAGM to demonstrate its future sustainability.

Section 4 – Market Appraisal: a summary of the market context in which RCAGM operates and an outline of the user / visitor projections moving forward.

Section 5 – Visitor Potential: summary of the potential visitor market, penetration rates and projections for visitor growth moving forward.

Section 6 – Income and Expenditure Projections: outlines the overall financial impact of the project and the proposed Trust and scenario analyses.

Section 7 – Governance, Management and Staffing: a summary of the future arrangements for the governance, management and staffing of the site.

Section 8 – Business / Commercial Risks: risk register to highlight key financial and organisational risks

2.0 Russell Cotes Art Gallery and Museum

The Russell-Cotes Art Gallery & Museum (RCAGM) is an exuberant late-Victorian sea-front villa built by the Bournemouth hotelier and art collector Merton Russell-Cotes as a birthday present for his wife Annie. Russell-Cotes himself played a significant part in the design and interior decoration of the building, which reflects many of the artistic decorative fashions of the late Victorian period. What makes the RCAGM of exceptional national significance is the combination of the building and the collections. The rooms are filled with Russell-Cotes's collection of contemporary British paintings and sculpture and the artefacts amassed from their extensive foreign travels.

In 1908, Annie Russell-Cotes gave the house to the people of Bournemouth as an art gallery and museum. The Borough Council, as trustee, has administered the museum ever since.

The RCAGM is a building of national importance for its historic and architectural interest and is recognised by its Grade II* listed status.

2.1 Mission Statement

RCAGM's Mission Statement currently reads:

Our Mission is to inspire and enrich the lives of Bournemouth's residents and visitors by creating a cultural flagship around a unique house and international art collections.

2.2 The Site

The combination of historic house, extraordinary art and diverse collections, and a beach location makes RCAGM virtually unique.

The house was built on the Bournemouth cliff top in one of the most stunning locations on the south coast with unrestricted views of the miles of white sandy beaches of Poole Bay from Old Harry Rocks on Purbeck to the Needles on the Isle of Wight. The original building has suffered few significant alterations and much of its original internal character was restored in 1998-2001. The museum still possesses most of the items listed in the 1908 Deed of Gift to Bournemouth Borough Council (BBC) and many of them are displayed in their original setting. Hardly any other museum in Britain, with the possible exception of Sir John Soane's Museum in London, is in a position to present a collection in the setting designed for it.

The garden also exemplifies contemporary fashions in garden design. It was conceived as a private space for Merton, Annie and their family. The garden was originally filled with marble and bronze sculptures, as well as a secluded summerhouse. The Victorian stone grotto and fountain still survive, as does the Japanese garden with gold-fish ponds and bridges. It has been restored and improved by volunteer gardeners, with year-round colour in the borders to complement the pond, grotto, terrace and Japanese lantern, and features of the Victorian design.

There is a shop and café on site, both of which are run by the museum with the latter being bought in-house in 2017.

As noted, between 1998 and 2001, the Heritage Lottery Fund supported an extensive £2m restoration project where the fabric of the house was repaired, and all mechanical and electrical services were overhauled, including the security systems. The rooms and the garden were restored to something like their appearance in 1921. Museum interpretation was improved, while the collection was re-displayed and new displays about the history of the house, garden, collections and their founders were installed.

More recently, RCAGM was awarded £132,453 by the Department for Culture Media and Sport (DCMS) and the Wolfson Foundation for the Skylight Project which conserved the skylights in Galleries 1 – 4 and replaced the roof structures. The new skylights let in natural light through stained glass and have improved environmental conditions. The project completed in December 2017.

The galleries and most of the historic house are accessible by lift, with the exception of the upper ground floor of East Cliff Hall. As RCAGM is Grade II* Listed, interior alterations are subject to planning restrictions. Standard electric and manual wheelchair users are able to access most of RCAGM. Due to the nature of the site, a historic house with associated collection, some models are not permitted due to them being too large.

There is no onsite disabled parking, but this is available close by. Comprehensive access information is available on the RCAGM website <http://russellcotes.com/accessibility/>

2.3 Collections

The Collections are of considerable significance. Merton Russell-Cotes was an assiduous collector of British paintings and sculpture for over half a century. His collection provided a snapshot of late Victorian middle-class taste which is perhaps unique, with work by many significant artists such as Edwin Long, WP Frith and Edwin Landseer. Annie was a collector of ethnography and natural history and there is a significant collection, consisting of over 10,000 items, of ethnographic material, world cultures and souvenirs brought back from their extensive foreign travels to every continent including an 18-month round-the-world voyage in 1885 which took in Australia, New Zealand, Hawaii, Japan, China, India and Sri Lanka.

The extensive and diverse collection of decorative art, which includes a notable Japanese collection, is considered to be one of the most important in the UK.

2.4 Offer

RCAGM is open 10-5pm Tuesday through to Sunday and Bank Holiday Mondays. It is closed Mondays, Good Friday, Christmas Day and Boxing Day. Russell Cotes introduced year-round charging from January 2016 and Gift Aided Admission prices are as follows:

Adults & senior citizens	£7.50
Child (5-17years)	£4.00
Under 5s	FREE
Family (2 adults & 3 children)	£20.00
Student	£4.00
Concession	£4.00
Art Fund. Museum Association etc.	FREE
Annual Pass	FREE
Friends of Russell Cotes	FREE
Groups of 9 or more	£6.50 pp
Annual Pass	£19.50
Child/Student/Concession	£10
Family annual pass	£50

UK tax payers, are able to gift aid which includes a discretionary 10% donation allowing the museum to claim back 25 pence for every £1 from the government.

The site has a café in a wing of the museum selling light refreshments such as soups and sandwiches. The Café and Café Gallery be accessed without charge. The art shop stocks a wide range of bespoke gift and souvenirs including fine art prints, books, jewellery, toys and greetings cards.

As well as the four art galleries, there are changing exhibitions, all year-round events, workshops and talks and tours.

RCAGM offers a range of themed sessions, workshops and object handling for schools and has been awarded the Quality Badge from the Council for Learning Outside the Classroom.

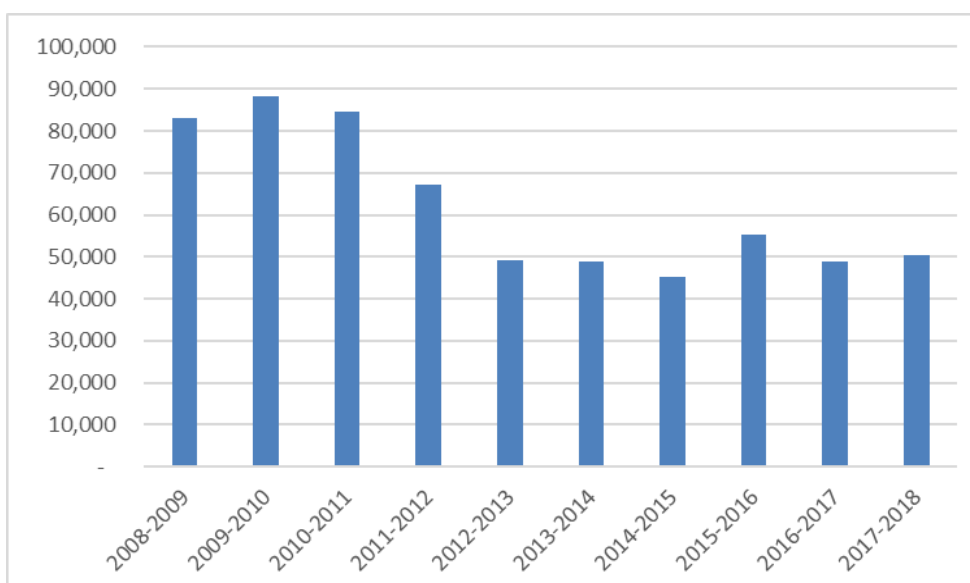
RCAGM also offers sessions for further education students and international language school groups. It also works with partners both on and off site to deliver sessions for the wider community including those with visual impairments and vulnerable older people.

2.5 Visitors

Visitors figures were recorded at 50,365 (including café only visitors) in 2017-18. This is an increase from 48,968 in 2016-17 and is the highest number since the museum began charging admission all year round (January 2016). Prior to this, the museum charged admission inclusively between April and October in 2012 -2015.

Understandably, following the introduction of charging in 2012 there was a drop-in visitor numbers as shown in Figure 2.1 below.

Figure 2.1: Visitor Numbers to RCAGM over the period 2008 – 2018



Source: Russell Cotes Art Gallery and Museum

The table below illustrates the breakdown of tickets sold by type. This is the most recent breakdown for tickets sold in the nine-month period April 2018 to January 2019.

Table 2.1: Ticket Breakdown (Apr 2018 - Jan 2019)		
Ticket Type	Number	%
Adults	19,632	58.1%
Child (5 – 7)	1,005	3.0%
Child (Free)	259	0.8%
Family	399	1.2%
Concession	141	0.4%
Groups	688	2.0%
Student	1,750	5.2%
Annual Pass	1,363	4.0%
Friends	364	1.1%
Complimentary*	1,521	4.5%
Language School	306	0.9%
Café	6,367	18.8%
	33,795	
*Largely Art Club Members		

Of the visitors above, 3.92% were return visitors through the Annual Pass or Friends ticket. In addition, 26.2% of visitors gift-aided their tickets.

In 2016 the Wessex Partnership gathered comprehensive visitor data by surveying people visiting RCAGM, Poole Museum, Dorset County Museum, The Salisbury Museum and Wiltshire Museum. This data revealed that RCAGM's visitor demographic is generally made up of those over the age of 55 and those who consider themselves white British. Data also revealed that:

- 63% of people were visiting the site for the first time
- 17% of visitors to RCAGM lived in the area, 23% were on a day visit and 64% were staying in the area overnight.
- 26% of people had heard of RCAGM through word of mouth, 13% by leaflet and 8% via the website.
- Data showed that the main reason for visiting RCAGM was to be intellectually stimulated.

Visitor feedback is very positive for RCAGM with 99% rating the whole experience as 'good' or 'very good', the same percentage applied to the staff welcome. 12% of people rated information about displays as 'poor' or 'very poor' and is already identified as an issue to be addressed through a DCMS/Wolfson funded project in 2019/20. 58% of the people surveyed were extremely likely to recommend the museum to a friend. The information above is reflected on Trip Advisor where, at the time of writing, RCAGM was rated 4.5 out of 5 and Number 2 out of 43 visitor attractions in Bournemouth.

2.6 Friends of Russell-Cotes

The Friends of Russell-Cotes was launched in winter 2016. Recently, RCAGM has seen an increase in its Friends membership due to a restructure of its charging model. New charges were introduced for talks in the house, but were available free for Friends. In May 2018, 22 individual memberships, 21 joint and 3 family memberships generated £1,500.

In return for a financial contribution, Friends receive unlimited free admission to the museum and art gallery, free entry to talks, a bi-monthly email newsletter, invites to exclusive Friends events, exhibitions and private views. The money raised from Friends is used help maintain the house and its collections

Prices are as follows:

- Friend £25 (one adult member)
- Joint Friend £40 (two adults at the same address)
- Family Friend £45 (two adults plus children at the same address)

2.7 Partnerships

RCAGM cultivates and maintains a number of relationships in order to deliver its work and drive high quality outcomes. The profile and reach of its collections and public programming, means it is able to create reciprocal relationships with national players within the disciplines of fine and decorative art, including the V&A Museum, Tate Britain and The Royal Academy.

At a regional level, RCAGM has productive working relationships with Salisbury Museum, Poole Museum and Dorset County Museum and provides collections expertise to a range of community museums and heritage facilities across the county.

Russell Cotes has a particularly strong alignment with Southampton City Art gallery, in terms of the scope and content of its collections and its programming aspirations. This has resulted in collaborative temporary exhibition programming including a high-profile Pre-Raphaelite exhibition scheduled for 2019.

At a local level, the museum engages effectively with the borough's schools and, given their focus on arts and the creative industries, has good links with both Bournemouth and Arts University Bournemouth. The museum also undertakes targeted work with community groups through gallery exhibitions, workshops, supporting Arts Week and providing a space to meet.

Expertise is shared with other local museums such as training their volunteers to use MODES.

The museum engages well with local schools and, given their focus on arts and the creative industries, has good links with both Bournemouth and Arts University Bournemouth.

3.0 Current Financial Arrangements/ Baseline

This section provides a brief overview of the baseline financial position for RCAGM based on the accounts for the year ending March 2018.

3.1 Existing Income and Expenditure

The tables below illustrate the total income for the Russell Coates Art Gallery and Museum for the financial year 2017/18.

Since introducing ticket prices at the museum in 2012 the income generation at the museum has significantly increased. In addition, over the last few years RCAGM has been very successful at securing project grants to undertake maintenance at the museum as well as deliver high profile exhibitions.

Income	Amount	Explanation
Donations	£28,040	
Bournemouth Borough Council	£487,297	This accounts for £250,000 identifiable costs and £237,297 of below the line costs.
Depreciation	£396,356	Identified within the accounts as BBC contribution
Grants	£192,338	Skylights project
Trading Activities		
- Retail	£198,266	
- Lettings	n/a	
- Venue Hire	£7,314	
- Loan of Exhibits	£4,603	
Charitable Activities		
- Admission Fees	£170,770	
- School Visits	£11,544	
- Guided Tours	£1,967	
Investments	£19	
Total Income	£1,498,514	

The table below summarises the existing expenditure at RCAGM.

Income	Amount	Explanation
General Operations	£802,313	Includes repairs and maintenance, rates and utilities, other premises costs, staff costs
Exhibition Expenditure	£40,809	
Grant Funded Expenditure	£173,868	Skylights project
Letting and Venue Expenditure	n/a	
Retail Expenditure	£43,396	
Accountancy and Audit Costs	£8,900	
Repository	£16,326	
Depreciation	£396,356	
Total Expenditure	£1,481,968	

The net income (before consideration of movement in current and fixed assets) for the year was therefore £16,546, of which £11,178 was unrestricted funds. This is an increase on the previous year when a small loss was achieved.

The income potential of the RCAGM should it be moved into Trust status has been considered in Section 6 below.

4.0 Market Appraisal

This section reviews the baseline position for the Russell Cotes Art Gallery and Museum. We have reviewed the demographics of the surrounding area as well as the audience spectrum data to understand more about the local population. It also reviews the offer of other local venues which could impact on the income generation for the site as well as comparator venues.

4.1 Local Demographics

The profile of Bournemouth aims to identify the size of the market from which visitors (including education) to Russell Cotes can be attracted. A review of data relating to each of the key markets has therefore been carried out.

It should be noted that some figures are sourced from the 2011 census which whilst quite out of date it is considered to be the most accurate data set available and it is industry standard to use this data as a baseline.

4.1.1 Population

- In mid-2017, Bournemouth has an estimated population of 194,800.
- There are 85,381 households.
- From mid-2016 to mid-2017, national and international migration and other changes meant that around 900 more residents moved to Bournemouth.
- The population is predicted to reach 225,000 by 2037.

4.1.2 Age

- The mean age in Bournemouth is 40. The most populous age bands are ages 30 to 44 (21.3%), age 45 to 59 (17.4%), as well as age 20 to 24 (9.3%).

4.1.3 Ethnicity

- The majority of Bournemouth residents are white (92.0%).
- There are minority of people who identify as Asian/Asian British (3.9%), mixed/multiple ethnic groups (2.3%) and Black/African/Caribbean/Black British (1.0%).

4.1.4 Economic Activity

- Of the 126,900 residents aged 16 to 64, 78.2% are economically active.
- The 3,800 unemployed residents (3.5%) is lower than the figure for Britain (4.2%).
- 41.7% of the economically inactive in Bournemouth are students, compared to 27.0% in Britain.
- 13.2% of the economically inactive in Bournemouth are retired, compared to 12.9% in Britain.
- 40,951 (26.4%) have Level 4 qualifications and above. 29,720 (19.1%) have no qualifications.
- The most prevalent occupation amongst residents is: professional occupations (16.4%).
- Bournemouth residents earned an average of £481 per week in 2013. This represents 93% of the England and Wales figure.

4.1.5 Schools

- There are 41 schools in Bournemouth, with 21,570 pupils (2014).
- There are 18,913 dependent children, 8,193 of which are aged 0 to 4.
- Nearly 18,000 students attended Bournemouth University in 2012/13, and 2,900 attended the Arts University Bournemouth at this time. In addition, over 2,500 overseas students attended the Arts University Bournemouth.

4.1.6 Connectivity

- Bournemouth is c.2 hours from London by car or by train.
- Southampton and Portsmouth are within 1-hour drive-time, while Bath, Reading and Exeter are within a 2-hour drive-time.

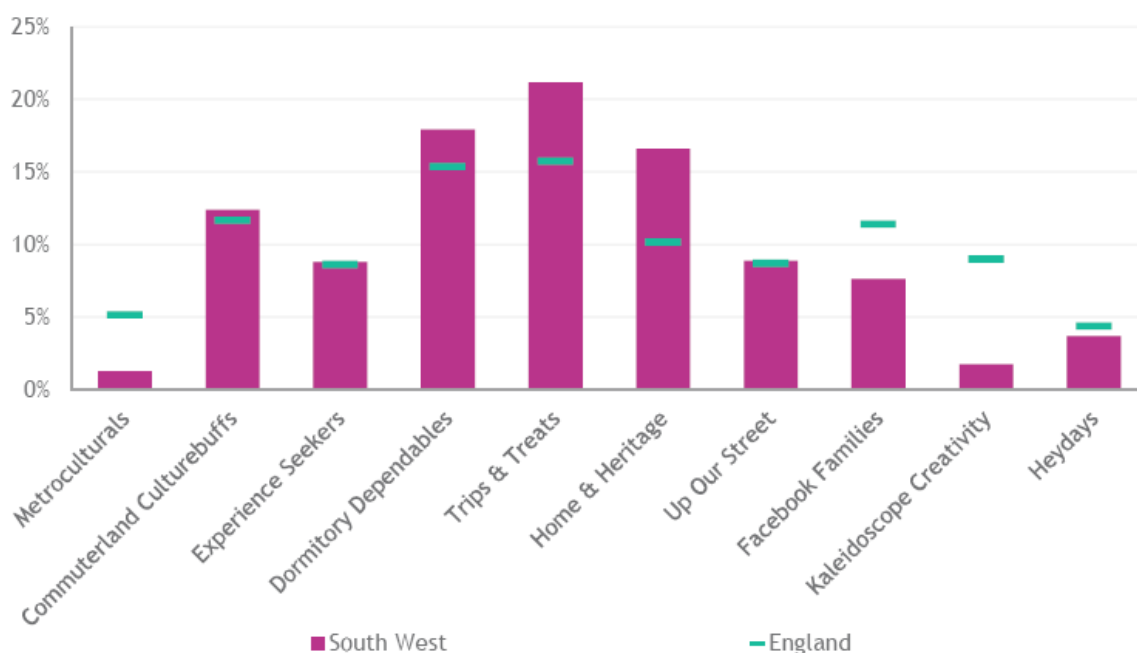
4.1.7 Tourism

- There were, on average, 888,000 domestic overnight visits to Bournemouth between 2014/2016, this includes 517,000 holiday visits.
- A total of 2,565,000 nights was accumulated by visitors. 1,665,000 of which were for holiday purposes.
- Total spend from domestic overnight tourism was £177m, £123m of which was for holiday purposes.
- There were 396,296 international visits to Dorset in 2017, representing a 4.03% increase from 2016.
- International visitors spent £225.64m (an increase of 17.90%) and spent 3.45m nights in Dorset (an increase of 8.56%).
- 45,28% of international visitors to Dorset were visiting on holiday, and 38.82% were visiting friends or relatives.

4.2 Audience Spectrum

Audience Spectrum is a population profiling tool which describes attendance, participation and engagement with the arts, museums and heritage, as well as behaviours, attitudes and preferences towards such organisations.

The most prominent Audience Spectrum segments within South West England are Trips & Treats, Dormitory Dependables and Home and Heritage. 56% of the target population belong to one of these three segments, compared to 41% of the base population as a whole.

Figure 3.1: Percentage breakdown of Audience Spectrum segments


Source: The Audience Agency, 2018

Trips and Treats: Suburban households, often with children, whose cultural activities usually are part of a day out or treat.

- While this group may not view arts and culture as a passion, they are reasonably culturally active, despite being particularly busy with a wide range of leisure interests
- Tend to be comfortably off and living in the heart of suburbia
- Children range in ages, and include young people still living at home
- With a strong preference for mainstream arts and popular culture like music and familial drama, mixed in with days out to museums and heritage sites
- This group are led by their children's interests and strongly influenced by friends and family

Dormitory Dependables: Regular but not frequent cultural attenders living in city suburbs and small towns.

- A significant proportion of arts audiences are made up of this dependably regular if not frequently engaging group
- Most live in suburban or small towns and show a preference for heritage activities alongside popular more traditional mainstream arts
- Many are thriving, well off mature couples or busy older families
- Lifestage coupled with more limited access to an extensive cultural offer mean that culture is more an occasional treat or family or social outing than an integral part of their lifestyle.

Home and Heritage: Conservative and mature households who have a love of the traditional.

- A more mature group that is generally conservative in their tastes
- Large proportion are National Trust members
- Classical music and amateur dramatics are comparatively popular
- While this is not a highly engaged group -partly because they are largely to be found in rural areas and small towns – they do engage with local cultural activity

- Likely to look for activities to match their needs and interests, such as accessible day-time activities or content exploring historical events.

Overall, the local population has similar levels of cultural engagement to the base population. The arts activities with the highest levels of engagement are:

Theatre – 46% have attended in the past 12 months

Popular / Rock Concert – 36% have attended in the past 12 months

Plays – 34% have attended in the past 12 months

In the last 12 months, the local population is more likely to have visited museums than stately homes / castles or archaeological sites.

4.3 Strategic Review

In February 2018, the government gave the go ahead to create two new unitary councils in Dorset – one will cover Bournemouth, Christchurch and Poole (BCP) and the other will serve the rest of Dorset. The new councils will come into existence in April 2019.

For Bournemouth, Christchurch and Poole it is considered that being part of one unitary authority will enable them to achieve:

- A UK no.1 location for lifestyle, business and leisure
- Growth in digital and knowledge-based economies
- Nationally significant arts and culture
- Housing that supports growth and meets local needs
- Improved transport with London and the south east
- Modern public service delivery
- Investment in skills and cutting-edge research and development

New strategies and policies will be released as the new BCP Council comes into existence. It will therefore be important for RCAGM to keep abreast of these changes to ensure future service delivery aligns with the key priorities for the area.

A report written by Savills in Autumn 2018 – ‘**The New Urban Dorset**’ – states that this merger could help to “create a flourishing economy to rival cities such as Bristol.” There will be a greater opportunity for business growth, improved infrastructure and affordable housing all of which will have a positive impact on the local area.

This sits alongside the regeneration already taking place within the town and additional projects being developed by the **Bournemouth Development Company (BDC)**. The new iconic Winter Gardens site has just received planning permission and will comprise new housing, leisure and social spaces. Other development sites such as the proposal for a new cultural quarter at Bath Road South, should it go ahead, would have a positive impact on the local area and increase the numbers of visitors to the area surrounding RCAGM.

In Winter 2018, Dorset LEP released its new ‘**Vision for Growth**’ – **Dorset Horizon 2038** – this illustrates the ambition to build a more productive, innovative, inclusive and sustainable economy. The new BCP authority will create a ‘city by the sea’ and the LEP will pursue formal city status and Core City status for the area.

The **Strategic Economic Plan (2014)** developed by Dorset LEP also highlights the strength of tourism within the area and one of the key areas for investment being around Bournemouth Pier – this would enhance Bournemouth’s main gateway onto the seafront and act as a draw for further investment. The five and a half miles of seafront cliffs, promenades, beaches and facilities attract over five million UK, European and global visitors every year – a huge market which Russell Coates could be appealing too.

Nationally, the **Mendoza Review** which was undertaken in response to the Culture White Paper (2016) states that LEP’s should include museums as part of their local economic growth agenda – this demonstrates the importance of venues such as RCAGM in attracting visitors to the area. Importantly, the review states that local authorities need to reduce museums’ barriers to generating income through allowing them to retain commercial profits, grant communication and digital freedoms and to consider how they can allow museums to manage their self-generated income and reserves across financial years – this is a significant issue for RCAGM at the current time.

From a Business Planning perspective, the Mendoza Review highlights that museums need to be cultural enterprise. They must consider and plan how to operate in a mixed economy of public and private funding and commercial income, adapting business models where appropriate. In addition, there is an importance to focus on audiences and understand how to engage them whilst also remaining relevant and enticing to diverse audiences.

4.4 Competitor Review

Museums and Heritage Site

Bournemouth is a popular seaside resort and is known for having 7 miles of beaches, Victorian architecture and bustling nightlife. There is also a lot to do with space to pursue both outdoor and indoor activity such as visiting the 2mile-long Bournemouth Gardens, cycling, sailing and visiting the Bournemouth Activity Centre. Bournemouth is well connected to other coastal towns and villages such as Boscombe, Southbourne and Westbourne.

Bournemouth is described as having a unique historical and cultural offering and the official tourism site for Bournemouth puts the Russell-Cotes at its heart. There is nothing like Russell-Cotes in the area, but there are a number of other museums and visitor attractions in the locality. These sites are illustrated in the table below

Table 4.1 Museums and Heritage Sites within 20 miles of Russell Cotes Museum and Art Gallery

Museum/Heritage site	Distance from Russell Cotes	Ownership	Admission Price (Adult)	Visitor Numbers (201X)	Facilities Offered
Bournemouth Natural Science Society 39 Christchurch Road, Bournemouth BH1 3NS	1 mile	Charity	FREE		<ul style="list-style-type: none"> • Natural science museum • Open Tuesdays 10-4pm and one Saturday most months • Limited parking (25 spaces) • Museum • Gardens • Programme of lectures
Museum of Design in Plastic Arts University Bournemouth, Poole BH12 5HH	3.1 miles	Arts University	FREE		<ul style="list-style-type: none"> • Specialist research resource at the Art University, Bournemouth • Accredited • Open to the public • Opens when University library is open Mon-Fri 8.30-9pm, Saturday 10-5pm and closed Sunday • Schools and outreach programme • Reference library • Exhibitions • Restricted parking

Table 4.1 Museums and Heritage Sites within 20 miles of Russell Cotes Museum and Art Gallery

Museum/Heritage site	Distance from Russell Cotes	Ownership	Admission Price (Adult)	Visitor Numbers (201X)	Facilities Offered
Redhouse Museum and Gardens Quay Road Christchurch BH23 1BU	5.0 miles	Charity	FREE		<ul style="list-style-type: none"> • Former workhouse exploring the history of Christchurch • Open Tuesday-Friday 10-5pm and Saturday 10-4pm • Schools sessions • Events programme • Classes and workshops for adults • Café • Gift shop • Gardens • Event hire (meetings and functions) • Wedding offer
Poole old Life Boat Museum Fisherman's Dock Poole BH15 1RA	6.3 miles	Charity	FREE		<ul style="list-style-type: none"> • Small museum with a lifeboat on display • Open April to December 10-4pm • Special event days • Souvenir shop

Table 4.1 Museums and Heritage Sites within 20 miles of Russell Cotes Museum and Art Gallery

Museum/Heritage site	Distance from Russell Cotes	Ownership	Admission Price (Adult)	Visitor Numbers (201X)	Facilities Offered
Poole Museums 4 High St, Dorset BH15 1BW	6.8 miles	Borough of Poole (Supported by a Charitable Foundation)	FREE		<ul style="list-style-type: none"> • Comprises four sites (Poole Museum, Poole History Centre, Scaplen's Court and Sea Music sculpture) • Winter-Monday to Saturday 10-4pm, Sunday 12noon-4pm • Summer- Daily 10-5pm • Talks and tours • Events programme • Shop • Café and terrace • Schools offer • Venue hire (Corporate and Events) • Wedding offer
Bournemouth Aviation Museum Merritown Lane Christchurch BH25 6BA	6.9 miles	Charity	£6 Annual passes available		<ul style="list-style-type: none"> • Displays various aircraft • Summer- Open daily 10-5pm • Winter- Open daily 10-4pm • Open cockpit policy • Parking • Children's parties • Museum shop

Table 4.1 Museums and Heritage Sites within 20 miles of Russell Cotes Museum and Art Gallery

Museum/Heritage site	Distance from Russell Cotes	Ownership	Admission Price (Adult)	Visitor Numbers (201X)	Facilities Offered
Highcliffe Castle Highcliffe, Dorset BH23 4LE	9.3	Christchurch Borough Council	£2.50		<ul style="list-style-type: none"> • Open Mon-Sun-10.30-3.30pm • Tearooms • Guided tours • On-site car parking • Programme of events and exhibitions • Weddings • Corporate and private hire
Priest House Museum and Gardens	11.3 miles	Charity	£4.50 £5.50 with guided tour		<ul style="list-style-type: none"> • Museum closed until 2020 for redevelopment • Mon-Sat 10-4pm (Tourist Info and Garden Tea Room. • Museum shop and tourist information centre • Tea room • Guided tours • Formal and informal learning programmes • Programme of events • Venue hire (meeting room) 50 max.
Wareham Town Museum Town Hall, East St., Wareham BH20 4NS	14.6 miles	Wareham Town Council (Run by Volunteers)	Free		<ul style="list-style-type: none"> • Local history museum • Open Mon-Sat 10-4pm • Parking • Gift shop • Refreshments • Gardens • Guided tours

Table 4.1 Museums and Heritage Sites within 20 miles of Russell Cotes Museum and Art Gallery

Museum/Heritage site	Distance from Russell Cotes	Ownership	Admission Price (Adult)	Visitor Numbers (201X)	Facilities Offered
Corfe Castle Wareham, Dorset BH20 5EZ	19.5 miles	National Trust	£11.20 (incl. Gift Aid) NT members FREE		<ul style="list-style-type: none"> • Ruined Castle • Open daily 10-4pm • Pay and display car park • Picnic areas • Events programme • Schools offer • Small visitor centre • Shop • Tea Room
Tank Museum Bovington Dorset BH20 6JG	20 miles	Charity	£13 Free annual pass incl.		<ul style="list-style-type: none"> • Open daily 10-5pm (July and August 10-6pm) • Museum, archive & library • Picnic and play area • Schools offer • Events Programme • Tours and talks • Car Parking • Venue hire (Corporate and conference) • Restaurant & Café • Shop

Other Bournemouth Attractions

Bournemouth also has a variety of other, non-heritage related attractions that may compete for visitors or in some instances complement for example, the Upper, Central and Lower Gardens. These are detailed below.

Name of site	Distance from Russell Cotes	Ownership	Admission Price (Adult)	Facilities Offered
Bournemouth Lower Gardens West over Road, Bournemouth, BH1 5AH	05. miles	Bournemouth Borough Council	Free	<ul style="list-style-type: none"> • Formal planting • Bandstand • Mini golf • Exhibitions and family activities in Summer • Guided walks • Tree Trails
Oceanarium	0.5 miles	Private	£12.00 on the door, £8.00 if bought online	<ul style="list-style-type: none"> • Aquarium • Education programme – self-guided visit £5.95 per child and £6.95 / £7.95 for expert led session • Café and Shop • Birthday parties • Talks and Feeding Times • Conservation programme
Science Zone 21/22 The Royal Arcade, Bournemouth, BH1 4BT	1.6 miles	Private	£6 (includes child admission)	<ul style="list-style-type: none"> • Science centre • Open Tuesdays to Saturdays 10-4pm • Schools sessions (workshops £5 per head + VAT Dome Shows £3 +VAT) • Birthday parties (£129 room hire. Science Party an additional £5 per head) • Events programme

Name of site	Distance from Russell Cotes	Ownership	Admission Price (Adult)	Facilities Offered
Central and Upper Gardens Surrey Road, Bournemouth, BH4 6HW	1.7 miles	Bournemouth Borough Council	Free	<ul style="list-style-type: none"> • Formal planting with pergola • Tennis court • Café • Guided walks • Tree Trails
Boscombe Chine Gardens Christchurch Road Bournemouth BH5 1BL	1.8 miles	Bournemouth Borough Council	Free	<ul style="list-style-type: none"> • Victorian garden • Mini golf • Winter themed playground • Water play area • Café
Alum Chine Tropical Gardens Bournemouth, BH4 8HW	2.1 miles		Free	<ul style="list-style-type: none"> • Tropical gardens • Treasure themed play area
Hengistbury Head Visitor Centre Bournemouth, Dorset BH6 4EW	5.3 miles	Bournemouth Borough Council		<ul style="list-style-type: none"> • Visitor centre explaining the area, its history, wildlife, geology and archaeology • Open 10-4pm daily • On-site car parking • Exhibitions, events and activities • Wildlife garden • Shop • Schools and life long learning offer • Hireable space for meetings and exhibitions

Name of site	Distance from Russell Cotes	Ownership	Admission Price (Adult)	Facilities Offered
Wimcombe Model Town	11.2 miles	Charity	£6.50	<ul style="list-style-type: none"> • Recreates Wimbombe during the 1950s • Opens Mar-Oct daily 10-5pm • Model railway • Outdoor chess game • Gardens • Programme of events • Venue hire and children's parties • Tea Room • Shop
Corfe Castle Model Village Wareham, Dorset BH20 5EZ	19.5 miles	Private	£3.95	<ul style="list-style-type: none"> • Model of Corfe village in 1646 • Nov-Jan village open 10-5pm • Miniature museum and Info. Centre • Gardens • Café and tea rooms (Open all year round at weekends) • Terrace • Basic schools offer

Cafes

Competitor desktop research has been carried on Cafés found within half a mile of RCAGM with the results listed in the table below. There were more café offers however, it was felt that these were so different from RCAGM's café that they were not considered competitive. As a Seaside Resort, Bournemouth has a large number of cafés, coffee shops, delis and tea rooms. The town is described as aiming for the continental café feel and there are numerous cafes of varying size and quality at beachfront. Within the Bournemouth, there is a mix of themed cafes, a more contemporary offer in line with the younger, more diverse audiences found in the town and global chains such as Costa and Café Nero.

Competitor analysis reveals that most of the cafés open much earlier than the café at RCAGM to accommodate those on their way to work or university. There appears to be only one themed cafe, Pause at the Cat Café which lets patrons enjoy the company of cats and so would appeal to certain people. There is the small chain, The Real Eating Company, that provides locally sourced fresh food and sits within a Victorian property which retains many original features.

There are at least three chain cafés close to Russell-Cotes and these will be competitively priced with fast and efficient service. Although Bournemouth has much to offer in the way of places to eat a light meal, within this market Russell Cotes is special. It offers the opportunity to eat in the modern, airy wing of a beautiful historic house and museum. The café displays artwork, has beautiful views of the museum's garden and the English Channel, competitively priced food and beverages and an Afternoon Tea special.

Table 4.2: Cafés within 0.5 miles of Russell Cotes Museum and Art Gallery

Name	Distance from Russell Cotes	Opening times	Type	Offer	Additional
The prom Café	0.3 miles	Winter 9-6pm Summer 8-11pm	Café and coffee shop	Indoor and outdoor with large fresco area. Hot and cold food	Café near the pier.
Caffe Dino	0.4 miles	07.00-18.30	Café and coffee shop	Vegan, pasta, sandwiches, breakfast	
Real Eating Company	0.4 miles	08.00-5.30pm	Casual dining café	Local food and drink. All day breakfast, coffee	Converted ground floor with Victorian features. Rea for 'mini meetings'
Café Nero	0.4 Miles	07-6.30pm Sunday 7.30-6pm	Chain coffee shop	Casual coffee-shop with light bites and	Chain coffee shop

Table 4.2: Cafés within 0.5 miles of Russell Cotes Museum and Art Gallery

Name	Distance from Russell Cotes	Opening times	Type	Offer	Additional
				specialty blended drinks.	
Ventana Grand Cafe	0.4 miles	12.30-9pm	Café/restaurant	Contemporary afternoon tea. Various offers two course £16,.95 or two main and pay for most expensive	High end in hotel
Costa Coffee	0.4 miles		Chain coffee shop	Casual coffee shop Quick bites	
Pause Cat Cafe	0.5 miles	12-4pm (12-5pm Saturday) Closed Tuesdays	Café with cats	Sandwiches, light bites and desserts	
Patisserie Valerie	0.5 miles	8-7pm Sundays 9-6pm	Chain café	Patisserie serving coffee and light meals, plus pastries and cakes.	Chain patisserie
Coffee Reef Café	0.5 miles	Winter 10-5pm Summer 9-late	Coffee shop	Serves sandwiches and snacks	Café near the pier.

The 2018 Catering Report makes some good recommendations to improve the offer and will allow RCAGM Café to better stand out in a crowded market through acknowledging, growing and utilising its uniqueness.

Wedding Venues

Bournemouth has numerous wedding venues, most of them in hotels. There are approximately 35 hotels that hold weddings within the BH post code, even more if you include manor houses, barns and marquees. The Russell-Cotes Art Gallery & Museum however, offers an opportunity to get married at a unique place, 'a world apart from other wedding venues on the south coast.' A wedding at the Russell-Cotes is described as 'an ideal blend of elegance, tradition and grandeur in a magnificent setting for you to celebrate your special day. Because of this distinctiveness, more unique places have been researched as competitors. For the majority of these sites, weddings are their core business of these venues and are therefore able to be very flexible and competitive.

Venue	Miles from RCAGM	Offer	Approx. cost	Capacity
Beach Wedding Bournemouth	0.8 miles	<ul style="list-style-type: none"> Only place in the UK Relaxed and informal with stunning views Marquee hire Onsite catering Nb. This venue closed 2019 but could be opened by another operator 	Ceremony only £1,300 Packages start from £8,900	400
The Italian Villa	3.4 miles	<ul style="list-style-type: none"> Ceremony and reception Set within stunning gardens Multi award winning Character and grandeur Three suites on offer 	Off peak £4, 123 Peak £6, 865	180 seated 250 evening
Sopley Mill	8.4 miles	<ul style="list-style-type: none"> 18th Century Watermill Views over the Avon water meadows Waterside venue and so private Can just hire the venue and use own florist, caterers and planners etc 	£1000-£6,295 for venue hire only and dependant on the day and time of year	100 people seated
Highcliffe Castle	9.4 miles	<ul style="list-style-type: none"> Grade I listed 'castle' Themed ceremonies large flexible space to accommodate casinos etc Lawn games 	Ceremony starting at £840	110 seated 200 evening

Venue	Miles from RCAGM	Offer	Approx. cost	Capacity
English oak vineyard	11.8 miles	<ul style="list-style-type: none"> • Say vows beneath 300-year-old oak tree • Set amongst 23 acres of vineyard • Organically produced food • Wines from the vineyard • Panoramic views • Dedicated wedding planner • Opportunity for guests to 'Glamp' 	Emailed- awaiting info	
Electric Palace	44.9 miles	<ul style="list-style-type: none"> • Ceremony and reception • Restored 1920s picture house • Movie glamour theme • Retro bar with red velvet chairs and sofas 	300 guests	Emailed- awaiting info

4.5 Comparator Review

As part of the work to understand what other venues similar in nature to RCAGM work and generate income we have undertaken some desk-based research into a number of comparator venues. In particular we have focussed on their opening times and admission prices, membership schemes and how they generate the majority of their income to support the delivery of their aims and objectives.

Gilbert White and the Oates Collections

Gilbert White was aged 7 or 8 when the White family moved from the Vicarage on Selborne's Plestor, to this house, called 'The Wakes' (named after the Wake family who had lived here previously). At that time the property would have been no more than a 'two up, two down' but over the subsequent years lots of extensions and additions have been made, creating the long sizeable house you see today.

The rooms have been restored following descriptions in White's own correspondence and include a chair he used at Oriel College, Oxford (loaned from the College), items of contemporary furniture, family portraits and bed hangings embroidered for him by his aunts.

On display is the original manuscript of his book, The Natural History and Antiquities of Selborne, which was purchased with generous help from English Heritage and others.

Opening Times and Admission Fees

The Museum and Gardens have the following opening times:

4 th Jan – 17 th Feb	Fri-Sun	10:30-4:30
18 th Feb – 31 st Mar / 1 st Nov – 22 Dec	Tue-Sun	10:30-4:30
1 Apr – 31 st Oct	Tue – Sun	10:30-5:00

The Café is open:

4 Jan – 22 Dec	Tue-Sun	10:30-4:30
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The current admission prices are:

Adult	£10.00
Concession	£9.00
Under 16	£4.50
Family	£25.00
Garden Only	£6.00

Paying admission to the House and Gardens enables visitors to return for free for a whole year, except event days.

Friends Scheme

The Friends of Gilbert White and the Oates Collections is a separate charity set up to support and sustain the museum. All members receive:

- Unlimited free entry to the museum and gardens for length of membership
- FREE admission for five of your friends for a year/length of membership
- “Wakes News” an electronic newsletter – 4 times per year
- FREE entry to our annual Unusual Plants Fair
- Discounted tickets for special events
- Discount in our shop
- Invitations to “We Love Our Friends and Volunteers” (February) and our “Annual Team Update” (December) where you can meet other Friends, volunteers, staff and trustees, to hear about our achievements and plans for the year ahead
- Best friends will be invited to enjoy afternoon tea, for two, twice a year in our Tea Parlour.
- Best friends can also enjoy private guided tours by pre-arrangement

There are a number of different memberships available ranging from £25 for an annual individual membership to £600 for a joint lifetime membership.

Income Generation

The main areas for generating income through the museum alongside admission, retail and catering are detailed below. A summary of the prices associated with each element are outlined below:

Weddings:

- Specialist barn available for exclusive hire over 3 days prices from £6,500
- In the house the Great Parlour can be hired for ceremony (up to 35) and drinks / photos in the grounds for £1,500 incl. VAT
- Use of garden for photographs (up to 40 guests) - £300 inc VAT

Other Hire:

- Gilbert White Room (daytime) - £50 per hour
- Discovery Room (evening) - £75 per hour

Schools:

- Varying session costs based on location and whether primary/secondary
- 30 pupils or less start from £288.50 additional pupils £7.95
- 4,571 school children attended sessions

Talks / Activities:

- Tickets for talks related to exhibitions start from £12.00
- Children's activities - £10.00 per child with one free adult. 369 out of school activities were held.
- Outreach talks - £30 donation to museum plus mileage from museum. 135 delivered in 2018.

Over the last year numbers attending the major spring and summer events (Wedding Fair, Nature Day, Unusual Plant Fair, Gilbert's Games, Outdoor Theatre and Dog Show) all increased. They also continued with a programme of smaller events, including three Antarctic lectures, that were very well-attended, three nature lectures and various literary and local history talks, social evenings, product launches, etc.

As a result of 16 weddings booked for the summer of 2017 and wedding viewings continuing to increase a wedding coordinator has been appointed to focus on this income stream. The **total events income in 2018 was £106,865.**

The Holburne Museum

The Holburne Museum was founded in 1882 as Bath's first art museum with, at its heart, the collection of Sir William Holburne (1793-1874). In 1916 the collection moved to its present location at the top of Great Pulteney Street and in May 2011 an award winning extension by architect Eric Parry provided space for additional galleries and a garden café.

The Holburne is a treasure house of old master paintings, portrait miniatures, porcelain, Renaissance bronzes and ceramics, silver and embroidery.

Opening Times and Admission Fees

The museum is open daily from 10am to 5pm (Sunday and Bank Holidays 11am to 5pm). They close to the public on 24/25 December and 1 January.

The current admission prices are:

Full price	£11.00	(£12.50 includes a £1.50 Gift Aid donation)
Concessions (Art Fund/NUS/19-25 yrs)	£5.50	(£7.00 includes a £1.50 Gift Aid donation)
Groups 10+	£10.00	(£11.50 includes £1.50 Gift Aid donation)

There is free Admission from 3-5 pm every Wednesday and from 5 to 9pm the last Friday of the month.

Free for 18 and under / Friends and Patrons of the Holburne / Staff and Students from the University Of Bath and Bath Spa University / Adult accompanying a disable visitor.

The shop, garden and café are free to enter.

Membership

Holburne Contemporaries is the Museum's membership designed for creative people who are passionate about art and want to feed their appetite for new artistic and cultural thinking.

Becoming a member of the Contemporaries is an affordable way of enjoying evening art events and making a significant difference to the success of the Holburne.

Contemporaries membership is just £10 a month for you and a guest.

Friends Scheme

Friends play a vital and rewarding role in supporting the Museum in the maintenance and enhancement of its collections, the sponsorship of exhibitions and its aim to Change Lives through Art. Friends benefit from:

- Free entry to the Museum and its temporary exhibitions
- The Friends Newsletter and Museum's What's On Guide three times a year
- Exclusive private views, social events, lectures, concerts and visits to houses, gardens, galleries, museums and artists studios
- Foreign visits to cultural destinations in Europe and the Middle East

An annual subscription to the Friends Group is:

- Single Annual Membership £35
- Joint Annual Membership £50

Income Generation

The museum runs an ambitious programme of creative activities engaging with nearly 13,280 people, including over 1,000 university students. They delivered Art Award, Arts Masterclasses and events programme to complement exhibitions.

Examples of events include:

- Monthly programme of Gigs in the Galleries with tickets charged at £15.00 pp. The café is open for drinks an hour prior to concert start.
- Five course meal with wine and exhibition entry – guests chef come into the museum to cook. Charged at £55.00 per head. Guest chefs
- A programme of special exhibitions charged at £12.50pp (£7.00 conc.)
- 'In conversation with...' programme of talks. These are mainly centred around special exhibitions and cost £10.00pp including free access to exhibition. The Garden café is also open during these events.
- Film nights at £8.00pp and includes free exhibition entry.
- A programme of free talks.
- Adult workshops set around specific art forms. These cost £60.00 (one day) or £120.00 (two days).

- Art Masterclasses which cost £30 and includes all materials. There are a maximum of 10 places per masterclass and these are regularly fully booked.
- There are a series of activities aimed specifically at children and young people including:
 - Arty Babies / Monday Yearlings / Tuesday Yearlings / Afternoon Toddlealongs. These are £50/60 for a block booking and each session is 90 minutes. These are all fully booked.
 - Saturday Art Club which take place fortnightly during term-time. These cost £10 per session and are fully booked.
 - Easter Art Camp which costs £40 per day (£25 discount for booking 5 consecutive days).
 - Free family drop-in sessions during Half Term

Venue Hire – Weddings / Events

Weddings can only be held from 4:30 pm until 10:30. The Holburne works in partnership with The Gainsborough Bath Spa which is located in Bath to deliver their weddings and private hires.

There are three different types of wedding packages which include for different numbers and the use of different spaces. Couples can include ceremony and drinks, wedding breakfast and evening reception. Capacity ranges from 60 – 120.

The Clore learning space can be used for conferences / presentations for up to 50 people or for up to 25 people in a board room style.

The gardens can be used for Garden Parties with the potential to book bespoke packages for up to 100 people (various packages available).

The museum is available for exclusive hire. This is available on certain dates for exclusive hire (10am – 4pm).

Staff Away Days – includes tours / use of Clore Learning Space / lunch / activities. Prices start from £48 per person.

Watts Gallery, Artists Village

Watts Gallery Trust was established and registered as a charity in 1905. In 2008 it was incorporated as a company limited by guarantee. Operation of The Tea Shop, Shop, Watts Contemporary Gallery and venue hire is carried out through its wholly owned subsidiary, Watts Gallery Trading Ltd. The charity is controlled by its governing document, a deed of trust, and constitutes a company, limited by guarantee, as defined by the Companies Act 2006.

The Trust is governed by a board of Trustees who are also directors of the Company. The Trustees meet at least four times a year, are responsible for the objectives and the strategy of the charity, and are in overall control of its management and administration. Certain management and essentially all operational functions are delegated to the Director and Senior Management Team.

Financial Overview (Watts Gallery Strategic Report 2017-18)

“Excluding depreciation and any expenditure related to the restricted funds the Gallery’s general operational costs are approximately £1.3m each year which has to be met from unrestricted income.

In the year ending 31 March 2018 Watts Gallery Trust received no public funding. Our income was secured mainly through paid admissions, trading, investments and fundraising. The Charity’s unrestricted funds showed net expenditure of £39,959 (2017: £27,254). This was a budgeted deficit due to the additional costs associated with staging the G F Watts: England’s Michelangelo exhibition to celebrate the bicentenary of Watts’s birth.

Our financial strategy is to become less reliant on fundraising and increase our earned unrestricted funding. It was another successful year for our growing commercial operations and through the activities of our popular Tea Shop, Shop and Contemporary Gallery, Watts Gallery Trading Ltd donated £125,000 to the Charity (2017: £104,000). We are, as always, extremely grateful to John Beale, the Chairman of our Trading Company, for his wise stewardship of our commercial operations.

Income from admissions, tours, events and trading was £1,055,124, an increase of 9% on the previous year (2017: £967,796). Ticketed admissions to Watts Gallery – Artists’ Village increased by 4,196 to 37,915 (2017: 33,719) leading to a 14% increase in admissions income. Our membership schemes, notably the Friends of Watts Gallery, had a successful year and income increased by 18% on the previous year.

Income from grants and donations during 2017-18 was 65% down on the previous year. This was due to the exceptional £1m grant received in 2016-17 for the purchase of Limnerslease plus a number of large grants for the Catalyst Endowment Fund and the Saving the Studios project.”

Opening Times and Admission Fees

Watts Gallery and Studios has the following opening times:

1 November 2018 - 28 February 2019

Open Tuesday to Sunday: 10am - 4pm

Closed Monday, with the exception of Bank Holidays

From 1 March 2019

Open Tuesday to Sunday: 10.30am - 5pm

Closed Monday, with the exception of Bank Holidays

Closed Christmas Eve, Christmas Day and Boxing Day

Open New Year's Eve and New Year's Day

The current admission prices are:

- Adults: £11.50 (£12.70 with a donation for Gift Aid)
- Students: £5.75
- Emergency Services Worker admission: £9.99 (valid when accompanied by a work pass on arrival)
- Children 16 and under: FREE
- Friends of Watts Gallery - Artists' Village: FREE
- Tuesdays: ALL TICKETS £5.75 (£6.35 with a donation for Gift Aid) (does not apply to Groups bookings)

Income

Watts Gallery has a programme of events and activities available to the public. These are advertised on the website and visitors can book ahead for exhibitions and family workshops which are included as part of the standard admission. In addition, there are a variety of other paid for events including:

Tours - £5.00

Study Days - £170 (£153 Friend)

Pottery / Drawing Courses - £330 (£297 Friend) – per term

Workshops for 13-18 year olds - £25

The site also has a number of dedicated spaces for venue hire and through their online brochure advertise their spaces for the following uses:

- Dinners and Receptions
- Drinks Receptions
- Meetings and Away Days
- Wedding Receptions and Civil Ceremonies – start from £1,200
- Christmas
- Memorials and Wakes
- Filming and Photography

5.0 Visitor Potential

This section provides an outline analysis of the potential visitor numbers over the future years for the Russell Cotes Art Gallery and Museum. It should be noted that these are headline projections, reliant on freely available data, statistics, existing reports and analysis from a range of leisure, tourism and culture agencies as identified below. The assumptions are based solely on the museum in its current form but being run by an independent trust.

Looking at the demographic breakdown within the data provided in the DCMS report, adults aged between 25-44 and 45-64 years of age were identified as the most likely to have visited a gallery, museum or archive in the last year. Other defined groups with the highest propensity to visit museums were upper socio-economic groups, adults in employment and those of White ethnic origin.

5.1 Assumptions Deployed

Based on comparator sites and existing data from RCAGM, it is assumed that the geographical market for both the museum is as follows:

- 18% of visitors will be from Bournemouth
- 35% of visitors will be from Dorset (excluding Bournemouth)
- 40% of visitors will be from elsewhere in the UK
- 5% of visitors will be from overseas
- 2% of visitors will be education visits.

Based on the findings of the DCMS Taking Part Survey 2017/18 - Museums, it is assumed that the following percentages of the population have visited a museum or art gallery in the last 12 months:

- 58.1% of children aged 5-15
- 48.1% of people aged 16-24
- 53.2% of people aged 25-44
- 52.3% of people aged 45-64
- 52.7% of people aged 65+

5.2 Market Potential

This section calculates the potential market for the proposed museum. This is done at the local Bournemouth level, for the rest of the South West, at a national level and then taking into account overseas and international visits.

5.2.1 Market Potential in Bournemouth

The table below shows the breakdown of the population in Bournemouth, the likelihood of each group to visit a museum and then calculates the proportion who are likely to visit a museum.

Market Potential in Bournemouth			
Age Group	Population Size Bournemouth*	Percentage Likely to visit a museum	Proportion Likely to visit a museum
0-15	30,000	58.1%	17,430
16-24	29,300	48.1%	14,093
25-44	54,000	53.2%	28,728
45-64	45,200	52.3%	23,639
65+	35,200	52.7%	18,550
Total	193,700		102,440

*Based on 2016 mid-year estimates

5.2.2 Market Potential in Dorset

The table below shows the breakdown of the population in Dorset (excluding Bournemouth), the likelihood of each group to visit a museum and then calculates the proportion who are likely to visit a museum.

Market Potential in Dorset (excluding Bournemouth)			
Age Group	Population Size	Percentage Likely to visit a museum	Proportion Likely to visit a museum
0-15	72,568	58.1%	42,162
16-24	90,422	48.1%	43,492
25-44	169,902	53.2%	90,387
45-64	137,073	52.3%	71,689
65+	105,972	52.7%	55,847
Total	575,940		303,577

5.2.3 Market Potential – Inbound and Domestic Tourism

Data from Visit Britain highlights that there were 888,000 domestic tourists to Dorset (2015) and 396,296 international visits in 2017.

5.2.4 Market Potential – Education

The table below gives an indication of the education market in Bournemouth.

Numbers of Pupils – Bournemouth		
Type of School	Number of Schools	Pupil Numbers
Primary	30	15,952
Secondary	11	10,899
Independent	6	1,352
Special School	2	435
Total	49	28,638

Source: Gov.uk, February 2019

The potential schools market in the area is 28,638 pupils. It should be noted that these pupils will also have been counted as part of the previous figures. However, for the purposes of the report we can assume that a visit to the RCAGM by a child as part of a school group would not make them any less likely to visit with their families and vice versa.

5.3 Penetration Rate

The current penetration rate into the market of each of the different visitor groups is shown below:

Penetration Rates				
	Assumed split of visitors	Assumed Visitor Numbers	Market Potential	Penetration Rate %
Bournemouth	17%	8,562	102,440	8.36%
Dorset (excluding Bournemouth)	23%	11,583	303,577	3.82%
Elsewhere in the UK	50%	25,182	888,000	2.84%
Overseas	10%	5,036	396,296	1.27%
Education	0%	0	28,638	0%
Total		50,365	1,718,951	2.93%

Based on comparator sites and previous experience of numbers to the site prior to admission fees being introduced it is anticipated that over the next five years visitor numbers could increase to 60,000.

5.4 Visitor Projections

We have assumed a cautious approach to the growth of visitor numbers going forward. It is important to recognise that for RCAGM to achieve this increase, alongside the need to enhance their sustainability, there will be a need for investment in continued marketing and a diverse programme of events and activities aimed at different audiences. The projections are split into the following sectors are based on the information outlined above.

- Visitors from Bournemouth
- Visitors from Dorset (excluding Bournemouth)
- Visitors from the rest of the UK
- Visitors from overseas
- Education visits

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Potential Market
	Baseline	YTD						
Bournemouth	8,562 8.36%	5,745 5.60%	8,605 8.40%	9,117 8.90%	9,681 9.45%	10,111 9.87%	10,203 9.96%	102,440
Dorset (excluding Bournemouth)	11,583 3.82%	7,772 2.60%	11,688 3.85%	12,052 3.97%	12,902 4.25%	14,572 4.80%	14,997 4.94%	303,577
Domestic Tourists	25,182 2.84%	16,897 1.90%	25,752 2.90%	26,551 2.99%	27,528 3.10%	28,238 3.18%	29,126 3.28%	888,000
International Tourists	5,036 1.27%	3,379 0.85%	5,152 1.30%	5,073 1.28%	4,676 1.18%	4,359 1.10%	4,201 1.06%	396,296
Total Visitors	50,363	33,793	51,197	52,793	54,787	57,280	58,527	
Education	1,412	1019	1500 5.24%	1,850 6.46%	2,220 7.75%	2,580 9.01%	3,000 10.48%	28,638
Total Visitors (including Education)	51,775	34,812	52,697	54,643	57,007	59,860	61,527	

6.0 Income and Expenditure Projections

This section reviews the potential income and expenditure for RCAGM post-independence. The baseline figures are the actuals from 2017/18. The figures for 2018/19 are based upon the budgets for Russell Cotes.

It should be noted that for the purposes of these projections VAT has only been considered for the admissions income as per the current situation. An independent VAT advisor, PKF Francis Clark, has provided an initial review of the VAT implications for the new Trust moving forward and this has been attached at Appendix 1.

6.1 Income

Income forecasts for the project are presented in the tables below.

Donations

The current donations income currently includes Gift Aid. We have now separated this out and based on benchmarking applied a minimal £0.20 donation per visitor.

2019/20 Income: £10,239

Bournemouth Borough Council Contributions

This includes the existing annual contribution for service delivery. After moving to independence, we have assumed that the council contribution will remain as is for the first three years with an annual 2% reduction from Year 4. We would assume that the Council will give the budget at the start of the year to support the operation of the museum.

2019/20 Income: £487,297

Bournemouth Borough Council Contributions - Depreciation

As per the existing accounts a figure for depreciation is applied and this is offset by a contribution from BBC to cover this. We have applied a 3% inflationary increase to all costs and this is reflected in the BBC contribution to Depreciation.

2019/20 Income: £408,247

Grant Income

RCAGM currently has a good track record of securing project specific grant funding over recent years. We have assumed that this will continue and have therefore forecast an annual restricted income of £100,000 for both capital improvements and exhibitions – this figure is therefore shown as being expended in the same year. From Year 3 (2021/22) onwards we have also shown a small annual income from grants to contribute towards annual running costs e.g. staff posts.

Grant income to support exhibitions will be important to enable RCAGM to continue to deliver a high-quality offer with a building and exhibitions which attract both new and existing audiences. As an independent venue the need to fundraise for projects becomes more important.

2019/20 Income: £100,000

Gift Aid

Gift Aid is a Treasury operated scheme that helps charities to maximise the value of its donation by reclaiming tax from HMRC on its 'gross' equivalent – its value before tax was deducted at the basic rate. This is currently 20 per cent which means that for every £1 donated, an extra 25 pence can be claimed. Only voluntary donations qualify for Gift Aid. If either the donation is:

- at least 10% more than the usual admission charge
- it allows unlimited admission for at least a year whenever the property is open to the public in that period.

RCAGM currently going with the former option and visitors pay an additional 10% on their admission ticket.

Based on the current figures 32.4% of adult visitors claim Gift Aid on their admission. We have applied this assumption across all ticket sales.

2019/20: £34,057

Retail and Catering

Retail: Based on the existing income there is currently a retail spend per visitor (SPV) of £1.69. Considering benchmarks and experience, we have assumed a minimal increase on SPV to £1.75.

Catering: Based on the existing income there is a catering SPV of £2.15 – this is not split between general visitors and café only visitors. We have therefore assumed moving forward the 18.8% of café only visitors will have an SPV of £4.50 and general visitors will have an SPV of £1.60.

A catering review undertaken in November 2018 by Robert Read Associates stated that all catering operations at RCAGM, were correctly 'pitched' and well run, and the events and functions should make a profit. The report stated there was scope to develop the catering offer at the site and this is an area that could be grown in the future at RCAGM. The full report can be found in Appendix 2.

2019/20: £199,480

Venue Hire

Weddings: RCAGM has the capacity to deliver both small- and large-scale weddings. They currently hold circa 4/5 small weddings a year. Small weddings accommodate 25 guests and are held in the Drawing Room which is then closed off to the public. A reception can be added in the Morning Room if required. Small weddings are their main focus as they have minimal impact on the day-to-day operation and be managed within the existing workload.

Large weddings can be for 80 guests and held in the Main Hall space or Gallery 2 – the museum has to be closed for these. The charge for a large wedding is currently £7,500 which includes additional staff and hiring costs, catering, chairs and tables.

Moving forward we have assumed an increase to 3 large weddings, 12 small weddings and 6 receptions in the Morning Room per annum by 2023/24.

Private Parties: RCAGM currently hold 5/6 private parties per annum. The venue closes at 4pm to accommodate these. The charge is £1,950 and approximately £1,000 profit is made. By 2023/24 we have assumed holding 8 private parties per annum.

2019/20 Income: £12,300

Loan of Exhibits

Based on the existing income and interest in the exhibits we have assumed an increase in existing income to £10,000 and then a 3% inflationary increase each year after.

2019/20 Income: £10,000

Events – talks and music

This is additional income to RCAGM's existing income through events which is shown in the Schools Visit line below (as per existing accounts).

Talks: We have assumed that by 2023/24 RCAGM will be holding a programme of 6 talks per annum in Gallery 2. There will be 80 attendees each paying £12 per person. Based on existing costs we have assumed that it will cost £300 for out of hours staff and £150 per speaker.

Music: These events cost slightly more to run but from previous experience have proven popular with visitors. We have assumed 4 per annum by 2023/24, 80 attendees and tickets costing £18 per person. Staff costs will be £300 and a musician will cost £400.

For both talks and music events we have started out with less events and annual growth as the programme and reputation develops.

2019/20 Income: £1,530

Admission Fees

The assumptions for income from admissions have been based on the visitor projections as illustrated in Section 5.4 and the current ticket breakdown as shown in Section 2.5. The growth in visitor numbers will only be achieved if a high calibre programme of exhibitions is maintained. Any significant growth in visitor numbers would only be achieved with major capital investment in the site.

We have assumed that ticket prices will remain the same in 2019/20 and will increase to £8.00 per adult in 2020/21 with a further increase in 2022/23 – price increases across all ticket types have been applied at a similar level.

The assumptions are also based on the existing Friends and Annual Membership Schemes. RCAGM have only been offering these for the last 12 months and will review these next year.

Based on current figures provided by RCAGM we have assumed that 93.4% of visitors will pay the full Gift Aid ticket price with 6.6% of visitors requesting to pay the price with a 10% reduction.

RCAGM also currently pay VAT on all admissions – this has been applied to the income going forward. This could be subject to change once a full VAT review has been undertaken during the transition stage.

2019/20 Income: £238,497

School Visits

RCAGM currently gets 1,412 education visits which includes museum, outreach sessions and home educator educational sessions. We have assumed that over the next 5 years this number will increase to circa 3,000. We have assumed charges will continue to be £4.00 per child but this should be reviewed in 12 months' time against competitor venues.

In addition, the current accounts also include existing income from small events in this heading. We have continued to include this at a level of £5,896 per annum.

2019/20 Income: £11,896

Guided Tours

Based on existing figures we have assumed an annual income of circa £2,000 per annum from Guided Tours around the museum.

2019/20 Income: £2,000

6.2 Expenditure

We have assumed that expenditure across RCAGM will remain similar to the existing operation and have therefore applied an annual 3% inflationary increase per annum.

We have also reviewed a number of comparator sites and previous Business Plans written by Focus and believe that the current projections for elements such as HR, legal and finance support as well as utilities costs are well positioned.

The two areas where expenditure has been assumed to increase are:

Marketing – based on RCAGM moving to independence and their ambition to increase visitor numbers moving forward we have assumed that the marketing budget will need to be increased to approximately £35,000 per annum. This will enable the site to increase their marketing presence and advertise the site, their events, activities and exhibitions programmes and the site as a venue for hire.

Retail and Catering – based on benchmarks we have assumed costs for retail and catering of approximately 35% of income.

6.3 Income and Expenditure Summary

The table below illustrates a summary of the potential income and expenditure for RCAGM following its move to independence.

The figures demonstrate that based on the cautious assumptions applied above the Trust would be generating an annual surplus of between circa £25,000 and £80,000 per annum. This surplus could be re-invested back into the site through it events, activities and exhibitions programmes.

	2017/18 Baseline	2018/19 Budget	2019/20	2020/21	2021/22	2022/23	2023/24
Income							
Donations	28,040	20,000	10,239	10,909	11,355	11,728	12,015
BBC Contribution	487,297	487,297	487,297	487,297	487,297	477,551	468,000
BBC Contribution - Depreciation	396,356	396,356	408,247	420,494	433,109	446,102	459,485
Grant Income	192,338	28,000	100,000	100,000	110,000	120,000	120,000
Gift Aid		26,000	34,057	38,961	40,555	44,861	45,958
Trading Activities							
Retail and Catering	198,266	200,000	199,480	212,526	221,221	228,491	234,077
Venue Hire	7,314	12,000	12,300	16,300	20,700	24,200	25,700
Loan of Exhibits	4,603	10,000	10,000	10,300	10,609	10,927	11,255
Events - talks and music	0.00	-00	1,530	3,520	4,540	6,420	7,160
Charitable Activities							
Admission Fees	170,770	206,000	238,497	270,465	281,527	309,385	323,331
School Visits	11,544	13,000	11,896	13,296	14,776	16,216	17,896
Guided Tours	1,967	-00	2,000	2,000	2,000	2,000	2,000
Investments	19						
	1,498,514	1,398,653	1,515,544	1,586,068	1,637,690	1,697,882	1,726,878
Expenditure							
General Operations							
Repairs and Maintenance	49,222	49,222	50,699	52,220	53,786	55,400	57,062
Rates and Utilities	52,257	53,500	53,825	55,439	57,103	58,816	60,580
Other Premises Costs	54,686	54,686	56,327	58,016	59,757	61,550	63,396
Staff Costs	470,159	490,400	484,264	498,792	513,755	529,168	545,043
Accountancy, HR, Payroll and Legal	19,400	19,400	19,982	20,581	21,199	21,835	22,490
Costs associated to collections care	53,820	35,000	55,435	57,098	58,811	60,575	62,392
Travel, Stationary and Office Costs	24,652	9,500	25,392	26,153	26,938	27,746	28,578
Marketing and Promotion	20,234	20,000	35,000	36,050	36,050	40,000	41,200
Consultants	4,578	4,800	4,715	4,857	5,003	5,153	5,307
Miscellaneous Supplies and Seviles	53,305	53,305	54,904	56,551	58,248	59,995	61,795
Exhibition Expenditure	40,809	36,000	42,033	43,294	44,593	45,931	47,309
Grant Funded Expenditure	173,868	28,000	100,000	100,000	100,000	100,000	100,000
Retail Expenditure	43,396	76,000	69,818	74,384	77,427	79,972	81,927
Accountancy and Audit Fees	8,900	8,900	9,167	9,442	9,725	10,017	10,318
Repository	16,326	16,326	16,816	17,320	17,840	18,375	18,926
Depreciation	396,356	396,356	408,247	420,494	433,109	446,102	459,485
	1,481,968	1,351,395	1,486,622	1,530,692	1,573,343	1,620,634	1,665,809
Surplus / Deficit	16,546	47,258	28,921	55,376	64,346	77,249	61,069
Cumulative Surplus / Deficit	16,546	63,804	92,725	148,101	212,447	289,696	350,765

6.4 Sensitivity Analysis

Sensitivity tests have been applied to illustrate the impact of changes to key areas of income and expenditure. The following were considered:

6.4.1 Decrease in annual contribution from Bournemouth Borough Council

We have proposed a minimal decrease of the Bournemouth Borough Council annual contribution (not including depreciation) of 2% per annum from 2022/23. However, to understand the impact on the bottom line if that reduction was increased, we have sensitivity tested the impact of a 3%, 4% and 5% reduction in grant. As shown in the tables below any reduction in grant would understandably reduce the annual surplus for the Trust but at this level the surplus would still keep the museum in a sustainable position.

3% Annual Reduction in BBC Contribution from 2022/23					
	2019/20	2020/21	2021/22	2022/23	2023/24
Income	1,515,544	1,586,068	1,637,690	1,693,009	1,717,375
Expenditure	1,486,622	1,530,692	1,573,343	1,620,634	1,665,809
Surplus / Deficit	28,921	55,376	64,346	72,375	51,566
4% Annual Reduction in BBC Contribution from 2022/23					
	2019/20	2020/21	2021/22	2022/23	2023/24
Income	1,515,544	1,586,068	1,637,690	1,688,137	1,707,971
Expenditure	1,486,622	1,530,692	1,573,343	1,620,634	1,665,809
Surplus / Deficit	28,921	55,376	64,346	67,503	42,162
5% Annual Reduction in BBC Contribution from 2022/23					
	2019/20	2020/21	2021/22	2022/23	2023/24
Income	1,515,544	1,586,068	1,637,690	1,683,264	1,698,663
Expenditure	1,486,622	1,530,692	1,573,343	1,620,634	1,665,809
Surplus / Deficit	28,921	55,376	64,346	62,630	32,854

6.4.2 10% Reduction in Admissions Income

If there is a 10% reduction in admissions income then this obviously has a negative impact on the bottom line for RCAGM. Whilst a surplus will still be achieved annually this would be a minimal £5,000 in Year 1 and building to £27,836 by Year 5. To ensure that admissions do not decrease below the levels projected it is important for the Trust to ensure a strong marketing campaign is in place and new and repeat visitors are attracted to the museum through the events and activities programme as well as the exhibitions on show.

7.0 Governance, Management and Staffing

7.1 Existing Governance Arrangements

The governance arrangements for RCAGM have not varied significantly since its establishment in the early twentieth century, although they have been strengthened and formalized within the last couple of years.

In 1908 Merton and Annie Russell-Cotes transferred their home and collections to the people of Bournemouth. They did so by way of a Deed of Gift, which created the RCAGM (a charity). Bournemouth Borough Council is, and has always been the sole Trustee of that charity. The Deed of Gift provided that after the deaths of the Russell-Cotes (enacted following Merton's death in 1921), the RCAGM was to be managed by a Management Committee. The house and collections/ contents are owned (vested in trust) by the charity as are the collections/ contents subsequently acquired by RCAGM.

Under the original 1908 deed, the prescribed constitution of the Management Committee was four elected members of BBC and between five to seven non-councillor members.

The Bournemouth Borough Council Act of 1985 superseded previous indentures and states "the Corporation shall manage, regulate control and deal with the trust, premises and property by means of a committee (hereafter called the 'management committee') appointed by them in accordance with section 102 of the Local Government Act 1972." Section 3:6.2 of the Council's constitution allocates this 'local choice function' to Cabinet. Therefore, Cabinet became the RCAGM's management committee and this governance arrangement was enshrined in the Bournemouth Borough Council Act and the Council's constitution. BBC's Cabinet remit covers the full range of Council business and it has little capacity for regular, detailed consideration of the work of RCAGM.

During the development of the RCAGM Business Transformation Strategy a management board acting as a 'shadow' management committee met regularly to steer the strategy process and make key decisions, but this fell into abeyance for several years until a more formal substitute was agreed by Cabinet on 27th January 2016 and subsequently by full Council on 1st March 2016.

The Agreement was to create a management committee of the following composition:

- The Portfolio Holder
- Two further Council members
- 4 external (Non-Council Members)
- Sir George Meyrick (or the person for the time being in enjoyment of the title), in compliance with the Bournemouth Borough Council Act. A substitute can be agreed with the elected chair prior to any meeting.

A role description and person specification were created for the external appointments and widely advertised. Specific external expertise was sought across the following areas:

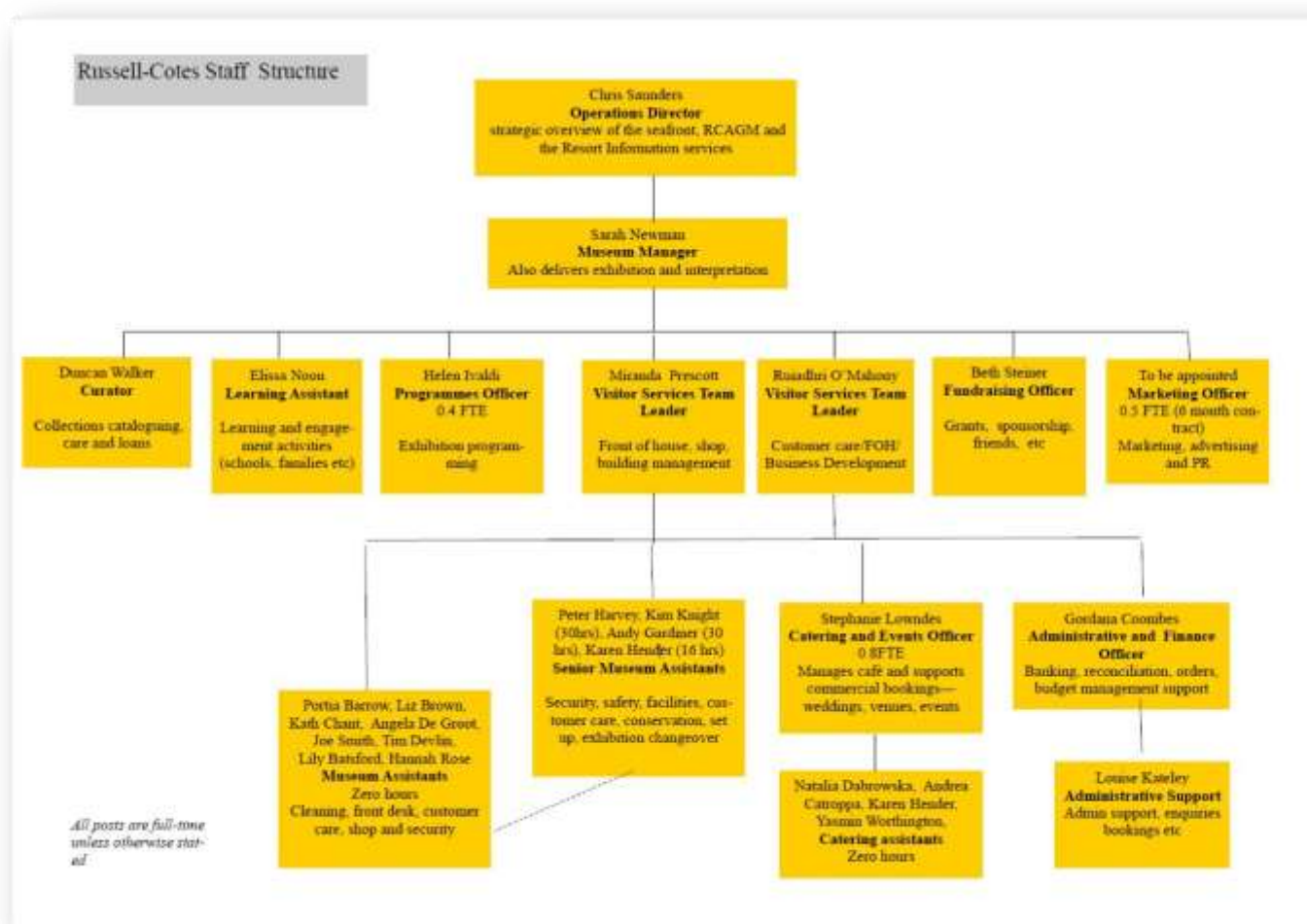
- Academic or professional specialism in fine and decorative arts
- Expertise in historic house/ art gallery of regional/national significance
- Marketing/ PR professional with strong track record in the cultural sector
- Local business leader and/or commercial heritage expertise.

This committee was created according to plan and has been functioning since the latter part of 2016. Its modus operandi is a variation on a local authority themed committee meeting and secretariat is provided from within the Council's administration. It meets twice yearly to review the museum's strategic, operational and financial position, so its range and impact is very different to that of an independent museum board. Its external members do not have voting rights.

7.2 Current Organisational Structure

RCAGM's current operational structure is like that of many fully integrated local authority museum services. To summarise:

- It has an FTE team of 14.8 staff exclusively focused on the management and operation of the museum and art gallery. This includes collections management, programming, learning and fundraising roles and a front of house team
- It has access to a range of support services including HR, IT, Property, and the council allocates annual costs/charges for this to the museum's budget line
- Some essential services are partially provided by departmental roles (i.e. these roles work across multifaceted services within tourism and seafront), such as marketing and publicity.
- RCAGM also has a strong team of volunteers supporting operations. There are currently 77 registered volunteers



8.0 Transition Plan

The following is a brief summary of the costs associated with the Transition Plan for the RCAGM.

It is proposed that the transition year is 2019 – 2020 with the new independent Trust being fully operational by April 2020. This is based on the assumption that the Management Committee agree to the recommendation for RCAGM to move to a fully independent trust.

It should also be noted that at this stage these are just high-level assumptions for the costs associated with moving to Trust and a general overview of the work that needs to be undertaken. The first piece of work to be undertaken if the Council agree with recommendation is to develop a fully costed Transition Plan which will consider all the elements outlined below.

8.1 Legal Support

Legal support will be required for both Bournemouth Borough Council and the new Trust. It is expected that legal tasks during the transition year will include producing all or some of the following:

- Memorandum and Articles of Association
- Business Transfer Agreement
- Employee Transfer Agreement
- Pension Admission Agreement
- Funding and Management Agreement
- Support Service Agreements (SLA's)
- Asset Leases
- Collections Agreement
- Equipment Agreement
- IP Agreement
- Application to Charities Commission
- Application to

This is not an exhaustive list and subject to review by the legal advisors.

8.2 HR Support

Some or all of the following HR tasks will be required to be undertaken during the transition year.

- a) Board of Trustees
 - Develop constitution for the Board
 - Develop role and profile for the Chair
 - Develop role and profile for the Board
 - Recruitment to Board of Trustees
- b) Gathering Staffing Data – collate basic staffing data including costs, pensions, hours of service, role profiles and redundancy information (if required).

- c) Confirm Staffing Structure
- d) Communication with Staff and Unions
- e) TUPE – scope implications and timelines
- f) HR Infrastructure
 - Develop policy framework
 - Develop payroll and IT elements
 - Develop staff and volunteer handbook
 - Agree terms and conditions
 - Agree remuneration and benefits strategy
 - Learning and development strategy

8.3 IT Strategy

Some of the key elements of IT work to be undertaken during the transition phase include:

- IT application set-up
- Desktop rollout
- Transitional services
- Project management
- Buying printers, laptops and desktops
- Digital strategy set-up
- Infrastructure redevelopment

8.4 Development and Strengthening of the Trust

The following tasks will need to be undertaken as a minimum during the transition phase to ensure the Board of Trustees is best placed for moving the RCAGM forward:

- Undertake a skills audit of the existing Board
- Create a pool of potential candidates
- Board recruitment brochure and adverts
- Application process
- Interview new Trustees
- Appoint Trustees
- Training and development of new trustees
- Agree roles and responsibilities
- Establish vision, mission and values of new Trust
- Develop strategy, policies, etc

8.5 Marketing and Rebranding of the Trust

To enable the RCAGM to be recognised as a standalone organisation and to ensure it continues to attract high levels of visitor numbers there is a need for them to have strong marketing. These are some of the initial pieces of work that will need to be undertaken during the transition year:

- Production of brief / tender specification
- Circulation and respond to queries
- Appoint branding consultants
- Create a communication plan which will include audiences, objectives and how information will be communicated
- Deliver the programme of communication and marketing

8.6 Project Management Support and Contingency

It will be necessary to appoint a team to support the Trust in undertaking all the elements above as well as working alongside them to ensure the Trust is prepared to be fully operational by April 2020.

8.7 Transition Budgets

The table below provides some high-level budgets for all the workstreams above. It should be noted that these are initial budgets and further work needs to be done to refine the costs.

Russell Cotes Art Gallery and Museum Transition Budgets	
Legal Support	£60,000
HR Support	£25,000
IT Strategy	£15,000
Development and Strengthening of Trust	£20,000
Marketing and Rebranding for the Trust	£15,000
Contingency	£20,000
Project Management Support	£25,000
	£180,000

9.0 Assessing Risk

A risk review has been undertaken to identify both the project development and transition process risks for the local authority and, into operation, for the Trust.

Risk No	Summary of Risk	Probability (L/M/H)	Impact (L/M/H)	Importance (L/M/H)	Containment / Mitigation
Project Development Risks					
1	Lack of willingness or availability or ability of key staff to deliver the full business case	M	H	H	Review progress and any issues with Management Committee. External support will assist the delivery of the transition plan.
2	Funding for Business case and/or transition is not available from external sources.	M	H	H	All possible funding sources to be investigated and adequate funding made available by the local authority.
3	Inability to identify and recruit Trustees of sufficient Calibre	M	H	H	Required Skills Matrix and Recruitment strategy to be developed
4	Failure to agree grant conditions with local authority	L	H	H	Programme and process for agreeing grant conditions to be confirmed. Ongoing Consultation with Council throughout development of Business Case to ensure understanding of likely requirements
5	Existing staffing structure does not satisfy future requirements	M	H	H	In depth benchmarking across the arts and heritage and voluntary sectors. Ensure business plan matches staffing structure to business needs.
6	Ensuring effective communication to external stakeholders / staff / public	L	H	H	Communication Strategy to be developed. Adequate resources to be attributed to communication management
7	Lack of Clarity in respect of VAT arrangements / impacts	L	H	H	Specialist advice provided by Council and external VAT advisors in respect of VAT Strategy. Advice to be incorporated into Business Plan

Risk No	Summary of Risk	Probability (L/M/H)	Impact (L/M/H)	Importance (L/M/H)	Containment / Mitigation
8	Lack of Clarity in respect of Pension arrangements	L	H	H	HR support to be engaged to provide specialist advice. Scope of service for specialist support to be developed
9	Failure to secure required approvals from Council within a co-ordinated timeframe	L	H	H	Implementation programme to be developed which incorporates appropriate consultation and approval timescales. Council to confirm requirements.
Transition Process Risks					
1	Transfer of former liabilities from local authority to the new organisation.	H	M	H	Potential and actual liabilities associated with museum / council that may be transferred to the new Trust will need to be identified and addressed at due diligence stage
2	The transfer of staff under TUPE	M	H	H	Coordination with staff throughout process
3	Securing funding for transitional costs, agreeing funding agreements	M	H	H	Implementation programme to be developed identifying transitional funding requirements and approval process.
4	Delivering Transitional works within available budget, achieving income projections during this period of change	M	M	M	Detailed work schedule to be agreed, including milestones for delivery of actions and key performance indicators. Monthly monitoring of progress against work schedule. Corrective action to be instigated should areas of non-performance be identified.
5	Satisfactory set up of new arrangements for Central Services (IT / HR / Finance / Property etc)	M	H	H	Detailed work schedule to be agreed, including milestones for delivery of actions and key performance indicators. Monthly monitoring of progress against work schedule. Corrective action to be instigated should areas of non-performance be identified.

Risk No	Summary of Risk	Probability (L/M/H)	Impact (L/M/H)	Importance (L/M/H)	Containment / Mitigation
6	Failure to Finalise arrangements / operation of trading structures with timeframe	M	M	H	Detailed work schedule to be agreed, including milestones for delivery of actions and key performance indicators. Monthly monitoring of progress against work schedule. Corrective action to be instigated should areas of non-performance be identified.
7	Developing brand identity / website / marketing plan within budget and timeframe	M	H	H	Detailed work schedule to be agreed, including milestones for delivery of actions and key performance indicators. Monthly monitoring of progress against work schedule. Corrective action to be instigated should areas of non-performance be identified.
8	Failure to confirm loan agreements in respect of collections / equipment and other assets within scheduled timescale	M	H	H	Detailed work schedule to be agreed, including milestones for delivery of actions and key performance indicators. Monthly monitoring of progress against work schedule. Corrective action to be instigated should areas of non-performance be identified.
9	Failure to agreement of any property licences within scheduled timescale	M	H	H	Detailed work schedule to be agreed, including milestones for delivery of actions and key performance indicators. Monthly monitoring of progress against work schedule. Corrective action to be instigated should areas of non-performance be identified.
10	Existing insurers of property or other assets impose exclusions or additional requirements due to new arrangements.	M	M	M	Early consultation with insurers to be undertaken.

Risk No	Summary of Risk	Probability (L/M/H)	Impact (L/M/H)	Importance (L/M/H)	Containment / Mitigation
11	Existing agreements with suppliers / service providers cannot be transferred to the new Trust	M	H	H	Detailed review of all existing agreements to be undertaken. Early consultation with suppliers / service providers to be undertaken to confirm transfer requirements.
12	Loss of key staff during transition phase	M	H	H	Develop and maintain a succession plan for key members of staff.
Trust Risks					
1	Not achieving income projections / cash flow requirements	M	H	H	Realistic income projections to be established and agreed. Monthly monitoring of progress against projections. Corrective action to be instigated should monitoring identify risk of non-performance
2	Ensuring fitness for purpose / reputational risk	M	H	H	Mitigation against all other risks to ensure FIM delivers planned outcomes
3	Not achieving council grant conditions requirements	M	H	H	Monthly monitoring of progress against grant condition requirements. Corrective action to be instigated should areas of non-performance be identified.
4	Inadequate financial control	L	H	H	Monthly monitoring and review of income and expenditure against planned cashflow.
5	Failure to comply with Statutory Legislation	L	H	H	Due diligence in all operational matters. Keep abreast of changes in legislation.
6	Inadequate Facilities Management arrangements	L	H	H	Monthly monitoring and review of performance of suppliers against agreed performance indicators.

Risk No	Summary of Risk	Probability (L/M/H)	Impact (L/M/H)	Importance (L/M/H)	Containment / Mitigation
7	Failure to achieve funding targets from Third Party funders	M	H	H	<p>Monthly monitoring and review of performance against funding strategy.</p> <p>Ensure set up and operation of the new Trust aligns with key funders requirements.</p> <p>Adequate investment of time and expertise into sourcing funding opportunities and bid writing. (seek specialist funding support if required)</p> <p>Ensure outputs of existing funding awards are delivered, to maintain reputation / track record.</p>
8	Maintenance of acceptable cash reserves	H	H	H	<p>Monthly monitoring and review of performance.</p> <p>Adequate contingency allowances included</p>
9	Failure to integrate IT systems / Central Services / Collections	M	H	H	<p>Detailed work schedule to be agreed, including milestones for delivery of actions and key performance indicators.</p> <p>Monthly monitoring of progress against work schedule.</p> <p>Corrective action to be instigated should areas of non-performance be identified.</p>
10	Failure to deliver the required level Volunteer development training / recruitment	L	H	H	<p>Provision of adequate resources.</p> <p>Monthly monitoring and review of performance against planned targets.</p>
11	Maintaining delivery of current funding / contractual commitments	M	H	H	<p>Clarity of outputs required / contractual commitments.</p> <p>Monthly monitoring and review of performance against planned targets.</p>
12	Maintaining core funding commitments from local authority	M	H	H	<p>Deliver requirements of grant conditions.</p>

Appendix 1

VAT Review

SUMMARY REPORT

ORGANISATION : Bournemouth Borough Council (BBC)
TO : Sarah Newman (RC), Stephen Fletcher (Consultant),
Marta Patsalis (BBC – Accounts)
DATE : 12 March 2019
SUBJECT : VAT Review
Proposed separation of Russell Cotes Art Gallery & Museum (RC) from
BBC

BBC is considering whether to separate financially and operationally from RC and you asked us to carry out a review of the VAT implications for both BBC and the new, independent RC Charity (RC New).

Following our discussion on 4 March 2019 and the subsequent financial information provided by Marta Patsalis we can report on our key findings. As agreed, this is our top-end view of matters and if you wish to proceed further we would be happy to carry out more detailed analysis.

1. Background

- BBC is the sole trustee of the existing RC charity.
- RC is a Victorian art gallery and museum in central Bournemouth which has been extended and modernised in more recent years.
- An admission fee is charged for entrance to the main gallery and museum. BBC treat these fees as taxable at the standard rate.
- The modern wing is free to access (although also used by paying entrants) and houses the shop, learning space, a gallery and the café.
- RC holds the assets of the building itself and the museum and art collections.
- BBC currently contributes a grant in the region of £800k p.a. to bring the RC's financial status to breakeven; £400k relates to depreciation with the remaining £400k to cover running expenditure. In the long term BBC would like to reduce the value of the subsidy to RC.
- VAT is accounted for through BBC's VAT registration.

- VAT is recovered by BBC on all VAT bearing expenditure on the basis income is either taxable or non-business. BBC has the ability as a Local Authority to recover all VAT on expenditure relating to non-business activity under Section 33 of VAT Act 1994.
- BBC has opted to tax (OTT) the premises and so any rental charges are standard rated.
- This includes rental of the café up to 31 March 2018 but the café operation has been brought in-house in this financial year. Income generated from the café and shop this year to date (2018/2019) is £120k with supplies bought in amounting to £80k.
- Income streams and VAT treatment are as follows for year ending 31 March 2018.

○ BBC donated services/grant	£883k	Outside the scope
○ Fees and charges	£4k	Standard rated
○ Shop	£198k	Standard rated
○ Room hire (OTT)	£7k	Standard rated
○ Commercial trading (OTT - café lease)	£210k	Standard rated
○ Donations from public	£28k	Outside the scope
○ Fees/charges (admissions)	£184k	Standard rated
○ Grant income	£192k	Outside the scope
- For year to 31 March 2018 expenditure was as follows:

○ Shop – cost of sales	£43k	VAT reclaimed
○ Repairs	£156k	VAT reclaimed
○ Salaries	£470k	BBC staff – no VAT
○ Insurance	£53k	Exempt
○ Council recharges	£79k	No VAT – in-house
○ Other costs	£326k	VAT reclaimed
○ Operating costs	£405k	VAT reclaimed
○ Depreciation	£396k	No VAT

2. VAT treatment after RC is separated from BBC

- If RC is separated financially and operationally from BBC, becoming 'RC New', it will be a new charitable entity in its own right.

2.1 Lease

- BBC will retain ownership of the premises and all parties agree BBC would lease the site to RC New for a peppercorn rent.
- A lease of peppercorn rent will be a non-business activity for BBC and so BBC will continue to be able to recover VAT on all capital expenditure under Section 33.

- If BBC subsequently decided to charge a commercial rent to RC New this would be taxable at the standard rate as BBC has OTT the site. BBC would still be able to recover VAT on capital expenditure but RC New may be restricted in its recovery of the VAT charged on the lease.

Comment:

- There will be no VAT cost for either party if BBC grants a lease to RC New at a peppercorn rent.
- If BBC charges the lease at anything more than for a peppercorn rent there would be no VAT cost to BBC but there would be a proportion of the VAT which RC New could not recover in relation to non-business and exempt use of the premises (see later comments on input VAT).

2.2 Site repairs and maintenance

- Currently BBC incurs VAT on repairs and maintenance of the site and is able to recover all the VAT incurred. However, most of the repair services are carried out by in-house BBC service departments.
- If the lease were agreed so that BBC retained responsibility for repairs and maintenance they could continue to recover any VAT incurred under Section 33 VAT Act 1994 as the costs would relate to non-business activity (peppercorn rent).
- If BBC decided that RC New should have responsibility for repairs and maintenance RC New would incur VAT-bearing costs for repairs (either charged plus VAT by BBC or third party suppliers). RC New may be restricted in its VAT recovery (see below re input VAT recovery) which would create a VAT cost.

Comment:

- It is a commercial decision between both parties whether RC New takes responsibility for repairs and maintenance. Due to the reliance on BBC for its subsidy to RC it is unlikely RC New would be able to bear the costs of repairs. However, if RC New was able to produce surpluses in the long term this could be reviewed. If RC New did take responsibility for repairs and maintenance it would incur an additional VAT cost not currently borne by BBC.

2.3 VAT Registration

- Due to the taxable turnover of the shop alone RC New would be liable to register for VAT from the date of separation under VAT Transfer of Going Concern rules.
- RC New would then need to submit VAT returns to HMRC and account for VAT on income and recover VAT on expenditure in line with non-business and partial exemption restrictions.

- RC New would need to agree with BBC who would administer the VAT for RC New's registration.

2.4 VAT treatment of income

- RC New would be a VAT registered charity and may be eligible for the Charitable Cultural Exemption. Under Item 2, Group 13, Schedule 9, VAT Act 1994 the supply by an eligible body of a right of admission to a museum, gallery or art exhibition is exempt.
- For the purposes of the exemption an eligible body is any body (other than a public body) which meets all of the following –
 - Is precluded from distributing, and does not distribute, any profit it makes;
 - Applies any profits made from supplies of admission to the continuance or improvement of the facilities made available by means of the supplies; and
 - Is managed and administered on a voluntary basis by persons who have no direct or indirect financial interest in its activities.
- If the conditions are met RC New could treat the admissions income as exempt. This would mean that the 1/6 of the admissions income which BBC loses as VAT to HMRC could be retained by RC New (up to c.£30k).
- In conjunction the admission fee could be structured so that part is fixed and part a suggested donation. In this way RC New's proportion of taxable supplies is increased (as the exemption value for admissions is reduced and the donations element removed from the proportion calculation) and with it improved VAT recovery. There is the risk that not everyone will pay the suggested donation.
- BBC reported in 2018 that it received taxable Commercial Trading income of £210k in the form of rent for the café. However, this has now been brought in-house and would be taxable income for RC New as catering sales.
- If RC New wanted to keep the venue hire as taxable, thus increasing VAT recoverability on expenditure, they would also need to OTT the site themselves. If customers are already receptive to bearing VAT on the charges this may be preferable.
- Shop and café income would remain taxable for RC New and donations and funding would remain outside the scope.

2.5 Input VAT recovery

BBC

- BBC does not currently suffer any VAT cost on recovery of input VAT.
- However, if operational costs moves from BBC to RC New the total value of input VAT which BBC incurs, across all its activities, will be reduced. Although this may not appear to be a significant value BBC needs to be mindful of its ability to recover VAT relating to all exempt activities.
- Local Authorities can recover VAT relating to exempt activities if the VAT on exempt costs is less than 5% of VAT on total costs. If this value is exceeded, and reducing the VAT on total costs would increase this percentage, then all the VAT on exempt costs is prevented from recovery. The value of VAT on exempt costs for BBC is currently c.£1.2m.

Comment:

- Prior to separation of RC New BBC would need to calculate the VAT value of costs transferred to RC New and assess the risk of breaching their 5% exempt de minimis threshold.

RC New

- Unlike BBC, RC New will have no ability to recover VAT on costs which is attributed to its non-business activities.
- General VAT recovery rules:
 - i. RC New will be able to recover VAT on costs directly attributable to the making of taxable supplies (café, shop, any rent if RC New opt to tax the premises).
 - ii. RC New may only be able to recover a percentage (in the proportion of taxable to total supplies) of costs used to make both taxable and exempt supplies.
 - iii. RC New may not be able to recovery any VAT on costs directly attributable to the making of exempt supplies (e.g. if the admission fees are exempt these may be costs wholly and directly related to exhibitions or similar).
 - iv. VAT incurred under items ii and iii may be recoverable if the VAT falls below the de minimis levels of £7,500 per annum and is less than 50% of the total input VAT incurred.
- BBC has not had to analyse which activities would be considered as non-business with respect to recoverable VAT on business activities but this would need to be done for RC New. Funding and donations received are outside the scope of VAT but could be seen as supporting RC New's business activities.

- RC New would need to consider whether any of its costs relate to non-business activities, e.g. a proportion of 'costs attributable to free access to the modern wing, as the VAT on these costs could only be recovered to the extent they relate to business activities.
- If admissions are treated as exempt this will mean that RC New has a mixture of taxable and exempt income. Input VAT can only be recovered to the extent it relates to taxable income and so there is likely to be a VAT cost, by virtue of a restriction of input VAT recovery, which BBC does not suffer. Trial partial exemption calculations should be carried out to quantify this.
- Any services currently carried out in relation to RC by BBC are effectively in-house costs. If BBC carried out such services for RC New as a third party supplier these would generally be charged at the standard rate (e.g. staff, administration services, repairs). Depending on RC New's eligibility to recover VAT on costs (dependent on business and taxable use) there could be an additional VAT cost for RC New.
- RC New should consider whether employees of BBC who work for RC are TUPE'd across to avoid VAT on cross charges of staff to RC New. RC should check the terms of the staff contracts to assess whether they are on high pension cost terms under BBC.

Comment:

- More detailed analysis and advice would need to be carried out to determine which costs relate to non-business activity so that the VAT cost to RC New could be quantified.
- Consider carrying out further analysis of income to conclude on whether achieving the Cultural exemption on admissions and taking out an OTT on the site would be financially desirable with regards income and input VAT recovery.
- Further analysis of the figures would need to be carried out to quantify the potential VAT cost to RC New under partial exemption restrictions. This would include the impact of BBC making taxable supplies of recharges to RC New.
- Review staff terms of employment and TUPE'ing staff to RC New.

3. Executive Summary and Recommendations

- BBC currently heavily subsidises RC. Presumably the charity aims to produce cost savings and efficiencies by separating from BBC with the aim of reducing their shortfall to breakeven.
- VAT is only one factor which will impact on the financial performance of RC New but it could be significant.

- If RC New meets the conditions for Cultural Exemption the admissions income would be treated as exempt thus meaning up to an additional £30K of receipts are retained compared to BBC.
- However, the impact of exempt and non-business income for RC New, compared to BBC, is that there may be restriction on how much VAT incurred on costs can be recovered. VAT bearing costs may be increased if taxable cross charges are raised from BBC to RC New which are currently in-house services.
- Further VAT analysis and advice is required to quantify the impact of the separation of RC New from BBC for both parties. The highest risk factor for BBC is transferring out VAT bearing expenditure as this could jeopardise its £1.2m exempt input VAT recovery.

Following your consideration of the contents of this report please do not hesitate to contact us if you require further analysis before progressing the separation.

Yours sincerely



KATHRYN JENKINS

VAT Manager

For and on behalf of PKF Francis Clark Limited

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E-mail: Kathryn.Jenkins@pkf-francisclark.co.uk

Disclaimer

The purpose of this VAT summary report, is to enable the officers and relevant members of Bournemouth Borough Council, along with their authorised representatives, to have a wider understanding and awareness of the VAT matters relating to the Russell Cotes charity.

The report sets out for information:

- The current understanding of the charity, background and proposed structure
- Commentary as regards the VAT treatment of aspects of the separation of the charity and the perceived risk
- Emerging matters and recommendations

The comments made regarding VAT issues and risks are based on legislation, case law, published HMRC practice and our experience of HMRC's approach in practice as at the date of the report. The foregoing authorities are subject to change at any time, possibly with retrospective effect. If so, the views set out in the paper may be affected and may not be relied upon. Francis Clark LLP is not responsible for updating the advice or informing you if there has been a change in the legislation which impacts on the advice provided. Francis Clark LLP disclaims all responsibility for action taken where our advice has been so impacted. The analysis represents our views as to the interpretation of existing law and, accordingly, no assurance can be given that the relevant tax authorities or courts will agree with this analysis. This report may not have considered issues relevant to any third parties. Any use such third parties may choose to make of this report is entirely at their own risk and we shall have no responsibility whatsoever in relation to any such use.

Appendix 2

Catering Report

Russell-Cotes Museum & Art Gallery

Catering Review



Role:	Catering Review Consultant
Location:	Must be able to travel to Bournemouth for meetings and on-site analysis.
Fee:	By quotation
Status:	Freelance specialist/Consultancy Company
Reporting to:	<i>Raising Resilience at the Russell-Cotes</i> Steering Group
Contract:	September 2018 to December 2018 Small value contract with Bournemouth Borough Council

1. Introduction

1.1 Overview of Russell-Cotes Museum & Art Gallery

The Russell-Cotes Art Gallery & Museum (RCAGM) is an exuberant late-Victorian sea-front villa built by the Bournemouth hotelier and art collector Merton Russell-Cotes as a birthday present for his wife Annie. Russell-Cotes himself played a significant part in the design and interior decoration of the building, which reflects many of the artistic decorative fashions of the late Victorian period.

The rooms are filled with Russell-Cotes's collection of contemporary British paintings and sculpture and the artefacts amassed from their extensive foreign travels. In 1908 Annie Russell-Cotes gave the house to Bournemouth

as an art gallery and museum. The Borough Council, as a trustee, has administered the gallery ever since.

The Russell-Cotes is a building of national importance for its historic and architectural interest. This is recognised by the listing of the building at grade II* in the statutory lists of historic buildings.

The Collections are also of very considerable significance. Russell-Cotes was an assiduous collector of British paintings for over half a century and his collection now provides a unparalleled snapshot of late Victorian middle-class taste. There is also an extensive and diverse collection of decorative art and a Japanese collection, considered to be one of the most important regional collections in the UK. Additionally, an exemplary ethnographic collection which consists of over 10,000 items spanning across the world and including artefacts from Polynesia, New Zealand, Melanesia, Micronesia and Africa.

What makes the Russell-Cotes Art Gallery and Museum of exceptional national significance is the combination of the building and the collections. The original building has suffered few significant alterations and much of its original internal character was restored in 1998-2001. The museum still possesses most of the items listed in the 1908 Deed of Gift to Bournemouth Borough Council and many of them are displayed in their original locations which lends the rare quality of true authenticity in terms of context and provenance. Hardly any other museum in Britain, with the possible exception of Sir John Soane's Museum in London, is in a position to present a collection in the setting designed for it.

1.2 Current Context for Café Operation

1.2.1 Russell-Cotes itself has an FTE team of 14.8 staff exclusively focused on the management and operation of the museum and art gallery. This includes collections management, programming, learning and fundraising roles and a front of house team.

1.2.2 It has access to a range of support services including HR, IT, Property, and the council allocates annual costs/charges for this to the museum's budget line.

1.2.3 Some essential services are partially provided by departmental roles (ie these roles work across multifaceted services within Tourism and Seafront), such as marketing and publicity.

1.2.4 Combined visitor figures to the museum for the last operational year of 2017/18 were 50,365. The museum allows visitors to use its café without utilising the museum and paying the required entry fee. For 2017/18, 6,743 visits were café only. Comparative performance over preceding years is provided below:

	House	Café only	Total
Financial Year 2014/15			
April 2014 –Sept 2014 (charging)	N/A	N/A	22,245
Oct 2014 – March 2015 (non-charging)	N/A	N/A	22,942
Total for year 2014/15			45,187
Financial year 2015/16			
April – Sept 2015 (charging)	25,435	6,313	31,748
Oct 2015 – March 2016 (charging from Jan)	17,272	5,197	22,469
Total for year 2015/16	42,707	11,510	54,217
April – Sep 2016 (charging)	20,222	5,199	25,421
Oct 2016 – March 2017 (charging)	20,138	2,981 NB. Café taken in house in Sep 2016	23,119
Total for year 2016/17	40,360	8,180	48,540
April – Sep 2017 (charging)	24,799	3,152	27,951
October 2017 – March 2018 (charging)	18,823	3,591	22,414
Total for year 2017/18	43,622	6,743	50,365
April – July 2018	16,266	2986	19252

1.2.5 Entry charges for the museum are £7.50 for an adult and £4 for a child including gift aid. The museum also offers an annual ticket of just under £20. The museum has a ground floor shop located near the entrance and takings are around £90,000 per annum.

1.2.6 The museum has a large temporary exhibition space and has a busy public programme featuring high profile exhibitions of regional and national significance and events targeted to both adults and families.

1.2.7 There is a gallery area within the spatial footprint of the café and this is regularly programmed, featuring both community projects and selling exhibitions. Recently, the Café Gallery hosted the following exhibitions:

John Liddell: Miscellany: Linocuts, woodcuts and wood engravings (19 September 2017 – 14 January 2018), which has generated many sales.

Tom Marshall: Familiar Places and Unexpected Stories: Original Prints, Drawings and Prints (16 January – 29 April) which has also sold reasonably well.





1.3 Recent and Current Café Arrangements

1.3.1 The café is situated in the light & airy modern wing of the museum and provides 56 Covers. There is a fully fitted kitchen providing one small oven with four hobs, a panini toaster, toaster, microwave, two small fridges, one upright fridge, a fridge with trays in for food preparation, a drinks chiller, two upright freezers.

The spacious seating area is fitted out to a high standard. It is open as described below:

Summer opening (30 March to 28 October)

10.00am – 4.30pm Tuesday to Sunday

Winter opening (30 October 2018 to 5 April 2019)

10.30am - 4.00pm Tuesday to Sunday

Open on Bank Holidays (except for Good Friday)

It serves a range of sandwiches, soup, teas, coffees and cakes and the current menu is provided at Appendix 1.

1.3.2 A full set of figures for the café is provided at Appendix 2. The café was brought in house temporarily in September 2016 and offered a very limited service, largely operated by Bournemouth Seafront in the expectation that it would be contracted out. It made a significant profit so in Spring 2017 the decision was taken to manage the café internally. However although in 2017/8 it turned over more than £100,000 it made a loss of £20,000. This is not an acceptable or sustainable position, so the museum has been seeking to introduce improvements, cut costs and increase customer numbers.

Initiatives have included:

- Sale of retail stock such as biscuits, jam etc.
- Introduction of Afternoon Tea offer
- Introduction of Loyalty Cards for drinks
- Boardgame Fridays once a month to encourage new audience
- Introduction of Picnic offer
- Reduction of opening times in Winter (upcoming)
- Introduction of Café Volunteer role to support paid staff
- New home-baked products to save costs and minimise wastage
- Introduction of comprehensive catering plan for events and group visits

As the museum is part of the seafront services section of the council, it does have access to skills and expertise in relation the management of catering concessions, but is also recognises the importance of an external, expert assessment, hence the issuing of this review contract.

1.3.3 Between 2013-16, the Russell-Cotes café was run by an external operator for annual income of about £120,000. The operator was the Urban Guild Group who run a range of restaurants and venues across the Bournemouth area. They withdrew from the Russell-Cotes as turnover and profit margins were assessed to be insufficient for their business model. Upon their withdrawal, it was decided by BBC management that a period of in-house operation would be initiated to test the relative organisational and financial value of an integrated café.

For the period of October to March 2016/17 a small profit was generated

For the period of 2017/18 a loss was incurred

By the end of 2018/19 we forecast a small profit will be generated

Given that the Café must function primarily as an income generation stream for the charity, it is now time to assess how the business might move forward and what the optimum organisational model might be.

2. Purpose of the Brief

To conduct a comprehensive review of the current café operation and propose an operating and business model which will maximise profitability whilst encapsulating and promoting the vision and values of the Russell-Cotes Museum & Art Gallery.

3. Role and Outputs

The consultant will:

- Assess the effectiveness of the existing catering arrangements, clearly identifying any current strengths and issues.
- Consider the relative merits and potential of in-house and contracted out café models, with specific reference to RCAGM's distinct selling points and challenges.
- Provide a tailored appraisal of the potential of the RCAGM café over the next five year period, within the context of local competitors and the museum's planned public programme
- Formulate a costed action plan for substantially improving the performance of the cafe which at a minimum includes proposals for:
 - The best fit catering offer, including pricing
 - Opening hours
 - Staffing arrangements & training
 - General operation
 - Culinary standards
 - Health & safety and food hygiene
 - Utility Services
 - Equipment

Timing

- It is anticipated that the time period for delivery of this contract will span September – November 2018 at a maximum, but an October completion would be preferable if feasible.

4. Copyright

The copyright for any material produced during the course of the contract will be the property of Bournemouth Borough Council.

5. Location

The person appointed will work from their own premises, but will be expected to attend on-site meetings at Russell-Cotes Museum & Art Gallery.

6. Remuneration for the Contract

The fee for this contract is the subject of quotation, exclusive of VAT but inclusive of travel expenses. The appointed individual/company will be responsible for their National Insurance and Tax.

Bournemouth Borough Council will deal with financial matters. Payment will be made in two instalments; 30% on commencement, 70% on final completion.

7. Insurance

The consultant/company will be required to have professional indemnity insurance.

8. Health & Safety

The consultant will be responsible for managing their own health & safety and those they work with, complying with all relevant legislation.

9. Quotations

The quotation should include costs for the work required to undertake all those tasks set out in this document and this should be clearly structured within your quotation, showing any anticipated additional costs, including travel and document reproduction.

Please could you also submit a statement to demonstrate how you would organise and execute the tasks outlined in this specification. This should include how you would address the working relationships with the client and details of at least two comparable projects.

10. Contact Details

Please email any questions regarding the brief to Vicky de Wit, Dorset Museums Advisor at v.j.dewit@dorsetcc.gov.uk

12. Submission of Quotations

Please email a quotation by Wednesday 5th September.

COUNCIL



Report subject	Highcliffe & Walkford Neighbourhood Plan
Meeting date	10 January 2023
Status	Public Report
Executive summary	<p>The Highcliffe & Walkford Neighbourhood Plan has been subject to independent examination between November 2021 and July 2022. The examiner's report concluded that subject to modifications, the neighbourhood plan meets basic and legal conditions. Cabinet on 26 October 2022 agreed the examiner's report and modifications, together with the council's decision statement and modified neighbourhood plan and approved the plan for referendum.</p> <p>The Council held a referendum on 15 December within the Highcliffe & Walkford Parish Council area. The referendum question asked:</p> <p>'Do you want BCP Council to use the Neighbourhood Plan for Highcliffe & Walkford to help it decide planning applications in the neighbourhood area?'</p> <p>The turnout for the referendum was 1,955 (representing 16.89% of the electorate in the Highcliffe & Walkford Parish area). Of these voters, 86% voted in favour of the plan and the council must now bring the plan into force so that forms part of the statutory development plan for the Highcliffe and Walkford neighbourhood area. It will be used alongside the Christchurch Local Plan to determine planning applications in the Highcliffe & Walkford Parish Council area.</p>
Recommendations	<p>It is RECOMMENDED that Council:</p> <ol style="list-style-type: none"> Note the results of the Highcliffe & Walkford Neighbourhood Plan referendum held on 15 December 2022 (Declaration of Result of Poll - Appendix 1 and Ballot Box Verification Record – Appendix 2); Agree to make the Highcliffe & Walkford Neighbourhood Plan (Appendix 3), that was subject to referendum on 15 December 2022, part of BCP Council's statutory development plan so that it can be used alongside the Christchurch Local Plan to determine planning applications in the Highcliffe & Walkford neighbourhood area.

	<p>c. Approve the Local Planning Authority's Decision Statement (Appendix 4) and delegate publication and circulation of the Decision Statement to the Interim Director of Planning in consultation with the Portfolio Holder for Development, Growth and Regeneration.</p>
Reason for recommendations	<p>To meet the statutory obligations including provisions set out in the from the Localism Act 2011, the Town & Country Planning Act 1990, the Neighbourhood Planning Act 2017, the Planning & Compulsory Purchase Act 2004 (and the Neighbourhood Planning Regulations 2012 (as amended).</p>

Portfolio Holder(s):	Councillor Philip Broadhead - Deputy Leader of the Council and Portfolio Holder for Development, Growth and Regeneration
Corporate Director	Sam Fox, Interim Director of Planning
Report Authors	Rebecca Landman, Planning Officer
Wards	Highcliffe & Walkford; and (Part) Mudeford, Stanpit and West Highcliffe
Classification	For Decision

Background

1. Neighbourhood Planning gives communities direct power to develop a shared vision for their neighbourhood and shape development and growth of their local area. One of the key aspects of neighbourhood planning is that communities can develop their own planning policies for a defined area. When a neighbourhood plan is 'made' by the council, it becomes part of the statutory development plan and has full weight in decision making when determining planning applications within the neighbourhood area.
2. BCP Council as the local planning authority has a statutory duty in accordance with the Localism Act 2011, the Town and Country Planning Act 1990, the Neighbourhood Planning Act 2017 and the Neighbourhood Planning Regulations 2012 (as amended), to support town and parish councils and neighbourhood forums for the purposes of producing their own neighbourhood plan.
3. There are six main stages in the neighbourhood planning process comprising:
 - (i) Designation of neighbourhood forum as qualifying body and designation of neighbourhood area.
 - (ii) Preparation of a draft neighbourhood plan by qualifying body
 - (iii) Publicity and consultation on the draft pre-submission plan by the qualifying body.
 - (iv) Submission of the plan to the local planning authority.
 - (v) Independent examination.
 - (vi) Referendum and bringing the neighbourhood plan into force.
4. Following independent examination of the Highcliffe & Walkford Neighbourhood Plan and the publication of the Examiner's Report, Cabinet resolved on 26 October 2022 to:
 - Accept the findings of the independent examiner's report and recommendation that the area for referendum will be the neighbourhood plan area.
 - Approve the Local Planning Authority's Decision Statement and list of modifications.

- Approve the Highcliffe & Walkford Neighbourhood Plan (2020-2028), as modified.
- Recommend that the modified Highcliffe & Walkford Neighbourhood Plan proceeds to referendum on 15 December 2022; and
- Agree that authority be delegated to the Interim Director of Planning in consultation with the Portfolio Holder for Development, Growth and Regeneration to agree any further minor changes to the Neighbourhood Plan before it goes to the referendum.

Referendum

5. The rules covering the organisation of the referendum are set out in the Neighbourhood Planning (Referendum) Regulations 2012 (as amended) and the Neighbourhood Planning (Prescribed Dates) Regulations 2012. This includes the requirement to hold the referendum within 56 days from the date of the Local Planning Authority's decision notice and publish specified documents on the council's website not less than 28 days before the date that the referendum is to be held. On 7 November, the [specified documents were published on the website](#). Electoral Services managed the organisation and arrangements for the referendum.
6. The Highcliffe & Walkford Neighbourhood plan Referendum was held on Thursday 15 December 2022, and asked residents: "Do you want BCP Council to use the Neighbourhood Plan for Highcliffe & Walkford to help it decide planning applications in the neighbourhood area?". From an electorate of 11,572 there was a turnout of 1,955 voters (16.89%). The **results showed in favour of the Plan** with 1681 YES votes (**86%**) and 274 NO votes (14%). The [full referendum results are shown here](#).
7. The council must now bring the plan into force so that it forms part of the statutory development plan for the Highcliffe & Walkford neighbourhood plan. It will be used by decision makers (alongside the Christchurch Local Plan) to determine planning applications in the Highcliffe & Walkford Parish Council area.

Summary of financial implications

8. As part of its statutory duty to support neighbourhood planning groups, there are implications for officer time in the planning policy team to enable attendance at meetings, responding to emails and requests, making appropriate legal and planning issues checks, responding to consultations, publishing the neighbourhood plan for consultation, making arrangements for independent examination and referendum. Whilst the costs of officer time are included in existing budgets, the cost of the examination and referendum need to be met by the Council.
9. There is financial support available for Local Planning Authorities from the Department of Levelling Up, Housing & Communities (DLUHC) to meet the cost of the referendum. LPA's can claim £20,000 when issue a decision statement detailing their intention to send the plan to referendum (as set out under Regulation 18 of the Neighbourhood Planning (General) Regulations 2012). However, the government grant did not cover the full cost of both the examination and the referendum. The shortfall was met from existing agreed budgets. There is no further cost in 'making' the neighbourhood plan.
10. When a Neighbourhood Plan is 'Made' (adopted by the Council), the Community Infrastructure Levy (CIL) Neighbourhood Portion rises from 15% to 25%. This means

that the Parish Council will receive a higher amount of neighbourhood CIL from future development in the neighbourhood plan area.

Summary of legal implications

11. Neighbourhood Planning (General) Regulations 2012 (as amended) set out the statutory requirements placed on Councils. Regulation 20 requires that 'As soon as possible after making a neighbourhood development plan, a local authority must publish on their website and in such other manner as they consider is likely to bring the decision to the attention of people who live, work or carry on business in the neighbourhood area – (i) the neighbourhood development plan; and (ii) details of where and when the neighbourhood development plan may be inspected. At referendum on 15 December 2022, there was a majority vote in favour of the neighbourhood plan. Therefore, the council is obliged to 'make' the plan so that it forms part of the statutory development plan.
12. Before considering whether to 'make' the plan, the local authority must be satisfied that there would be no breach or incompatibility with any retained EU obligation or any of the Convention rights (within the meaning of the Human Rights Act 1998). The Convention Rights protect the rights of people that belong to the Council of Europe, including the UK, and is different to the European Union. The Human Rights Act protect the right to life, the right to respect for private and family life, the right to personal liberty, the right not to be tortured or treated in an inhuman way, the right to a fair trial, a right to freedom of religion and belief and others, including right to education and freedom of expression. The neighbourhood plan has been through the statutory stages of consultation with comprehensive and wide engagement, independent examination and modification. It has been subject to Strategic Environmental Assessment (SEA) Screening and Equalities Impact Assessment (EqIA) Screening and the referendum on 15 December has been held in accordance with statutory requirements. The council can therefore be satisfied that there has been no breach of any civil, political, economic social and cultural rights and as such the plan is compatible with the Convention Rights.

Summary of human resources implications

13. Work involved with supporting and advising neighbourhood planning groups and managing the formalities to meet the legal requirements described in para11, will be met by resource from planning policy officers and within existing budgets.

Summary of sustainability impact

14. The sustainability impacts have been considered by the examiner as part of the basic conditions which requires the plan to contribute to the achievement of sustainable development. The examiner concluded that, subject to modifications, he is satisfied that the policies meet the requirement in that they have had proper regard to national policy and guidance. He also agreed with the Screening Determination that the requirements of the Strategic Environment Assessment had been met in that and concluded that the plan would not be likely to result in a significant effect on any European Site either alone or in combination, and no further assessment under the Habitats Regulations is required. Further, a Decision Impact Assessment (DIA ID: 441) has been completed which has concluded that the carbon footprint score of the proposal is low. This decision is supported by internal theme advisors for climate, environment, communities, consumption, learning, transport, and procurement.

Summary of public health implications

15. The neighbourhood plan will positively benefit public health by; revitalising the high street and helping people feel safe and proud of their local shopping areas, looking after green spaces and having access to open space connects people with nature and improves physical and mental health, encouraging walking and cycling has implications for both increasing fitness and addressing obesity, helping towards better air quality and cheaper forms of travel, than by car. Improving community facilities improves health by bringing people together and creates better community cohesion and sense of belonging, encouraging well designed residential development will help improve the quality, size, energy efficiency and amenity space of new development. Housing is a key determinant of physical and mental health and wellbeing, as well as improving life chances and access to jobs. New homes including affordable housing will contribute to better public health outcomes by helping to provide a wider choice of quality residential accommodation and helping to alleviate overcrowding, reduce stress and provide stability for families.

Summary of equality implications

16. An Equalities Impact Assessment (EqIA) screening of the neighbourhood plan was considered by an EqIA panel on 25 August 2022. The panel rated the screening document as **Green** – good to go/approved, providing sufficient evidence that the public sector equality duty has been met.

The summary of the EqIA screening is as follows:

The Neighbourhood Plan has a strong vision for the Highcliffe and Walkford to be successful, vibrant, safe, and attractive. From the network of accessible green spaces and cycling routes to the design of new development, it seeks to improve the sustainability and social equality of the area. The policies have a number of beneficial impacts on people with protected characteristics. The High Street and local centre policies will encourage a wide mix of businesses and facilities with an improvement in the quality of its public realm. This will benefit groups of all age, disability, gender, faith, ethnicity, transgender and sexual orientation by providing places to dwell, and meet others, in a safe and familiar place with natural surveillance, a range of opportunities to work and access to facilities including healthcare. The green spaces policies encourage access to protected open spaces which can help contribute to mental and physical health and wellbeing of people of all ages, disabilities, genders, faiths, ethnicities, sexual orientations where time can be spent outdoors with or without friends/family. The walking and cycle routes policy shows provides for both on and off-road routes which are direct, overlooked, safe and accessible to all. Through careful design, women, those managing pregnancy and postpartum, older people, people of faith and different ethnic groups or transgender groups can use these routes with confidence. The routes will be accessible to young families with buggies and less mobile or visually impaired residents or wheelchair users. The Community facilities policy recognises the need to retain, modernize and continue to meet needs for education for early years groups, primary and secondary schools. This will benefit children in of all ages and genders, reduce social inequality, and address poverty in the parish area. The plan supports the wider development plan approach to growth which has major benefits to public health including employment prospects. The housing design and local character policy will encourage new development to achieve national space standards, reduce carbon emissions, provide flexible space for hobbies and homeworking, and encourage design features that would increase social interaction,

reducing loneliness and isolation with older people. It may improve community cohesion amongst residents of young families and people living alone, thereby improving wellbeing and contributing to good outcomes for residents of Highcliffe & Walkford.

Summary of risk assessment

17. The only outstanding risk associated with making the plan is a legal challenge which may be made on the basis that the neighbourhood plan as modified, does not meet basic conditions, or is incompatible with Convention rights. Officers have considered the Human Rights Convention and are satisfied that there is no breach. The risk is considered low as the neighbourhood plan has been through independent examination and the examiner considered all such matters and concluded that subject to modifications, the plan meets basic conditions and other legal tests and can proceed to referendum. Whilst the recommendations were not binding, BCP Council also considered the modifications and was of the view that there was no justification for reaching a different view. The neighbourhood plan was subject to referendum on 15 December 2022. The majority of voters were supportive of the plan and therefore the council is obliged to 'make' the plan part of the statutory development plan for Highcliffe & Walkford.

Background papers

The referendum results page is available to view at [Highcliffe and Walkford Neighbourhood Planning Referendum 2022 \(bcpCouncil.gov.uk\)](https://www.bcpCouncil.gov.uk/Highcliffe-and-Walkford-Neighbourhood-Planning-Referendum-2022)

Appendices

1. Declaration of Result of Poll – Referendum on the Neighbourhood Plan for Highcliffe & Walkford
2. Referendum verification statement
3. Highcliffe & Walkford Neighbourhood Plan to be 'made'.
4. Decision Statement to 'make' the neighbourhood plan.

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DECLARATION OF RESULT OF POLL

Bournemouth, Christchurch and Poole Council

Referendum on the Neighbourhood Plan for Highcliffe & Walkford

on Thursday 15 December 2022

Question asked:

Do you want BCP Council to use the **Neighbourhood Plan for Highcliffe & Walkford** to help it decide planning applications in the neighbourhood area?

I, Graham Farrant, being the Counting Officer at the above referendum, do hereby give notice that the number of votes cast is as follows:

Answer	Number of votes	
YES	1681	86%
NO	274	14%

The number of ballot papers rejected was as follows:		Number of ballot papers
A	want of official mark	0
B	voting for more answers than the voter was entitled to vote for	0
C	writing or mark by which the voter could be identified	0
D	being unmarked or wholly void for uncertainty	0
Total		0

Electorate: 11572

Ballot Papers Issued: 1955

Turnout: 16.89%

And I do hereby declare that more than half of those voting have voted **in favour of** the Neighbourhood Plan.

Dated Friday 16 December 2022

Graham Farrant
Counting Officer

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Highcliffe & Walkford - Ballot Box Verification Record Sheet

Neighbourhood Planning Referendum - Thursday 15 December 2022

Box No.	Polling District(s)	Polling Station	Ballot Box Count	Ballot Papers Verified	No. of ballot papers included in count
1	HW1	Temporary building, Wingfield Recreation Ground car park	1	243	243
2	HW2	Station A – The Amberwood Inn, 154 Ringwood Road	1	285	285
3	HW3	St. Mark's Church Hall, Hinton Wood Avenue	1	186	186
4	HW4	Highcliffe Sports & Social Club, 387 Lymington Road	1	187	187
5	MU4	Main Venue, Hoburne Park, Hoburne Lane	1	166	166
			Postal Votes:	888	888
			Totals:	1955	1955 (A)

Verified total:	1955	<i>Verified votes / electorate x 100 = turnout %</i>
Electorate:	11572	
Turnout:	16.89%	

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Highcliffe and Walkford Neighbourhood Plan

Our Vision: In 2028, Highcliffe & Walkford will be a safe, successful, vibrant and attractive place to live, work and visit. Its High Street will be a place that people choose to visit and spend their time in. We will have a safe and attractive network of green spaces, cycle and walking routes which support residents' physical and mental health and wellbeing. We will remain proud of our Castle, our beaches, and the quiet, leafy neighbourhoods that make up much of our parish. New housing will be energy efficient and designed to be flexible to meet the changing needs of our residents, young and old, and there will continue to be plenty of opportunities for people of all ages to work and socialise and engage in hobbies and activities locally.



2020 - 2028

Highcliffe and Walkford Parish Council

January 2023

Highcliffe and Walkford Neighbourhood Plan

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Highcliffe and Walkford Neighbourhood Plan

1. Your Neighbourhood Plan - Introduction and Background

The area and its population

1.1. Our residents, who number in excess of 13,500 people (2019 mid year estimate), are privileged to live in one of the most beautiful areas of the south, with immediate access to the coast and in very close proximity to The New Forest. Probably one of the most famous parts of our area is Highcliffe Castle, which sits proudly in our midst.

1.2. Highcliffe and Walkford parish was formed following the local government reorganisation in April 2019, when the new unitary authority of Bournemouth, Christchurch and Poole (BCP) was created. The Neighbourhood Plan area (which covers the entire parish) was formally designated by BCP Council in December 2020.

1.3. The parish includes the villages of Highcliffe (historically centred on the High Street (Lymington Road) to the south, but now covering a much larger area with the development of land at Hoburne), Walkford (which is centred on the Ringwood Road to the north-east) as well as part of the former Christchurch airfield (to the west) which was developed for housing and industry following the runway's closure in the 1960s. The northern boundary runs along the London (Waterloo) to Weymouth railway (there is a station at Hinton Admiral, just to the north of the parish) beyond which is mainly farmland, and to the south is the coast and English Channel. To the west is Somerford and Friars Cliff, part of the newly formed Christchurch parish, and to the east is the county boundary, with New Milton and Barton on Sea continuing the strip of coastal development.



Map 1. The Neighbourhood Plan

Key facts about our area (Source: 2011 Census)

Total population: 12,681

Total housing: 6,636

Total area: 639 hectares (2.5 square miles)

Average age: 53 years

Vacant homes: 7.6%

Population aged 60 years or more: 50%

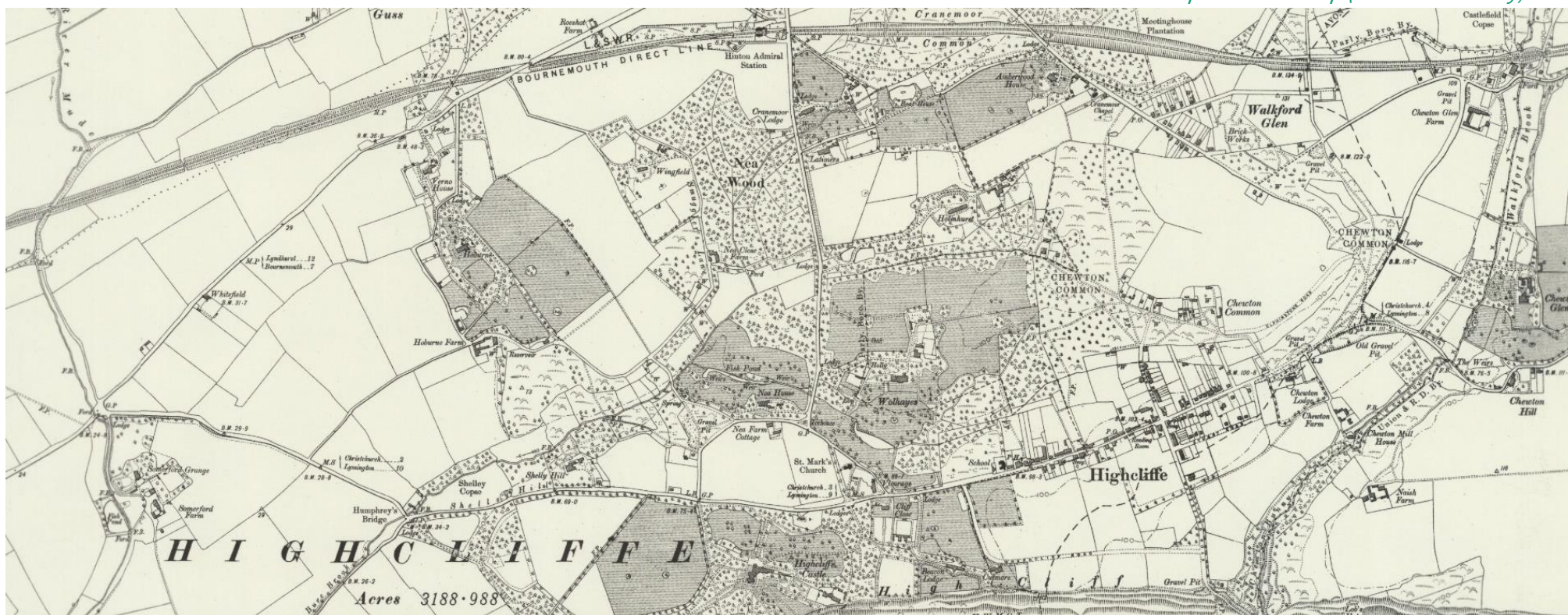
Population aged under 30 years old: 21%

Highcliffe and Walkford Neighbourhood Plan

How the area has developed over time

1.4. At the turn of the twentieth century Highcliffe and Walkford were small villages with a collection of large estates with a principal house, for example, Highcliffe Castle, Chewton Glen, Hinton Admiral, Wolhayes Estate, Greystones House, Saulfland. The railway and Hinton Admiral Station (opened in 1886) progressively gave access to the coastline and the area became very attractive for development.

Map 2 Historic Map (Ordnance Survey) 1907



1.5. As the twentieth century progressed the majority of estates were sold-off in parcels of land for housing and the character of the area changed considerably. Relatively low-density development was the norm, with bungalows and chalet bungalows the most common feature of the area built in the 1950s and 1960s. Flats and apartments, particularly along the coastal fringe with sea views were built in the late 1970 and 1980's and are a prominent feature of the housing stock. Some two storey houses (generally 2 to 4-bedroom) complement the 'mix'.

Highcliffe and Walkford Neighbourhood Plan

1.6. More recently the Hoburne Farm Estate has been developed with a range of modern family homes. A number of sites have been attractive for redevelopment notably along Lymington Road in Highcliffe where ‘back land’, behind retail units on the High Street, has provided additional sites for houses and flats. In addition, ‘infill sites’ have been developed replacing single homes with generous garden land.

Why is having a Neighbourhood Plan a good idea?

1.7. Whilst much of the area is now developed (or as in the case of Roeshot, soon to be developed), no place stays still. There will continue to be changes as land and buildings change hands, and the need for different types of buildings and land use crop up.

1.8. The development plan for the area helps provide the framework for the Local Planning Authority to make decisions about the type of development that is given permission, and what should be refused, and gives more certainty to landowners, developers and residents about the type of changes that could happen. Up until now, the Local Plan policies have been set out in the Christchurch and East Dorset Core Strategy (and in part the older Christchurch Local Plan), with these plans typically prepared by the overarching council for a much wider area. Since 2011, the concept of Neighbourhood Plans has been introduced, and these new Neighbourhood Plans are prepared by local people, for the area they live in (often based on the parish boundaries, and prepared under the auspices of a Parish Council). Whilst Neighbourhood Plans cannot deviate significantly from the over-arching strategic policies in the Local Plan, they can make a difference through more detailed guidance and policies that will shape what is ultimately built. They must reflect the views of local people, as ultimately they are ‘tested’ through a local referendum.

Key priorities for this plan

1.9. In December 2019, to ‘kick-start’ a Neighbourhood Plan for our area, the Parish Council held an event to which a wide range of local groups and businesses were invited. From this event we were able to come up with a list of possible objectives for our Neighbourhood Plan, which were then tested and ratified through a wider residents’ survey.

1.10. The six priorities that emerged from the initial scoping event were generally supported by local people to our household survey, although the final one (on carbon neutral design) was perhaps slightly less strongly supported, with the retention of local character a competing priority. These are explained in more detail below:

Revitalise the High Street – in particular, improving the outdoor areas, traffic management and encouraging a better range of shops and services

1.11. Whilst the local High Street is really valued by our residents, it is clear that it, like many other High Streets in the country, is struggling. The Coronavirus pandemic in 2020 has highlighted how fragile some businesses

The top priorities for our Neighbourhood Plan

Revitalise the High Street – in particular improving the outdoor areas, traffic management and encouraging a better range of shops and services

Look after our green spaces – in particular, enhancing wildlife / natural areas and connecting corridors areas and having good access to the beach.

Encourage walking and cycling as a way of getting about - through the provision of safe cycle routes (and cycle rack locations) and improved pavements.

Retain and improve our community facilities

Encourage a more appropriate mix of housing types, not just flats.

Encourage new building designs to be carbon-neutral.

Highcliffe and Walkford Neighbourhood Plan

are – and the Government have stepped in with revisions to legislation to make changes between the various town centre uses (shops, cafes, banks, offices etc) much easier. The Parish Council have also commissioned Paul Basham Associates (who are Traffic Engineering Consultants) to undertake a 5 stage project encompassing -

- > Stage 1 – Traffic Flows: baseline study
- > Stage 2 – Present baseline findings
- > Stage 3 – Improvement Opportunities Study
- > Stage 4 – Refine and agree Improvements – budgets and programme
- > Stage 5 – High Street: enhancement study

1.12. This Neighbourhood Plan can perhaps start a useful conversation about the future of Highcliffe High Street, and what changes we particularly want to encourage to make it more successful and more robust to changes in how people shop and what experiences they want to have when they come to our centre.

Look after our green spaces – in particular, enhancing wildlife / natural areas and connecting corridors areas and having good access to the beach.

1.13. Green spaces were very much supported in the responses to the resident's questionnaire. Retaining and enhancing these spaces is important, so that they can support the physical and mental wellbeing of the local community – and whilst these are protected in general through the Local Plan policies, this Neighbourhood Plan can be more definite by designating the most valued spaces as 'Local Green Spaces' and where these are not already adequately protected through other designations. This requires an assessment of all candidate spaces against the national criteria for a Local Green Space. We have also considered whether there are missing green spaces / corridors that could or should be added, where development opportunities arise.

Encourage walking and cycling as a way of getting about - through the provision of safe cycle routes (and cycle rack locations) and improved pavements.

1.14. We have collected information from local people about what they perceived to be the key routes – the beach and cliff paths in particular, and also Lymington Road and Highcliffe High Street, and specific priorities for improvement (and what implications this might have in terms of future plans for the area). The levels of on-street parking in unsafe locations was the top issue for residents – so we have looked to see how this can be resolved, in part by ensuring new developments do not add further to these problems.

Retain and improve our community facilities

1.15. The household survey helped identify facilities that are particularly valued and should be protected, and also potential needs for new or expanded facilities. Ideas particularly focused on provision for young families / children and changes that could support and strengthen the High Street, so we have tried to work with a range of organisations including those supporting young people, to identify what should be the top priorities and how or where these could go.

Highcliffe and Walkford Neighbourhood Plan

Encourage a more appropriate mix of housing types, not just flats.

1.16. The main concern appears to be that there is too much focus on building flats in recent years. We have therefore undertaken research based on the available housing data to provide more locally focused information on housing need. From this, we can provide guidance on the mix of house types and other factors such as design requirements.

Encourage new building designs to be carbon-neutral

1.17. The Neighbourhood Plan can encourage the use of more sustainable and energy efficient buildings – although minimum standards are generally covered under the building regulations legislation. It can also make clear that this is a priority over other design considerations. However what was also clear from the household survey was that there may need to be exceptions where this would result in buildings that differ significantly from the area's local character. So we have provided more guidance in these situations as to what would and would not be acceptable.

What about other themes and issues?

The early scoping session wasn't limited to just these six themes – the discussions were wide ranging. In terms of transport and mobility a lot of the discussions focused on local bus services – however the frequency and routing of services is not something that can be readily influenced by land use planning, particularly in existing built-up areas. Tourism and employment were also discussed. A lot of the discussion on tourism focused on enhanced access to the beaches as a key visitor attraction. The main suggestion with regard to employment / industry was the possible provision of incubator units and shared office space for new businesses. However this idea was not seen as a 'top priority' by participants.

Our Vision for Highcliffe and Walkford...

1.18. All of these points have been brought together in the following Vision Statement:

In 2028, Highcliffe & Walkford will be a safe, successful, vibrant and attractive place to live, work and visit. Its High Street will be a place that people choose to visit and spend their time in. We will have a safe and attractive network of green spaces, cycle and walking routes which support residents' physical and mental health and wellbeing. We will remain proud of our Castle, our beaches, and the quiet, leafy neighbourhoods that make up much of our parish. New housing will be energy efficient and designed to be flexible to meet the changing needs of our residents, young and old, and there will continue to be plenty of opportunities for people of all ages to work and socialise and engage in hobbies and activities locally.

1.19. The plan period (the time period that the plan will be in effect, unless it is reviewed) mirrors that of the current, adopted plan (which was adopted in 2014 and runs to 2028). Whilst it could have been extended over a longer period, it is very likely that a review of the plan will take place following the adoption of the new Bournemouth, Christchurch and Poole Local Plan (which is currently programmed for Winter 2024). The new Local Plan will look at least 15 years ahead.

Highcliffe and Walkford Neighbourhood Plan

Who was involved in preparing the Plan and what happens next?

1.20. Shortly after the formation of the Parish Council in May 2019, the Council decided to prepare a Neighbourhood Plan for its area, in order to give the local community more say in shaping future development in our area. A group of local volunteers and Parish Councillors formed a Sub-Committee together with the support of a Planning Consultant, Jo Witherden BSc (Hons) DipTP DipUD MRTPI of Dorset Planning Consultant Ltd, to prepare this Plan.

1.21. At each stage, as the Neighbourhood Plan has developed, we have consulted with the community. Whilst consulting during 2020 has been difficult because of the unprecedented lock-downs during the Covid-19 pandemic, the Parish Council and Sub-Committee have used a combination of local contacts, printed and social media to try to keep local residents and businesses informed and engaged. Whilst the response to the consultations could have been higher (particularly among the younger age ranges) we feel confident that the responses received broadly reflect the main concerns of our community.

1.22. As a result of the feedback from the consultation on the draft plan (sometimes referred to as the pre-submission or Regulation 14 draft), the plan has been updated. The main issues and changes made are explained in the Consultation Statement. Subject to the Independent Examiner agreeing that it meets the basic conditions all plans must meet (these are set out in the Localism Act), which may require some further changes, the final plan will then go to Referendum. Local people (usually those registered to vote in the Neighbourhood Plan area) can then vote as to whether or not Bournemouth, Christchurch and Poole Council should use the plan (making it part of the development plan for the area). If the majority of those voting say 'yes', then these policies will be used in deciding planning applications, influencing how Highcliffe & Walkford develops in the future.

1.23. In addition to the planning policies that will be used in planning decisions, this Plan also contains a number of projects. These are matters which the Parish Council will look to take forward in partnership with local residents, landowners, developers and other organisations. Where these will require funding, the Parish Council may use their portion of the Community Infrastructure Levy (CIL) monies due to the parish from development, together with available grants and monies from the Parish Council's own precept funds. One of the first steps for the projects will be to establish the possible timeline, costs and budgets for those projects that it may lead on.

1.24. Thank you to all our residents who have played an active part contributing to the Plan process, Jo Witherden BSc(Hons) DipTP DipUD MRTPI our planning consultant, as well as the following past and present members of the Sub-Committee:

- > Cllr Nigel Brooks MBA MRICS Chartered Surveyor
- > Cllr Willie McNeil BSC (Hons) MSC AIMEE AMIFA
- > Ian Nichols Project Manager
- > Ken Tullet MSc CEng
- > David Underhill Dip Arch RIBA Chartered Architect

Highcliffe and Walkford Neighbourhood Plan

2. The Local Plan and National Planning Policy– some context

2.1. One of the basic conditions that are legally prescribed for a Neighbourhood Plan is that it must have regard to national policy and guidance and be in general conformity with the strategic policies in the development plan for the local area (which in our case would be the Christchurch and East Dorset Local Plan Part 1 – Core Strategy). So it is perhaps useful to have a quick overview as to what that means for our area.

National Planning Policy

2.2. There are over 50 pages in the 2019 National Planning Policy Framework (NPPF), and a lot more guidance associated with it, which cannot easily be distilled into one or two paragraphs. But probably one of the most important points is that it explains that the purpose of the planning system as seen by the Government, which is to contribute to the achievement of sustainable development. It also explains that plans and decisions should apply a “presumption in favour of sustainable development”, which in our case of plan-making, is to positively seek opportunities to meet the development needs of our area, and be sufficiently flexible to adapt to rapid change.

2.3. The NPPF also makes clear that Neighbourhood Plans should not promote less development than set out in the strategic policies for the area, or undermine those strategic policies. There is also much more guidance on how plans should help:

- > Deliver a sufficient supply of homes (whilst protecting Green Belt land)
- > Build a strong, competitive economy, and ensure the vitality of town centres
- > Promote healthy and safe communities and sustainable transport
- > Achieve well-designed places
- > Meet the challenge of climate change, flooding and coastal change
- > Conserve and enhance the natural and historic environment

Highcliffe and Walkford Neighbourhood Plan

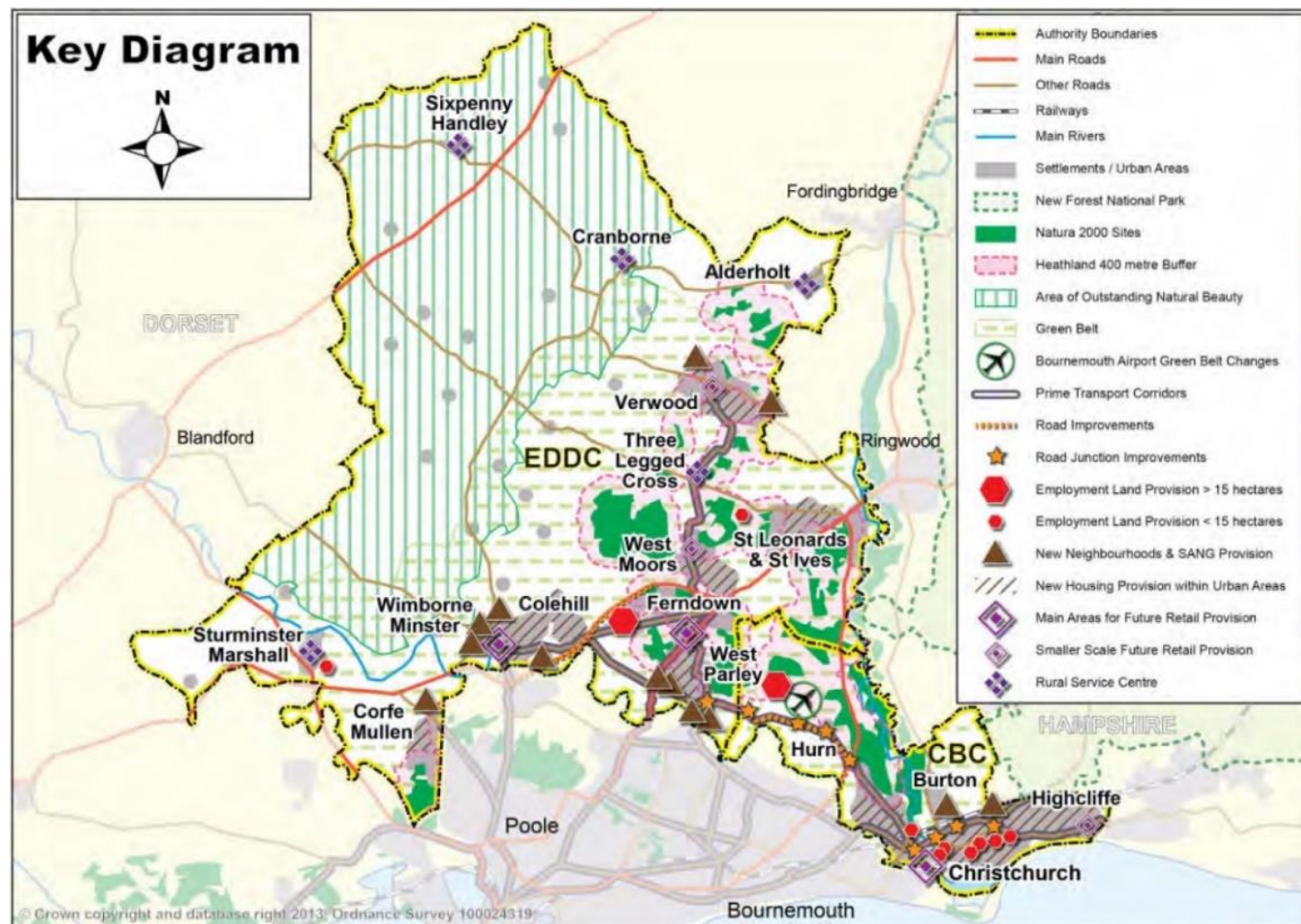
Local Planning Policy

Christchurch and East Dorset Local Plan

2.4. The Local Plan covers a wide area stretching up as far north as Sixpenny Handley in the Cranbourne Chase Area of Outstanding Natural Beauty, and stretching around the outskirts of the Poole / Bournemouth conurbation as far west as Sturminster Marshall. Highcliffe features a number of times in the Plan, with the High Street recognised as an important local (district) centre that should be supported (under policies CH4 and CH5), and the importance of Highcliffe Castle in particular noted as a key historic element (which alongside the many other Listed Buildings and Conservation Areas, is protected under policy HE1). The beaches and coastline is part of the Highcliffe to Milford Cliffs Site of Special Scientific Interest (and therefore protected under Policy ME1). The remaining undeveloped land is largely protected as Green Belt (under policy KS3) or as important open space (under policy HE4). The main employment areas off The Runway are also safeguarded (under Policy PC1). Elsewhere within the built up areas, the potential for infill and redevelopment is possible and expected, subject to more detailed design and site specific constraints.

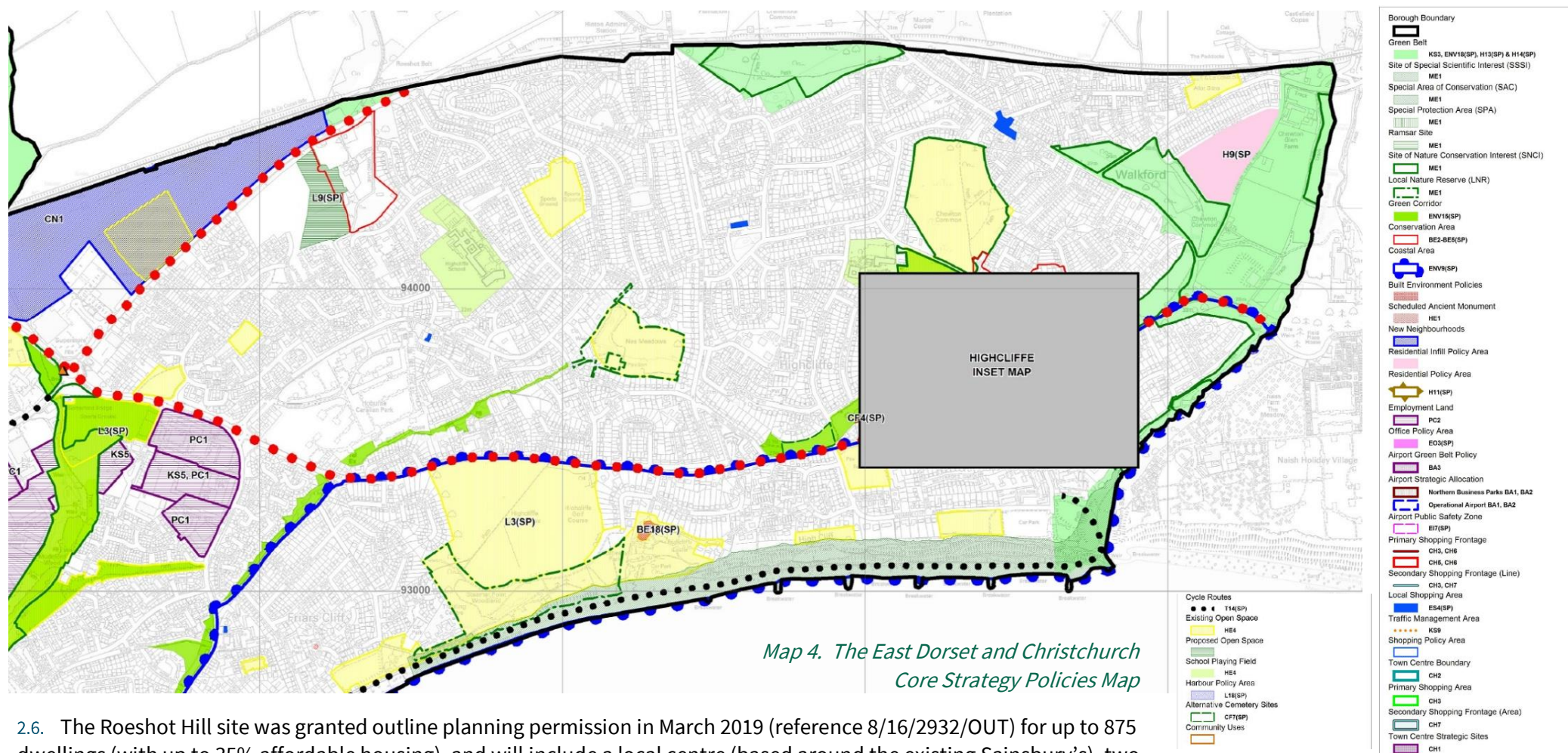
2.5. The main development planned for the area was the strategic housing allocation on land south of the railway line at Roeshot Hill (Policy CN1) which lies partly within the Neighbourhood Plan area and partly within Burton parish.

Map 3. The East Dorset and Christchurch Local Plan Key Diagram



Highcliffe and Walkford Neighbourhood Plan

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Map 4. The East Dorset and Christchurch Core Strategy Policies Map

2.6. The Roeshot Hill site was granted outline planning permission in March 2019 (reference 8/16/2932/OUT) for up to 875 dwellings (with up to 35% affordable housing), and will include a local centre (based around the existing Sainsbury's), two floodlit all-weather 5 a side sports pitches; a community building with changing facilities, as well as other areas of open space. The first phase of this (an area of public open space to the west of the new vehicular access roundabout to Lyndhurst Road) was granted reserved matters permission for the laying out of public open space to the west of the new vehicle access roundabout to Lyndhurst in October 2021.

Christchurch Local Plan (Review)

2.7. Prior to the local government reorganisation, work had starting on the review of the Local Plan, with a first draft of the Christchurch element subject to consultation in 2017. This did not identify any further land for housing in the Neighbourhood Plan area (and the plan as a whole was unable to meet its objectively assessed housing needs) other than the potential to release a small area of land in the Hoburne area (south of Lyndhurst Road and immediately west of the Verno

Highcliffe and Walkford Neighbourhood Plan

Conservation Area) which had been previously been identified for playing pitch provision. This land has now been granted outline planning permission for 38 homes, public open space and landscaping (ref 8/17/0196), and a larger area is now subject to a further planning application (ref 8/21/1210/OUT) for 121 homes with all matters reserved, except access.

Emerging Bournemouth Christchurch Poole Local Plan

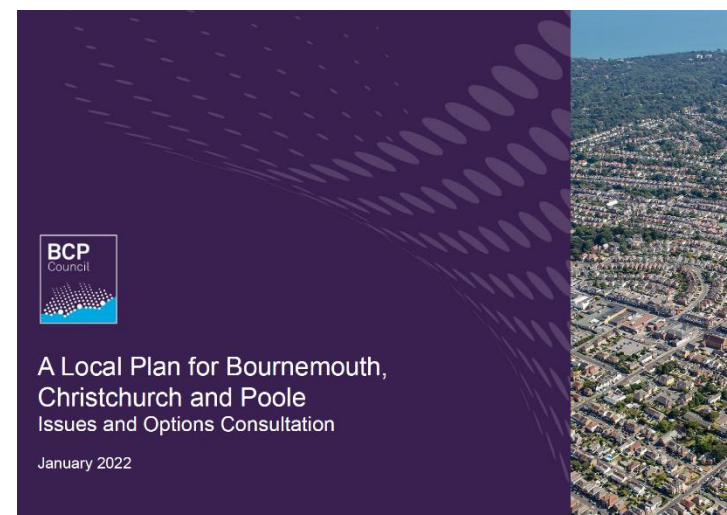
2.8. Whilst the basic conditions do not require a Neighbourhood plan to be in conformity with an emerging plan, it is important that the emerging evidence is taken into account as it may provide a clear indication how issues are or will change. Work is well underway on compiling the evidence base for the new BCP Local Plan. Some of the evidence that has been published includes :

- > BCP Council and Dorset Council Strategic Green Belt Assessment, 2020
- > BCP Council Strategic Housing Land Availability Assessment, 2019
- > Bournemouth Christchurch and East Dorset Joint Retail and Leisure Study 2017 (although a further update has been scheduled)
- > Bournemouth, Dorset and Poole Workspace Strategy and Study, 2016
- > Level 1 SFRA Report Christchurch Borough Council 2019
- > South East Dorset Urban Mobility Strategy, 2020
- > Strategic Flood Risk Assessment, 2019

2.9. Additional evidence is still being compiled, and includes the following studies which were anticipated in 2021 as part of the work on the BCP Local Plan. As these studies were not available at the time the Neighbourhood Plan was agreed for submission in June 2021, it was not possible for the Parish Council to fully consider any implications arising from their findings. Where the studies were published during the course of the Examination of this Plan, updates to any relevant data has been included in this Plan where possible and appropriate, but otherwise any implications will be considered through the next review of this Plan.

- > Housing Needs Study - November 2021
- > Local Cycling & Walking Infrastructure Plan (LCWIP) – May 2022 - and other studies relevant to the update of the Local Transport Plan
- > Retail Study update – September 2021
- > Urban Potential Study - Housing and Economic Land Availability Assessment (Part 1) published January 2022
- > Viability Assessment of Local Plan / CIL Charging Schedule

2.10. At the time of drafting this plan, the Bournemouth, Christchurch and Poole Council had still to produce a first draft of their plan. A total of 206 sites were promoted across the BCP Council area through the 2019 call for sites. Within Highcliffe & Walkford, six sites have been promoted for development. This includes industrial land at BAE Systems (The Runway) for a mix of uses, the potential for further housing within the Hoburne Estate, one site at Jesmond Avenue and two sites within the Greenbelt on Chewton Farm. In addition, six parcels of land on Chewton Common and a



Highcliffe and Walkford Neighbourhood Plan

further parcel of land at Cranemoor Common have been promoted for Suitable Alternative Natural Greenspace (SANG). All these sites are currently being assessed as part of the preparation of the BCP Local Plan, and have been consulted on as part of the BCP Local Plan Issues and Options Consultation in early 2022.

It is likely that this Neighbourhood Plan will need to be reviewed following the adoption of the new Local Plan, in order to resolve any conflicts that may arise.

		2023												2024														
Task	Dec Aug	Nov Sept	Oct	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Key dates summary																												
Ongoing community engagement and evidence gathering																												
Preparation of the draft Local Plan																												
Publication of the draft Local Plan (Reg 19)																												
Preparation for Submission																												
Submission of the draft Local Plan (Reg 22)																												
Examination in public (Reg 24)																												
Plan adoption (Reg 26)																												

Figure 1. Timetable for completing the Local Plan as agreed by BCP Council in July 2022

Using the Plan

The use of the words 'should' and 'will'

The words 'should' and 'will' throughout the Plan have specific meanings and are defined as follows:

The word 'should' does not imply that the policy is optional or simply something the Parish Council desires if offered. Where the word 'should' is used, this is because it is thought conceivable that a proposal may not be able to fully comply with that policy's requirements, but that if it aligned with the policy intention as far as possible, it may still on balance be found to be acceptable (depending on the reasons why complying wholly was not possible, and the extent to which the proposal aligned with that policy and the development as a whole). Therefore where the word 'should' is used, and an applicant considers that there are good reasons why their proposal cannot meet the policy requirements, they should explain this as part of their application, and show how they have aligned with that policy's intention as far as possible.

Where the word 'will' has been used to set out a requirement in a policy, failure to comply with the policy is not envisaged as acceptable, and this failure should be given significant weight in the decision.

Highcliffe and Walkford Neighbourhood Plan

3. The High Street

3.1. Highcliffe's High Street is what is known as a 'district centre'. This means it has a reasonably good range of shops and services serving the local population. There is Tesco express, a Co-operative Food store, and over 100 other town centre type businesses, local attractions and hospitality venues on this stretch of road.

3.2. High Streets across the UK are struggling, and even more so as a result of the Covid-19 pandemic in 2020. Revitalising the High Street was one of the top priorities for local people (see the results of our household survey). The main comments received related to the mix of uses (too many charity shops, not enough cafes and restaurants) and the issues with traffic and run-down feel of the street environment. This is echoed in the 2017 retail report, commissioned at that time by Bournemouth Borough Council and Christchurch and East Dorset Councils. A survey of the High Street in Summer 2020 recorded approximately two-fifths (40%) of units as retail outlets (primarily convenience), a further 15% professional or financial services, and just under 10% as pubs / restaurants / cafes / takeaways. Just over 6% were healthcare and medical services and most of the remaining fell outside the recognised use classes, with a significant number of these being beauty salons or similar services. Some 15% of the units were vacant – including premises vacated by two of the three High Street banks (the third having also closed and replaced by a betting office) and the closure of the long-established G&Ts discount store.

3.3. The report recognised that Highcliffe is not a main destination for food or non-food shopping, and has a very limited leisure role and comparatively limited public realm – in terms of open space and street furniture. Its shops are mainly small independent traders, with a relatively high concentration of local service outlets and a low level of restaurants and hot food takeaways, compared to other centres. A lot of the shop units are small (under 150m²), which means that they tend to be attractive to start-up businesses, but as a consequence the turnover of users can be high as the businesses grow or fail. The retail study noted that the main road creates a barrier for pedestrians. On the positive side, the public car parking is convenient, and the vacancy levels were no higher than average.

3.4. The 2014 Local Plan's proposals for Highcliffe are based the High Street continuing to be a thriving and busy centre for the local population and visitors. Key factors to this success were seen as:

- > enhancing the niche retail offer to attract more visitors with unique / specialist shops;
- > encouraging the evening economy;
- > encouraging community services such as healthcare and sports / leisure facilities;
- > creating better linkages between the centre and the beach, so that visitors to the beach will benefit local trade;
- > improving the outdoor areas to create a more welcoming and pedestrian friendly environment;
- > maintaining sufficient parking provision to service the centre.

Strengths <ul style="list-style-type: none">• Convenient public car parks close to the centre.• Range of independent specialist shops.• Good quality eateries.	Weaknesses <ul style="list-style-type: none">• Limited food and grocery shopping, and evening / leisure uses (and mainly low market comparison goods stores).• Busy main road detracts from the overall shopping experience.
Opportunities <ul style="list-style-type: none">• Improvements to the public realm and pedestrian environment may increase visitors to the area.• expanding the evening economy.	Threats <ul style="list-style-type: none">• Increased vacancies / lack of demand from town centre investors• Increased traffic through the centre.

Highcliffe and Walkford Neighbourhood Plan

Improving the High Street environment

3.5. The High Street is dominated by the A337 main road (which is a strategic transport route and typically has between 16,000-30,000 vehicles using it in any day) and varies in width between some 9m to 6.2m). Whilst there is a large car park (Wortley Road car park) conveniently located to the south side, many people use the on-street parking as it is convenient and free (although restricted to 30 minutes) with vehicles consequently waiting to get into or out of spaces. The pavement areas are a mis-match of surfaces and somewhat cluttered by street furniture, signage and bins. A number of side-roads create further disruption to both pedestrian and the flow of vehicles.

3.6. In March 2020, Highcliffe and Walkford Parish Council commissioned Paul Basham Associates Ltd to produce a High Street Enhancement Study. The first stage report (looking at potential opportunities) has now been produced. The report focuses on what could be changed to make the High Street a more pleasant place for local residents and visitors alike. The initial report produced in August 2020 concludes with a number of ideas, which are summarised below:

- > Remove central white lining and include other related measures to support a 20mph speed limit
- > Replace the signalised pedestrian crossings with zebra crossings (subject to more detailed design checks) to increase the ease and safety for pedestrians crossing the High Street
- > Remove all on-street and layby parking from the High Street– except for a small number of disabled bays
- > Increase the amount of pedestrian / footway space (particularly on the sunnier, northern side of the carriageway) by reducing the road width to 6m wide (except at the crossroads where turning lanes are provided) – this is marginally higher than the 5.5m minimum width for two HGVs to pass.
- > Create a gateway entrance feature with planting at either end of the High Street
- > Create additional cycle parking areas
- > Include ‘charging points’ in Wortley Road car park and re-look at charging to balance any impacts from the loss of parking on the High Street (e.g. some free 30 minute parking spaces)

3.7. The potential to reduce the number of heavy goods vehicles, for example by introducing a weight limit restriction, or advanced traffic signage warning HGV's to avoid Lymington Road at certain times was considered. However such restrictions are difficult to enforce and the Highways



Our main objectives:

- *More spacious pavements, with fewer trip and bump hazards*
- *Designed for pedestrians*
- *Slower traffic, safer for cyclists (as a dedicated cycle lane along the High Street cannot easily be achieved)*





THE FUTURE OF YOUR HIGH STREET

HAVE YOUR SAY

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Produced by Highcliffe and Walkford Parish Council. The Highcliffe and Walkford Neighbourhood Plan is a legal document. It is subject to a public consultation period. The plan will be adopted by the Parish Council in 2021.

Highcliffe and Walkford Neighbourhood Plan

Authority would be reluctant to introduce such restrictions on A-class roads (particularly given that it is the identified priority route for HGVs travelling between Christchurch and Hampshire). The signing of more suitable alternative routes could help but would need to be done in conjunction with the Highways Authority and Police. Other changes to the wider road network may also help, for example improvements to the Cat & Fiddle junction where Ringwood Road meets the A35 (Lyndhurst Road) could reduce the amount of motorists that deviate to avoid due to the tail-backs caused by cars coming from Walkford waiting to turn right.

3.8. Most of this work would take place within the highway, and not require planning permission. On this basis we have included these potential improvements as a project – which can be funded from the Community Infrastructure Levy (CIL) monies due to the parish from development, Bournemouth, Christchurch and Poole Council and Central Government grants and the Parish Council's own precept funds. The timescales for implementation will depend on a wide range of factors – for example, the removal of white lines is best done when roads are re-surfaced – and further consultations on the detailed implementation will take place as the project progresses. We have also included a policy in our Neighbourhood Plan to complement the changes being made and emphasise support for improvements to the public realm which may be possible if and when landowners undertake wholesale redevelopment of sites fronting onto the High Street. In light of the objectives identified above, developers are encouraged to consider the potential for setback to create new spaces for pedestrians. This, together with scale (which will also impact on the amenity of new and existing spaces) and route connections (that may be able to increase links through to the surrounding areas where appropriate), as well as matters such as planting, surfacing and use of materials, can all help to improve the environment for pedestrians.

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Policy HWNP1. High Street Environment – the Public Realm

Proposals to increase the extent of, or improve the quality of, the public realm within the High Street will be supported.

Any major redevelopment schemes fronting onto the High Street should seek to improve the High Street environment for pedestrians.

Project P1. High Street Improvement Opportunities

The Parish Council will work with Bournemouth, Christchurch and Poole Council, local landowners and retailers to implement the improvement opportunities highlighted through the Highcliffe High Street Improvement Opportunities Study (2020) taking into account the issues and priorities identified through ongoing consultation.

Retaining a healthy mix of retail and other uses within the High Street

3.9. Whilst it is perhaps too soon to be able to predict the full impact of Brexit and the Covid-19 pandemic on the High Street, it is clear that nationally more retailers are facing closure with the impact of Covid-19 the 'last straw'. The Centre for Retail Research (CRR) has predicted that there will be more than 20,000 store closures nationally by the end of 2020 (compared to 16,000 in 2019). However all is not necessarily doom and gloom; possible trends and opportunities predicted by some retail experts include the potential that customers are more likely to shop local, the increasing popularity of local 'click and collect' options linked to online retail, and a higher demand for al fresco dining.

We are fortunate... to have two national food stores (Tesco and Co-op) plus independent stores such as our local bakery, butchers and furniture shop. Market forces will dictate how many of the existing retail businesses will survive the pressures on all High Streets. But by making the High Street more appealing for people to visit, other businesses will look to relocate and invest here.

For these reasons, it is important that the core part of the High Street should continue to have a retail / community focus.

Highcliffe and Walkford Neighbourhood Plan



3.10. In July 2020 the Government reacted to the issues facing Britain's High Streets by creating a more flexible environment for operators. This was done through an overhaul to what is known as the Use Classes Order, which defines what category different types of uses fall into. The Government created a new commercial, business and service use class that covers most town centre uses, along with two other new use classes (see the information box for more detail). This is particularly significant as changes within a single use class are not considered to be 'development' and do not require planning permission, so there will be less restrictions on changes between retail (shops) and other uses on the High Street. It is estimated that about two-thirds of the units in the High Street would fall within the new Class E commercial, business and service' uses. This means that these premises will have much more flexibility in terms of changes within that use class.

3.11. The Government can also specify whether a change between one class to another is permitted development (which also means that it does not require planning permission).

3.12 Under the Town and Country Planning (General Development) (England) Order 2015, Class MA permitted development rights will allow many properties within Class E to change to residential use without consideration of the impact on the High Street (where the proposal is outside a conservation area), providing certain conditions are met. Class

The Old and New Use Classes

Previously most town centre uses fell within a range of different classes, with retail shops (A1) distinct from financial / professional services such as banks and estate agents (A2), cafes and restaurants (A3), pubs (A4) and hot food takeaways (A5). Other uses that might typically be found in a High Street could include assembly and leisure uses such as community halls and sports gyms (D2) as well as a range of social / cultural and health-related uses such as libraries and medical centres (many of which would fall within the D1 use class). Whilst residential uses are commonly found above retail and other units, hotels (C3) are also a common feature of many town centres.

The new classes:

Use Class E - 'commercial, business and service' uses. Under the new system, shops (A1), financial and professional services (A2), restaurants and cafes (A3) and office / light industrial workshops (B1) use classes, and uses such as indoor gyms, day nurseries and health centres (some D1 / D2) will fall within this new use class.

Use Class F1 - 'learning and non-residential institutions'. Incorporates former D1 uses which are more likely to involve buildings which are regularly in wider public use such as schools, libraries, art galleries, museums, public halls, churches and law courts.

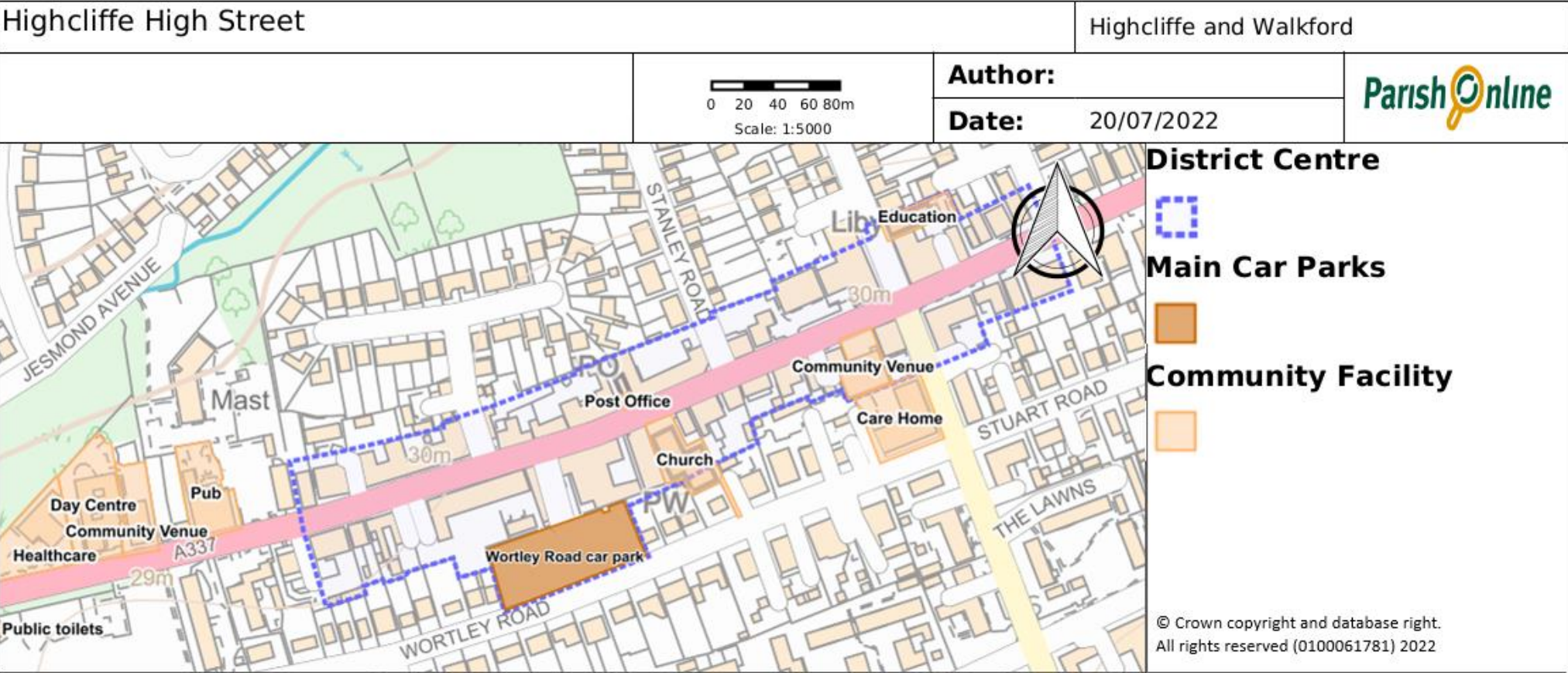
Use Class F2 - 'local community'. Groups together uses from the former D2 uses which provide for group activities of a more physical nature – swimming pools, skating rinks and areas for outdoor sports. It also includes the use of buildings where this is principally by the local community eg community halls, and local shops (which are small scale and the only such venue within 1000m radius).

'Sui generis' - pubs and hot food takeaways, cinemas, concert, dance and bingo halls will no longer be included in any use class. Nail bars, beauty salons, taxi hire firms and betting shops will also remain classed as sui generis.

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MA only applies to proposals where less than 1,500 sqm of cumulative floorspace is to be converted. To benefit from Class MA, the use of the building must have fallen within Class E or one or more of the uses that it replaced, for at least two years continuously prior to the date that the prior approval application was made. The building must also have been vacant for a continuous period of at least 3 months immediately prior to the date of the application for prior approval (but periods of closure as a result of Government Covid-19 restrictions will not count towards the vacancy period where the building continues to be occupied by the owner or tenant). Proposals for Class MA are subject to meeting conditions in terms of transport impacts, contamination risks, flooding, noise, and natural light but do not require an assessment of the impact arising from the loss of retail uses i.e. the implications for the District Centre’s overall vitality and viability. These permitted development rights would not over-rule restrictive planning conditions or legal agreements that would prevent such a change.

Map 5. Highcliffe High Street



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3.13. Planning policies often talk about the ‘town centre area’, ‘primary shopping areas’ (where most of the shops are found) and ‘secondary shopping areas’ which might typically have a wider mix of uses. These are useful in clarifying where town centre policies apply, and what changes may or may not be acceptable. The Local Plan defined the primary shopping area in 2014, covering the area of the High Street from just past the Premier Inn up to the crossroads where G&Ts Warehouse used to be. A secondary area was also defined going further east to include the parade of shop units stretching as far as Seaton Road. The aim of the policies was to retain a sufficient level of retail and other town centre uses in the centre, and to resist changes from retail to other town centre uses within the primary shopping area (west of the crossroads), particularly where this would result in a row of three or more non-retail units or result in the number of ground floor retail units falling below 70%.

3.14. Whilst the Local Plan’s vision for the High Street (as contained in Policy CH4) remains relevant, the loss of retail since 2014 (dropping to about 50% in 2017 according to the Council’s land use survey) and changes to the use classes have made some of the related retail planning policies in the Local Plan out of date. The following policy therefore has been drafted to provide clarity on the range of uses that would be supported. It reflects that there needs to be flexibility to accommodate both larger and smaller store needs, and ties in with the push to improve the public realm to make the whole centre an inviting experience.

3.15. Minor changes to the boundary have been incorporated to reflect the staggered nature of residential and town centre uses at either end, drawing the boundary in to where there are town centre uses on either side. This does not preclude the continuation of town centre uses just outside the boundaries, but reflects that the centre may ‘flex’ over the coming years and the loss of town centre units on these margins is less critical than the concentration in the central stretch. Residential units to the rear have been excluded from the boundary, and the main car park has been included as it is an important facility for the centre.

Policy HWNP2. High Street Uses

The use of ground floor units within the District Centre area (shown on Map 5) should fall within one or more of the following (and may include a mix of uses within these categories):

- Use Class E - commercial, business and service uses
- Use Class F1 – learning and non-residential institutions
- Use Class F.2 – local community uses
- Use Class C1 – hotels and guest houses
- Pubs, hot food takeaways, leisure venues (such as theatres, cinemas, concert halls, live-music performance venues, bingo halls and dance halls) and other main town centre uses (as defined in the NPPF) – subject to ensuring that the amenities of the local residents are not adversely affected by noise or disturbance

The provision of ‘click and collect’ facilities, an outdoor market / areas for outdoor events and al fresco dining should be supported, subject to ensuring that the amenities of the local residents are not adversely affected by noise or disturbance. Whilst residential uses on upper storeys is encouraged, ground floor residential uses will not be supported, notwithstanding permitted development rights where Prior Approval may be sought.

Any physical changes should retain (or where absent., create) shopfront entrances and openings so people can access the building from the street and so that the buildings appear connected with, and provide interest to, the street. Land off Wortley Road will continue to serve the centre as its main public car park.

Highcliffe and Walkford Neighbourhood Plan

Project P2. High Street Uses

The Parish Council will work with BCP Council to monitor the mix of town centre and residential uses within the High Street and Local Centres in light of the greater flexibilities introduced through Permitted Development Rights, and will identify and agree actions if the vitality of these centres notably declines.

The Local Centres

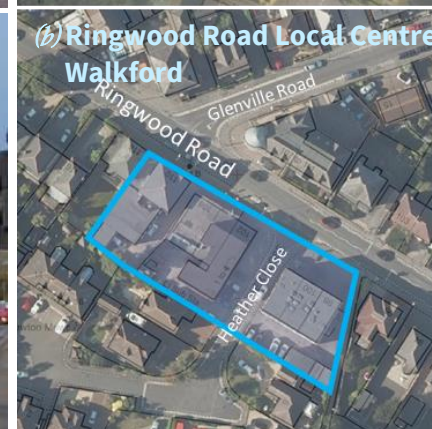
3.16. In addition to the High Street, there are two other local centres that continue to provide local services for the community. These are the parade of shops on Ringwood Road in Walkford, and the small parade in Saulfland Place near Hoburne Park. For residents at the westernmost end of the parish, the Sainsbury's superstore is in walking distance and this may be further supplemented by the local centre planned as part of the Roeshot development (although further retail outlets are not currently proposed as part of the outline consent). The local centre at Lakeland Road was converted to residential in the mid 2010s, as it had not proved an attractive location for businesses (having little passing trade in that location).

3.17. These two local centres are protected through the adopted Local Plan policies, but we have taken the opportunity to modify the boundaries slightly to more accurately reflect the reality on the ground and clarify that the boundary would not preclude these areas from expanding if this would meet a local need.

Map 6. (a and b) The Local Neighbourhood Centres



(a) Saulfland Place Neighbourhood Parade



(b) Ringwood Road Local Centre, Walkford

Policy HWNP3. Local Centres

The local shopping areas in Ringwood Road and Saulfland Place are shown on Map 6 (a and b). Proposed improvements to the provision of shops and/or services which provide for people's day to day needs will be supported within and adjoining these centres, subject to ensuring that the amenities of local residents are not adversely affected by noise or disturbance.

Highcliffe and Walkford Neighbourhood Plan

4. Our Green Spaces

4.1. Looking after our green spaces was the objective that was most highly supported in responses to the household survey. There were nearly 500 suggestions to the question asking for examples of local green spaces that people valued. Whilst some of these were outside of our Neighbourhood Plan area – such as Mudeford Quay and Avon Beach, Stanpit Marsh, Hengistbury Head, Burton Common and the New Forest – we have focused on assessing spaces within our area to see which might be eligible to be designated as a Local Green Space.

Local Green Spaces and Green Corridors

4.2. Local Green Spaces were first introduced nationally as a concept in 2012. These were defined in national planning policy, as spaces that local communities could identify for special protection (where new development is ruled out other than in very special circumstances). In order to qualify for the designation, it is important to demonstrate that the green space:

- > is in reasonably close proximity to the community it serves;
- > is demonstrably special to a local community and holds a particular local significance, for example because of its beauty, historic significance, recreational value (including as a playing field), tranquillity or richness of its wildlife;
- > is local in character and is not an extensive tract of land;
- > is not already consented for development (i.e. no existing planning consents or allocations in the development plan that could come forward) and is likely to endure beyond the plan period (i.e. there is not likely to be a reason why the green space would no longer be valued and could be developed at a future date);
- > and that the landowner has been made aware of the proposal to designate their land (and any objections they may have, considered)

4.3. The Neighbourhood Plan Group has therefore looked at all the spaces put forward for consideration, and also those spaces identified through previous studies (such as the Christchurch Borough-wide Character Assessment in 2003 and the Open Space, Sport and Recreation Assessment in 2008) to see which would be eligible and would benefit from Local Green Space designation. We consulted with local residents in the latter part of 2020 to check whether we had correctly identified those spaces that they valued. This indicated that the vast majority of local residents value all of the areas proposed to be designated as Local Green Spaces, and generally the more local, the higher the level of support (with at least 90% of those responding to the survey valuing all the spaces in their locality).

4.4. A number of spaces that were considered for designation have not been included because they are well-protected by other designations. The coast and cliffs are one such example – whilst very much valued by local residents (they were the top feature mentioned in the consultation as being particularly valued) they lie within the Highcliffe to Milford Cliffs SSSI. This means that they are recognised as a nationally important site, mainly for their geological interest, in particular the fossils,

New Local Green Space designations

LGS1	Lakewood
LGS2	Green spaces off Saffron Drive
LGS3	Woodfield Gardens
LGS4	Bellflower Close Play Area
LGS5	Hurst Close
LGS6	Oakwood Road / Latimer Close greens
LGS7	Hoburne Brook
LGS8	Woodhayes Avenue
LGS9	Ashmore Grove
LGS10	The Meadway

Green Spaces already protected through other policies / designations:

See Appendix 1

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but also the plants and wildlife that they support. On this basis there is considered to be sufficient protection. A number of other sites have overlapping local designations and these are also listed here for completeness.

4.5. Neither the Walkford or Roeshot allotments have been included in the final list of Local Green Spaces, with the Walkford allotments being specifically protected by Core Strategy policy HE4. Whilst the adopted Local Plan includes the Roeshot allotments within the strategic allocation for housing, this was on the basis that the existing allotments can be relocated to a larger 'hub site' contributing towards current unmet need and future requirements across the wider area. In general, it is expected that such provision is made within three-quarters of a mile of the existing allotment site and easily accessible – and there are very few large, undeveloped areas that could readily meet this criteria and a clear need for continued allotment provision. The Parish Council (who own the allotment site) have no intention of relocating the allotments and fully support their continuation on the existing site.

4.6. At the time of this Plan's examination in 2022, there were live planning applications pending decision for land at Hoburne Farm and off Jesmond Avenue. The Parish Council objected to these proposed developments, alongside many local residents. The Parish Council will monitor the outcome of these planning applications and if they are refused (as was the case with the first Jesmond Avenue application) may seek to make the case for their designation in a future review of this plan. A summary table of the spaces assessed for Local Green Space is included in Appendix 1. The table also explains the main reason for each spaces' designation as a Local Green Space, or the Examiner's conclusions as to why their designation would not be appropriate.

4.7 Whilst the Local Green Spaces have been used to identify those spaces that hold a particular significance to the local community, the "green corridor" elements of many parts of the built-up areas are collectively important. This includes generous highway verges, site boundaries where there is a significant band of mature trees, and areas that form part of the landscaped corridors in residential estates. The trees and green spaces make a major contribution to the character of many parts of the parish, and support local wildlife by providing habitats running through the area.

4.8 Policies HWNP4, 5 and 6 seek to protect the landscape benefits and wildlife function of these green corridors and avoid the unnecessary loss of mature trees and, and encourages their extension to create greater connectivity, landscape and wildlife benefits. Within highway verges, the placement and design of any necessary highway improvements should be considered to find the most appropriate solution.



Policy HWNP4. Local Green Spaces

Map 7. Green Infrastructure Network



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Policy HWNP5. Green Corridors

In the Green Corridors (as shown on Map 7) opportunities should be taken, where practical, to:

- enhance tree cover;
- enhance biodiversity through the linking of habitats, and
- provide opportunities for the informal enjoyment of these spaces where they form part of the public realm.

Development proposals adjacent to or including a part of a green corridor (including, for example, for digital provision or cycleways) to respect its function and integrity.

4.9. The Green Infrastructure Network map also indicates a number of larger, proposed accessible green spaces. These include an area within the Roeshot strategic allocation that is shown on the site masterplan as providing the main area of amenity space (in line with the policy requirement for a central green space linking to the countryside in the north and southwards along the Mude Valley to the coast), and an area to the east side of the latest phase of the Hoburne Farm Estate development (as shown on the outline planning application). Cranemoor Common and Woods and much of Chewton Common (which is registered commonland) are also shown as proposed accessible green spaces, in those areas where it is largely inaccessible. The major landowner (Meyrick Estate) is proposing that these areas are more positively managed as part of the green infrastructure network in the parish (to provide alternative sites for access to natural greenspace in order to reduce recreational pressure on the more sensitive heathland sites in the area), and our resident consultation showed significant support for this proposal, although there were a number of comments suggesting that this would need to be done in a manner that would not reduce the biodiversity of the many unmanaged areas (through inconsiderate management or disturbance), particularly given their role as part of the wider network of green corridors.



Policy HWNP6. Proposed Accessible Green Spaces

The proposed accessible green spaces as indicated on Map 7 are identified to provide additional publicly accessible green spaces. They should remain largely undeveloped and be managed to both allow recreational access (for example, the inclusion of paths and seating) and support and enhance the area's tree cover and biodiversity as part of the network of Green Corridors.

Green Belt Land

4.10. Cranemoor Common and Woods, parts of Chewton Common, Chewton Bunny and land to the east side of Chewton Farm Road are all within the Bournemouth, Christchurch and Poole Green Belt. Any changes to the extent of the Green Belt is a strategic matter for the Local Plan. BCP Council undertook a Green Belt study in 2020 to assess the extent to which each parcel of land contributes to the main functions of the Green Belt. Within the Neighbourhood Plan area, the Green Belt areas are particularly important in terms of retaining the separation of Highcliffe and Walkford from New Milton, and safeguarding the countryside from encroachment. The Parish Council supports their continued Green Belt status.

Project P3. Increasing Access to Natural Green Spaces

The Parish Council will work with Meyrick Estate in developing management plans for the areas within their ownership proposed as Suitable Alternative Natural Greenspaces.

Highcliffe and Walkford Neighbourhood Plan

5. Local routes – walking, cycling and on-street parking

5.1. Feedback obtained through our household survey showed that much of the area is well used by walkers. The beach and cliff paths are particularly well used, as well as the associated links through to the built-up area, such as along Chewton Bunny, as well as Chewton Common and Nea Meadow.

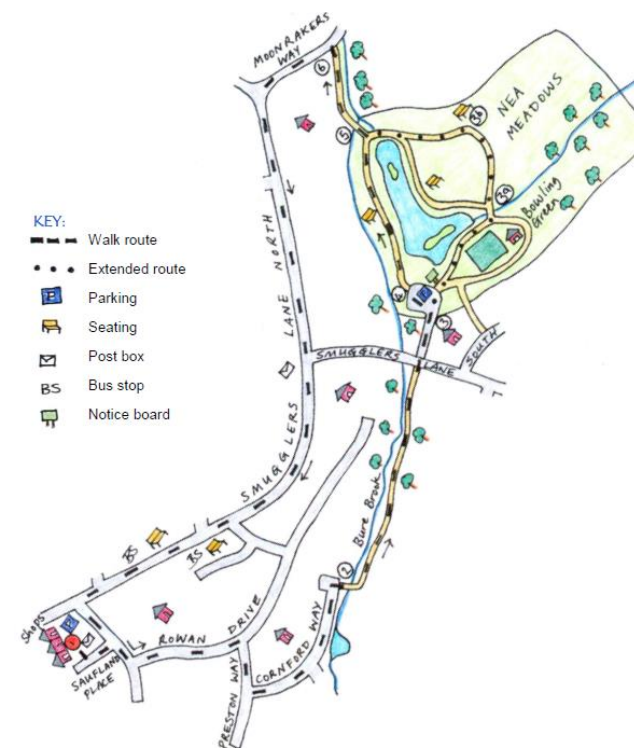
5.2. Local residents walk for recreation and to access facilities (such as going to school or to the library). And our residents survey suggests that the majority of people own bicycles (even the majority of those in late 60s and early 70s), although travel surveys suggest that far fewer use them on a weekly basis. The “Beryl bikes” hire scheme was set up in Bournemouth and Poole in the summer of 2019, and extended to Highcliffe and Walkford in late 2020, meaning that most residents are now within a five-minute walking distance of a ‘Beryl Bay’. Short trips can be easily made on foot or bicycle if the right infrastructure is in place, helping to improve public health and air quality whilst also reducing local congestion and carbon emissions. It is important that the routes they use are safe and attractive otherwise people may be tempted to use their car instead. Cycling is another form of transport that is healthy and good for short trips, but there is little bespoke provision for the cyclist in Highcliffe, with most users having to share the roads with cars and other traffic.

Local walking and cycling routes

5.3. Highcliffe is well served for recreational walking and much of the area is well used for this purpose. There are a number of green spaces in the parish which are easily accessed for recreational walking, and even the neighbourhood roads themselves can provide an interesting stroll with a mix of (largely modern) housing types, as well as being routes used to get to the High Street and other local facilities.

Walking

5.4. Of particular merit and note for recreational walking are the nature reserves at Nea Meadows and Chewton Bunny, and the cliff and coastal area (including the beach specifically) from Chewton Bunny to Friars’ Cliff through Steamer Point LNR. It is anticipated that the South West Coast Path will run along the coast through Highcliffe and up Chewton Bunny, when this route is confirmed. The Highcliffe Action Team produced, in 2019, an attractive guide to a four mile trail of nature and history in a Highcliffe Visitors’ guide. A number of alternative short circular walks are also promoted by the former Borough Council <https://www.christchurch.gov.uk/sport-leisure/walking/walking-routes-and-trails.aspx>. Access to some areas is unclear and better signage may help. For some residents and visitors, reaching the main green spaces for recreation is not easily achieved on foot. To this end, there is a large car park at the eastern end of the beach (at the Cliff-hanger) and limited provision at Highcliffe Castle at the western end.



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5.5. On a more practical basis, people tend to walk along Lymington Road and the High Street, as well as Hinton Wood Avenue to get to and from the shops and local services (including to the local bus stops - most of the bus routes run along Lymington Road, with a few diverting along Smugglers Lane North / Hinton Wood Avenue - and the railway station at Hinton Admiral, which lies just beyond the parish boundary in Hampshire). Frequent benches can help those with mobility difficulties to walk more easily between places.

Cycling

5.6. There is little in the way of cycle lanes in the parish (a few intermittent shared pedestrian / cycle sections in the Hoburne / Runway area, often of substandard width) and no dedicated alternative routes to by-pass the most heavily trafficked roads through the area. The initial household survey in February 2020 identified support for better cycle routes, and that at present some of those who do cycle opt to use the pavements to avoid the danger of the busier roads. This can cause problems for pedestrians, and there were comments also made about inconsiderate cycling behaviour. Examples provided of problem areas included locations such as the junction from the Castle at Rothesay Drive, which is seen as dangerous for walkers and cyclists alike.

5.7. Within our parish, the main arterial roads which pass through the centres of Highcliffe and Walkford (the A337 and Ringwood Road respectively) are in most places too narrow to permit the introduction of dedicated (or even combined) cycle / footpaths. It may be feasible to create a new on-road link along the south side of Lymington Road east of Bure Lane, but this will need further investigation including whether it could reach as far as the High Street (where the proposals outlined in Section 3 of this plan should create a more cycle-friendly environment). One option at this end of the High Street would be to provide an alternative signposted on-street route along Montagu Road / Wharncliffe Road (if measures could be introduced to ensure that the on-street parking along these roads would not make this too hazardous). Whilst this would create a useful local diversion, another option would be to consider a route running via Hoburne Lane -- Smuggler's Lane North -- Braemer Drive -- Chewton Common Road. This offers an obvious alternative east-west route through largely residential areas, and passes close to the two schools. It could also link into a north-south route along Hinton Wood Avenue connecting up to the station.

5.8. Furthermore proposals being promoted by landowners include the potential to make Cranemoor and Chewton Commons more accessible as part of the green infrastructure network, and the possible redevelopment of sites such as Hoburne Park. If these plans do come forward, this would provide an opportunity to incorporate further off-road connections. There is also room within the network of green spaces within the Hoburne development (around Saffron Drive) to link through this residential area and up to the A35 and then back into the residential area to enable a connection to the station avoiding the railway bridge. Where potential routes cross private land, these are indicative and will be subject to the agreement of the landowner (and may be varied as a result).



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5.9. Where off-road routes are not feasible, improvements to cycle safety along these roads should be considered. For example, this could be through highlighting cycle use and priority at junctions (this will normally require the road surface to be raised), considering where cars are parked and where parking restrictions may be useful, and through appropriate signage and other road markings. Such changes can make these routes more obvious and safer for cyclists.

5.10. A range of ideas for route improvements were tested through the Neighbourhood Plan local residents survey in November 2020, and received broad support. Bournemouth, Christchurch and Poole Council engaged WSP Consultants to help them identify primary routes for cycling improvements, then secondary routes and the development of low traffic neighbourhoods, as part of the work needed to underpin a Local Cycling and Walking Infrastructure Plan (LCWIP). At the time of drafting the first ideas had been published for consultation, and the ideas contained within our Plan were put forward for further testing as part of this process. As a result, a number of the proposals formulated as part of the Neighbourhood Plan work now feature in the LCWIP, which was adopted by BCP Council in May 2022, and to which this Plan now refers.

5.11. It is particularly important that the potential to improve the pedestrian and cycle network is considered at an early stage when sites that are being promoted for development where the inclusion of pedestrian and cycle links could provide a much more pleasant off-road alternative. Key principles would include:

- > Making sure that, wherever possible, routes pass in front of people's homes rather than to the back of them – creating a well overlooked public realm.
- > Ensuring the layout of streets prioritises the pedestrian and cyclist (eg: pavements and cycleways that continue across side streets and the provision of dropped kerbs).
- > Anticipating future pedestrian and cycle connections – making the most of opportunities to increase permeability by providing new links where possible.
- > Designing in pleasant resting places with seating to allow for rest and quiet social interaction.
- > Including visitor cycle parking in locations that are as or more convenient than the equivalent car park spaces.

5.12. Any new cycle and pedestrian facilities should be designed in accordance with the latest national guidance and with reference to the BCP Council engineering team who hope to take a consistent approach across the conurbation given the connectivity between areas. Whilst this Plan is not advocating shared cycle and pedestrian routes, in some locations these may be the only pragmatic solution. Where this is the case, shared use paths should be a minimum width of 3m (as advised by Government research), to comfortably accommodate both cyclists and pedestrians. The need for space on such routes has itself been re-emphasised through the Covid-19 pandemic's social distancing measures. Manual / electric wheelchairs and mobility scooters can be used on footways and also on cycle tracks (providing that there are no local orders or by-laws to prevent the latter).

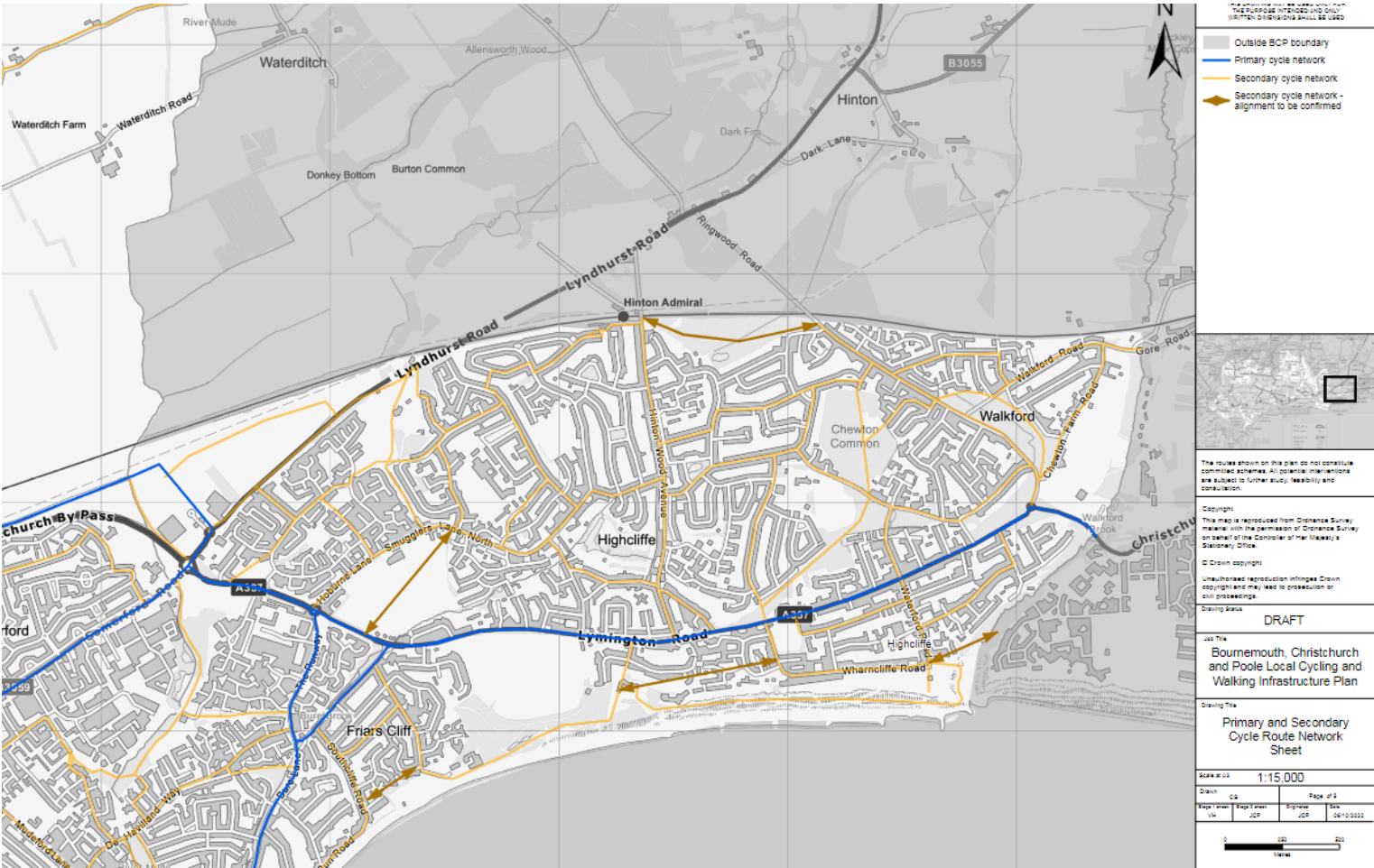
Policy HWNP7. Walking and cycle routes

Development should improve the safety and/or connectivity of the pedestrian and cycle networks where practical, taking into account the Local Cycling and Walking Infrastructure Plan (adopted May 2022). The separation of cyclists and pedestrians will be expected wherever feasible.

The design of any off-road routes should ensure that these are coherent, direct, safe, comfortable and attractive having regard to national guidance. This should include consideration of how the design would be accessible to all, including people with wheelchairs or buggies, how the routes would be suitably overlooked, the provision of benches, and use of landscaping to enhance biodiversity through the provision of wildlife corridors.

Highcliffe and Walkford Neighbourhood Plan

Map 8. BCP Council Local Walking and Cycling Infrastructure Plan (2022) Map showing Highcliffe & Walkford



Project P4. Walking and Cycling Opportunities

The Parish Council will work with Bournemouth, Christchurch and Poole Council to identify and implement improvements to the walking and cycle network across the parish, in consultation with local residents. This will include the completion of an audit of existing routes, to be undertaken by local volunteers, that can consider in more detail aspects such overall suitability for wheelchairs, baby buggies, provision of benches, dropped kerbs etc.

Highcliffe and Walkford Neighbourhood Plan

On-Street Parking

5.13. On-street parking was the top road safety issue raised in the resident's survey. From the statistics we managed to gather, it is clear that car ownership levels are high, with the majority of households (53%) responding to our survey having 2 vehicles normally parked at home overnight, and very few (less than 3%) having no vehicles. The 2011 Census data suggests that about 1 in 6 households (16%) did not have a car, which is slightly lower than the average across the conurbation at that time (22%) and suggesting a slightly higher degree of car dependency. However as most properties (87%) had at least 2 off-road parking spaces, as a general rule there was enough parking provided, with only a small proportion (7%) who had more cars than off-road parking. It was notable from the household survey that people living in apartment / flat or terraced or semi-detached homes were more likely to have insufficient off-road parking provided (these house types accounted for 75% of the occurrences, despite making up only 27% of the sample).

5.14. As part of working towards consolidating the various parking standards and requirements across the wider area, BCP Council adopted revised parking standards in January 2021 and have committed to undertaking a Strategic Car Parking Review looking into on-street parking controls to complement their approach to stricter car parking levels (though work on this stalled due to the Coronavirus pandemic). The new standards have the status of supplementary planning guidance supporting the Local Plan policies – and although not part of the statutory development plan would constitute a material consideration when determining planning applications for development. The standards propose that, in areas that are well-served by public transport, shops and local services, much lower parking requirements can be applied, as there should (in theory) be less need for people to own cars in such sustainable locations. Within Highcliffe and Walkford, the standard parking requirements would apply for much of the area, but lower standards could be applied in the strategic employment area off The Runway, around Hinton Admiral Station (within about 600m walking distance from the station) and close to the High Street (in the area between Wharncliffe Road and Jesmond Avenue).

5.15. Whilst in theory having lower parking requirements in more sustainable locations sounds a sensible solution, the lack of parking provision does not prevent people from owning a car, and parking it on-street. Problems related to on-street parking have already been raised through the consultation on this plan – and there are often localised reasons why these happen, which cannot readily be taken into account in devising parking standards based simply on walking distance to public transport and local services. The Parish Council encourages applicants to provide additional on-site car parking where there is a local issue. The BCP Council's Parking Standards SPD acknowledges that there may be local circumstances where variations to standards can be considered.



Highcliffe and Walkford Neighbourhood Plan

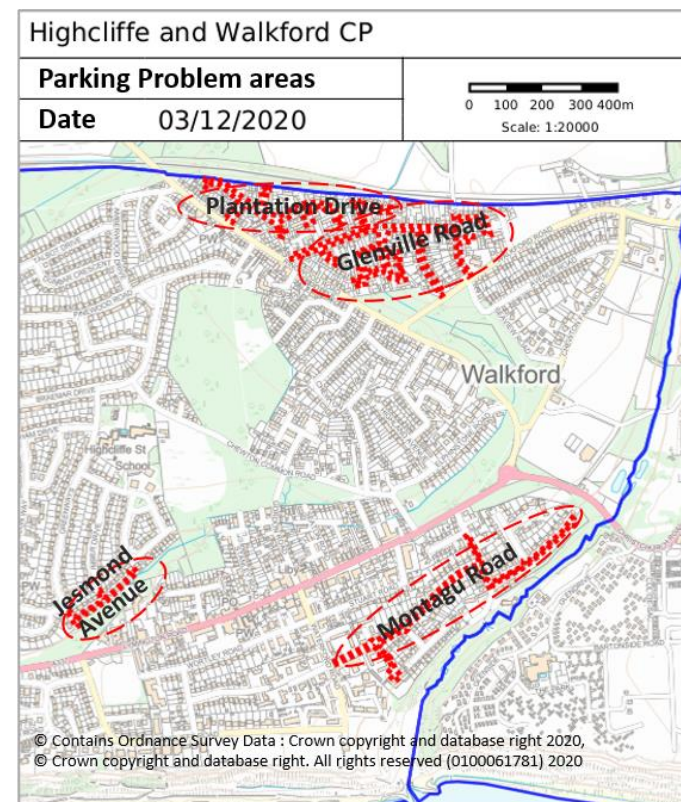
BCP Council also propose to counter potential negative impacts through appropriate use of parking restrictions. The Parish Council will look to work-proactively with BCP Council to ensure that any solutions are acceptable to local residents.

5.16. Within the parish, a number of on-street parking “problem areas” have been identified and are indicated on Map 9:

- > In the coastal strip, particularly east of Waterford Road, such as along Stuart Road and Montagu Road and connecting side roads - where additional parking pressure is created when visitors to the coast (particularly in the summer months) add to the normal pressures;
- > In the area around Glenville Road and Plantation Drive north of Ringwood Road – the former where there has been considerable backland development behind older properties that have limited off-road parking, and the latter where the garage blocks are not as convenient to use as parking on street.
- > Along Jesmond Avenue, which appears to be used as a convenient free parking area for those working or visiting the western end of the High Street

The Parish Council will continue to monitor parking issues that may be raised by local residents, and if necessary amend or extend these ‘problem areas’ in future reviews of this Plan.

5.17. We surveyed local residents to ask their opinion on what solutions could work in these locations. The most popular choice appears to be through achieving higher on-site parking provision when sites get developed (and to ensure that garages that may be provided are not readily converted or used for storage). In the Glenville Road area there was also some support for introducing parking restrictions (such as residents parking permits), and in Montagu Road there was slightly higher support for increasing the coverage of double yellow lines. People also commented for the need for better enforcement, and whether the pricing of public car park tickets could also be adjusted (perhaps using a resident’s pass) to encourage local residents to park in the car parks (rather than on-street) outside the peak car park times. It is also worth noting that the new parking standards set out requirements for electric vehicle charging points, and therefore this is not duplicated here.



Map 9. Parking problem

Policy HWNP8. Parking Standards

The starting point for the consideration of car parking provision will be the BCP Council Parking Standards SPD (adopted January 2021). Within an area where it is clearly and thoroughly evidenced that there are significant on-street parking problems, variation from the adopted standards may be considered.

Project P5. Parking Restrictions

The Parish Council will work with Bournemouth, Christchurch and Poole Council to identify and implement appropriate parking measures in areas where the levels of on-street parking are causing significant issues for local residents.

Highcliffe and Walkford Neighbourhood Plan

6. Community Facilities

6.1. There are a wide range of community facilities within the parish, some of which serve mainly local residents, and others which cater for a much wider catchment. Altogether, they help enrich the lives of local residents, providing easy access to a range of services and facilities that promote social and general wellbeing. The Local Plan policies support the provision (and resists the loss) of local and accessible facilities and services for community and cultural use such as education, health, libraries, facilities for older people / children and young people and community buildings. Where possible, the aim is to cluster services and facilities together, and encourage their multiple use so as to ensure that they are both efficient and flexible in adapting to changing needs.

6.2. Many of the facilities for the area are located within or close to the High Street, which means that they are better served by public transport, can be visited as part of a combined trip to the shops and other facilities. Policies relating to the High Street and the local neighbourhood centres in Walkford and Saufland Place are covered in section 3. Further provision is planned as part of the Roeshot Hill development, which will include a community hub including the provision of local health services (and our research has highlighted the land of NHS dentists operating in the area), as well as recreational facilities including new playing pitches

6.3. As part of preparing this plan, we asked local residents to tell us how important the various facilities in the area were to them. This research showed that many of the facilities are highly valued – with the most valued being the Medical Centre, Highcliffe Castle and the local library (with over 90% of the respondents saying that they highly valued those facilities). All of the facilities mentioned in the initial survey were valued by at least 50% of those responding.

Pictures show (from left to right): the Globe; St Mark's Church and Hall; The Old School House; Greystones; and (from top to bottom): the Oaks; Methodist Church, Lymington Road and Highcliffe Library.



Highcliffe and Walkford Neighbourhood Plan

6.4. We also contacted as many of the facilities as we could to find out how they were operating and whether there were any issues that the Neighbourhood Plan might be able to address to help them continue successfully into the future. We had response from 8 local organisations.

6.5. In terms of new or improved facilities, there were a wide range of responses from local residents with no one answer particularly dominating the discussions. Some of these linked to improving the High Street in terms of its environment and shopping / leisure offer. Others focused more on improving social facilities and activities specifically for the young such as youth clubs and facilities, and working adults (focusing on evening activities), and the perceived lack of venues in the Walkford area. People also suggested possible improvement to sports facilities, including potentially large projects such as a sports / leisure centre with a swimming pool / water sports focus. Other projects highlighted as part of this research included repairs / renovation or possible relocation of the Scout Hut; repairs / extension of the pavilion at Wingfields, and facilities to enable the sports pitch layouts to be re-configured (e.g. full size goals on wheels); improved kitchen facilities at the Old School House and improved parking and drop-off arrangements for community venues (such as the library and church halls), particularly for loading / unloading and for disabled visitors.

Project P6. Funding for community facilities

The Parish Council will work with local community facility providers to prioritise the funding of new or improved community facilities funded via the Parish Council's share of the Community Infrastructure Levy.

Community Venues and Cultural Facilities

There are four churches in the parish: the Holy Redeemer Roman Catholic Church and St Mark's Church of England in central Highcliffe, Highcliffe Methodist Church within the High Street, and the Methodist Church in Lymington Road. Community halls and social clubs include: Greystones (Highcliffe Community Association), the Old School House (Highcliffe Residents Association), Highcliffe Sports and Social Club, East Christchurch Sports and Social Club and Mudeford Wood Community Centre. There are also four pubs: The Amberwood Inn; The Globe, The Oaks and The Walkford Hotel. Highcliffe Castle and its grounds also used for a wide range of community classes and cultural events.

Healthcare Facilities

Highcliffe Medical Centre provides the main GP practice serving the area. Next door, the Tricuro Highcliffe Plus Centre providing specialist dementia service. Highcliffe Nursing Home and Silver Way are locally based care homes provision.

Sports and Leisure Facilities

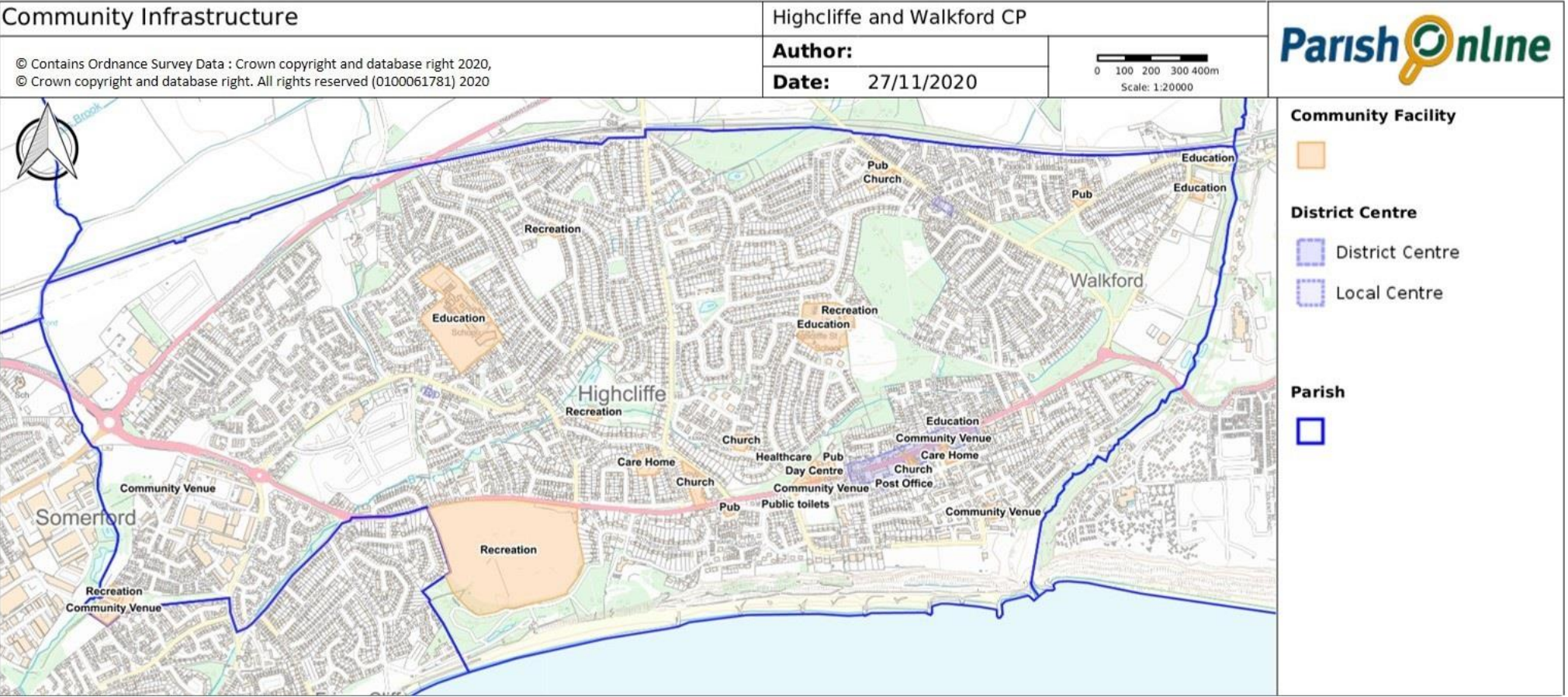
Many of the outdoor leisure facilities are protected under existing policies. Highcliffe and Wingfield Recreation Grounds (with its Sports Pavilion) are public facilities. East Christchurch Sports and Social Club operates two floodlit football pitches, a cricket pitch, two hard tennis courts and changing rooms in the western end of the parish just off The Runway. There are also games courts and a recreation ground (the latter just outside the parish) associated with the Mudeford Community Centre. Other sports facilities include the Highcliffe Bowling Club (with six outdoor rinks and adjoining pavilion), Highcliffe Castle Golf Club, the Scout Hut adjoining Chewton Common, and allotments at Roeshot Hill and Walkford. There is a Fishing Club based at Nea Lake and tuition every year at Lakewood.

Education and Learning Facilities

The main public schools in the area are Highcliffe St Mark Primary School, and Highcliffe Secondary School and Sixth Form. Pre-schools are run from the primary school (Chewton Common Playgroup), Mudeford Community Centre (Mudeford Wood Playgroup), and a day nursery operates in Walkford (Dell Cottage). Coda Music Centre, at the eastern end of the parish, acts as a music learning hub. Highcliffe library is just to the north of the High Street.

Highcliffe and Walkford Neighbourhood Plan

Map 10. Community Facilities



Policy HWNP9. Locally Important Community Facilities

The community facilities (as shown on Map 10) and associated land should be retained and allowed to modernise and adapt to continue to meet the community’s needs for social wellbeing / healthcare / education / culture, sports and leisure.

The preferred location for any new community facilities is within or adjoining the district or local centres, and on sites close to existing facilities (particularly where there is a clear functional link between co-located facilities, such as schools / clubs sharing recreation facilities) and well related to the network of walking / cycling routes (as shown on Map 8). The High Street should be the preferred location for facilities which are likely to have a larger catchment that may be more likely to reach it by public transport. Shared car parking arrangements are encouraged.

Highcliffe and Walkford Neighbourhood Plan

7. Housing and design

7.1. With the approval of the outline planning application for the major allocation on land south of the railway line at Roeshot Hill, there are unlikely to be many more large greenfield sites coming forward for development in our area. The October 2019 call for sites by BCP Council highlighted the following areas being promoted for consideration for residential or mixed use developments:

- > Hoburne Holiday Park, Hoburne Lane – for residential
- > Land at Hoburne Farm, west of Verno Lane – for residential (in place of the public open space proposed in the outline planning permission)
- > Woodland at Jesmond Avenue – for residential (which is a Green Corridor)
- > Land at Chewton Glen Farm and Coda Music Centre (which is Green Belt)
- > BAE Systems, Grange Road, Christchurch – for mixed use (which forms part of the main employment land in this area)

7.2. Most new housing is likely to come through the infilling and redevelopment of plots within the built-up area. Recent examples include the 4 houses and 28 flats built as part of the High Street redevelopment at 261 – 275 Lymington Road, and the 9 apartments built on the site of The Croft, 29 Wharncliffe Road. Another opportunity being promoted by Government through permitted development rights is the upward extension of flats and housing above shops. There is some interest in this option, as shown by the evidence of demand for this type of development in the High Street, on the corner of Lymington and Waterford Roads, which was approved prior to the permitted development rights coming into effect.

7.3. The main provision of affordable homes will be through major development such as the planned provision at Roeshot and the possible development of the Hoburne Holiday Park. Due to national policy, small sites (of less than 10 dwellings or under 0.5ha in size) are not required to provide affordable housing. It is noted that in recent cases (eg a block of 14 apartments at Chewton Farm Road 8/20/0752/OUT) there was no viability to provide an affordable housing contribution despite being over this limit.



Above: apartment development replacing a single house on a large plot on Wharncliffe Road.

Below: additional floor of residential accommodation on the High Street



Highcliffe and Walkford Neighbourhood Plan

7.4. The first household survey in 2020 highlighted concerns held by local residents that the area was in danger of becoming ‘overdeveloped’ and saturated by retirement flats, particularly given the seeming trend towards the redevelopment of some of the larger family homes for apartments. Related to this were concerns that (a) this was having a detrimental impact on the local character and (b) the loss of ‘family sized’ homes would further tip the imbalance in the population towards the elderly, as families with children were unlikely to want to live in such apartments. The degree of flat-building in the area has been researched and the results are included in Appendix 2 (reflecting known existing and emerging consents, as well as illustrating some recent completed schemes). This clearly shows the significant level of flats being provided, with 72% of the ‘extant supply’ being flats or apartments, and 67% of the supply being proposed through planning applications similarly comprising flats or apartments.

7.5. Further work to better understand what local residents thought has worked well in the area, and what hasn’t, was done as part of the second survey in November 2020, then we used 10 images to test out which designs they felt had made a positive contribution to the character of the local area (and why), and whether there were any that they felt may have detracted from the character of the local area (and why).

The need for a range of house types

7.6. We used the first household survey, and research of available housing statistics (including the latest 2011 Census data and Land Registry house price sales data for the area for the 4 years from April 2015 – March 2020), to try to better understand the housing needs of the local population. Key findings from this include:

- > The average household size for the Neighbourhood Plan area in 2011 was 2.0 persons. Whilst this is about typical for Christchurch and the wider Dorset area, there is a significantly higher proportion of pensioners (aged 65 or over) living alone (these make up just over a quarter (26%) of all households) and a lower proportion (9%) of younger single person households than typical (where the proportions are much more evenly split between the two groups). There are also far fewer families with dependent children living in the area (16% compared to a wider Dorset average of 24%).
- > Whilst the number of vacant / second homes across the area is typical for the wider Dorset area (at around 8% of all dwellings in 2011), there is a particularly high concentration (at around 15% of all dwellings) in the area immediately north and south of the High Street (the old Highcliffe ward).
- > The average number of bedrooms in a home was 2.6. This is about typical for Christchurch and the wider Dorset area (and also shows that many more houses are ‘under-occupied’ rather than ‘over-crowded’).
- > About half (49%) of housing sales are detached properties, and about a quarter (23%) terraced or semi-detached homes, and the remainder (28%) flats or apartments. This broadly tallies with the 2011 Census statistics, but shows a slightly higher turnover of flats and apartments (which comprised a much higher proportion (44%) of all new home sales, with the proportion of new-build terraced homes being particularly low).
- > Average house price (based on the mid-point (median) price of over 2,000 sales) was £360,000, with only 25% of

Key statistics tell us...

We have an ‘older’ population and a high number of older residents living on their own.

There are comparatively few families with children living in our area.

This may in part be because...

House prices are out of the reach of many households on an average income – more than in the rest of the conurbation.

There is added market pressure for second / holiday homes

There has been a boom in flat-building in recent years, and far fewer terraced homes have been built.

Whilst some older residents are choosing to downsize to live in apartments, many would choose to move into a bungalow if they could.

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homes (the 'lower quartile') priced £265,000 or less and less than 1% at prices of under £100,000. This is significantly higher than the average across the whole of Bournemouth, Christchurch and Poole for that period, which was £260,000, and a lower quartile figure of £200,000. This compares to an average household income (gross) of just under £30,000.

- > Of those who responded to the household survey and said that they would need to move (or might need an additional home as they could become more than one household), most (78%) were hoping to stay in the local area. The greatest need was for 3-4 bedroom bungalows or homes, but this is not necessarily reflective of the actual demand given the relatively low response rate to the survey, particularly from younger adults and families.

7.7. The Local Plan policy (LN1) expects the size and type of new market and affordable dwellings to reflect current and projected local housing needs identified in the latest Strategic Housing Market Assessment. At the time that this Plan was prepared, the latest assessment dated back to 2015 covering the whole of the former Christchurch borough. However during the Plan's examination, a new housing study was produced for BCP Council, and this includes data on the 'Inner East' portion of the conurbation, which covers Highcliffe and Walkford, together with Christchurch town and the eastern element of Bournemouth. This highlighted that the greatest need was for 1 and 2 bedroom homes in the affordable housing sector, and 2 and 3 bedroom homes on the open market. Given the ageing population and higher levels of disability and health problems amongst older people, the assessment also concludes that there is likely to be an increased requirement for specialist housing options including traditional sheltered housing, extra-care housing, including suitable accommodation for those with dementia. This is estimated to comprise about 6% of the additional housing needed.

Inner East sub area	1 bedroom	2 bedroom	3 bedroom	4+ bedroom
Affordable Rent	44%	30%	23%	2%
Affordable Home Ownership	24%	43%	25%	8%
Open Market	5%	33%	43%	8%

Data from BCP and Dorset Local Housing Needs Assessment. 2021

Whilst a specific policy on house sizes and types has not been included in this Plan, it is clearly important that this latest information on housing need is taken into account in the application of Local Plan policy LN1. Based on the research the policy seeks to ensure that the type of housing development focuses on better meeting these specific needs, which would not otherwise appear to be addressed by leaving this to the open market choice (as demonstrated in Appendix 2). Whilst flats and apartments may play an important role in providing affordable housing, particularly for young adults and couples unable to afford the high house prices in the area, two and three bedroom terraced, semi-detached and detached homes potentially provide greater flexibility for achieving a more balanced community. The exact mix will also depend on the characteristics of the plot and surrounding area, as well as the practical requirements of incorporating sufficient storage, parking (if appropriate) and outside amenity space.

7.8. Based on monitoring the delivery of new housing stock, the Parish Council may revisit the inclusion of a more specific policy in a future review of this Plan.

Project P7. Monitoring changes in the dwelling stock

The Parish Council will work with BCP Council to monitor the provision of housing by dwelling type and tenure, and publish annual updates.

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Design – practical living spaces

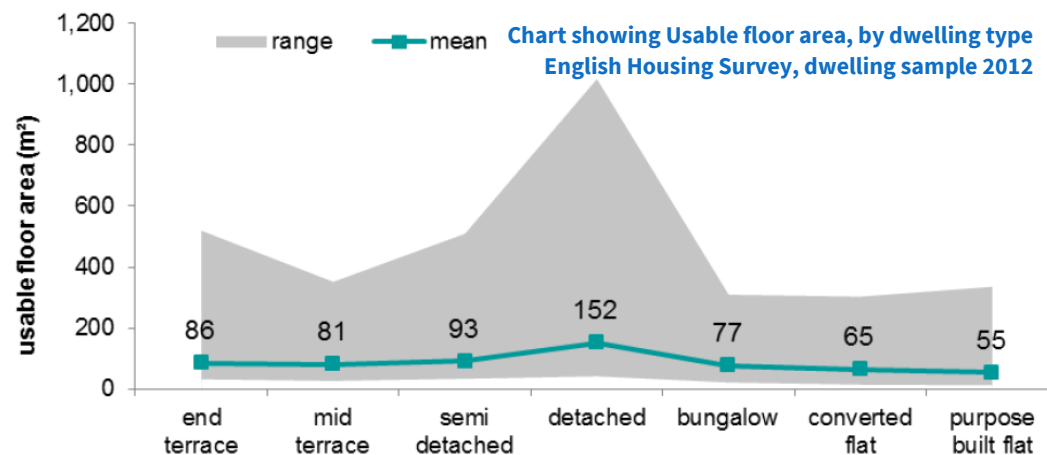
7.9. With the increasing pressure to accommodate more housing on land that is already developed, it is hardly surprising that space is often seen to be at a premium.

7.10. The Local Plan policy (LN1) expects all new housing will be required to be built to meet minimum living space standards. This was based on the Homes and Communities Agency Housing Quality Indicators (first published June 2010). Since that time, the Government's national space standards have been published, which consider the minimum gross internal floor areas based on the number of bedrooms, bed spaces and storeys.

7.11. A Government research report into Floor Space in English Homes in 2017 shows that overall home sizes are not significantly different to France and Germany (although earlier research in 2005 does show that the average room size is at the lower end of the range). Average floor space in dwelling has remained fairly constant (83-96m²) over time, with homes built in the 1980s arguably the smallest in size. Purpose built flats are typically the smallest property types, but average internal floor area by the number of rooms has also remained very similar over time.

7.12. But perhaps the real issue here is not the fact that house sizes have decreased, but how we wish to use our homes has changed. More space (particularly room sizes) allows for more storage (such as waste recycling, household appliances etc), space to work at home (particularly useful when the Covid-19 pandemic hit) and the inclusion of more bathrooms / ensuite facilities. It also allows for adaptations to be made if, for example, a member of the household has a disability, and space to socialise or even allow guests or live-in carer accommodation.

7.13. For those developments that are specifically built for occupants that are likely to have mobility problems due to



	All dwellings		
	Floor space (m ²)	Number of rooms	Room size (m ²)
UK	85.0	5.2	16.3
Italy	90.3	4.1	22
Portugal	83.0	4.3	19.3
Sweden	89.8	4.3	20.9
Finland	76.5	3.6	21.3
Ireland	88.3	5.3	16.7
Austria	90.6	3.4	26.6
Spain	85.3	4.8	17.8
Luxemburg	125.0	5.5	22.7
Germany	86.7	4.4	19.7
France	88.0	3.9	22.6
Netherlands	98.0	4.2	23.3
Belgium	86.3	4.3	20.1
Greece	79.6	3.8	20.9
Denmark	108.9	3.7	29.4

Source: Evans and Hartwich (2005)

Dwelling type
English Housing Survey
2018-19
The average total floor area of a dwelling was 94m².



Extract from report on the extent of space shortage, 2014

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age or disability, the higher standards set out in the Building Regulations Part M (relating to accessible and/or adaptable dwellings and wheelchair user dwellings) should be applied.

7.14. The cost of living is also an important factor – which in particular relates to the running costs of energy and water consumption. Whilst nationally there is a drive through building regulations to work towards more energy efficient homes, and the inclusion of electric car charging points, these may have a bearing on the layout and design used and therefore need to be considered at an early stage. This applies equally, if not more so, for those homes that are part of any affordable housing requirements (which should not be markedly different in appearance from the other tenures). At the time of drafting this Plan, the Government had concluded its consultation on Future Homes Standards, which will require new build homes to be future-proofed with low carbon heating and world-leading levels of energy efficiency, with the intention that this should be fully in place by 2025, with interim ‘uplifts’ in the expected standards made between now and then. Given these changes the Plan does not look to set higher standards, but encourages developers to consider how improvements can best be made through the design process.

7.15. Access to outside space is also important for health and wellbeing – and the Covid-19 pandemic has reinforced the importance of having some form of private amenity space for anyone who may be confined at home for a prolonged period. Whilst this Plan does not seek to set a minimum garden size, the practicality of the proposed private amenity space is critical, taking into account the orientation and whether the occupants would be able to benefit from both afternoon sun and shade, enjoy some degree of privacy, as well as practical uses for hanging out washing (rather than expending costs and energy on tumble dryers).

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Policy HWNP10. Housing design for practical living

The design of housing, including conversions and extensions, should:

- attain the national space standards, and include sufficient doors and windows, to allow the main habitable rooms to be adequately sized with plenty of natural light and ventilation, visually and physically connected to attractive and useable outdoor spaces;
- seek to achieve carbon reduction and energy efficiency through design;
- include potential for flexible space within the layout that can be used for study / home working / hobbies;
- cater for waste, recycling and other household storage (including provision for cycles, mobility scooters / children’s buggies, and ensuring that waste collection is readily accessible without blocking pavements);
- be accessible, with level (or gently sloping) or lift access to the front door – and higher standards (such as M4(2) accessible and/or adaptable dwellings and M4(3) wheelchair user dwellings as set out in Building Regulations Part M) should be applied to properties specifically providing age / mobility related accommodation;
- encourage social interaction through front doors facing onto the street (or the main circulation spaces within an apartment design) and front gardens / communal areas and the public realm designed to encourage informal use and interaction;
- include private outdoor amenity areas that receive daylight for a reasonable period of the day, and can be used for sitting and relaxation, as well as providing for biodiversity and practical arrangements such as clothes drying.

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Design – built character

7.16. The National Design Guide seeks to ensure that all proposals relate well to their context, and that new buildings are well designed, attractive and add character. The 2003 character assessment describes much of the area as “essentially suburban”, with simple layouts of housing and bungalows, and a general continuity of housing styles and age groups within individual streets. Good sized plot areas and generous road layouts (with housing set back from the street) have also allowed a notable degree of tree cover to establish in many of the older estates. In contrast, some of the later developments (such as the 1980s and onwards development in and around Saffron Way) have achieved high densities, but is notably lacking in the vegetation and tree cover seen in the older areas, although this may change as the vegetation in the areas set aside for open space matures.

7.17. There are pockets of much more individual housing within the Neighbourhood Plan area – and it is notable from the feedback from the first household survey that it is these areas that are generally more cherished by the community. This includes:

- > Hinton Wood Avenue;
- > Ringwood Road and Chewton Common Road;
- > Lymington Road and the older streets to the coastal side, such as Wortley Road and Stuart Road, Rothesay Drive and Wharncliffe Road.

7.18. There were mixed views in response to the household survey as to whether the priority in new design should be in maximising a building’s sustainability (such as through achieving the highest standards in energy efficiency) versus retaining the character of the various local neighbourhoods. The general consensus is that in reality the best approach is somewhere in the middle – that in general developers should try to achieve the highest energy efficiency standards etc, but not in all cases where it would have a real adverse impact on local character. So we used the second household survey to ask further questions about what they felt had been good or bad examples of design in the area.

7.19. The images show a selection of designs that people generally thought were well conceived. Whilst there were varying opinions about whether designs should be modern or traditional (or a blend of old and new), and whether large glass windows were good or bad, common points of agreement were that good designs:

- 1) Fit in with the general area (with some specifically supporting either a village or coastal feel)
- 2) Have variety / interest / character / charm, without being too fussy / ostentatious

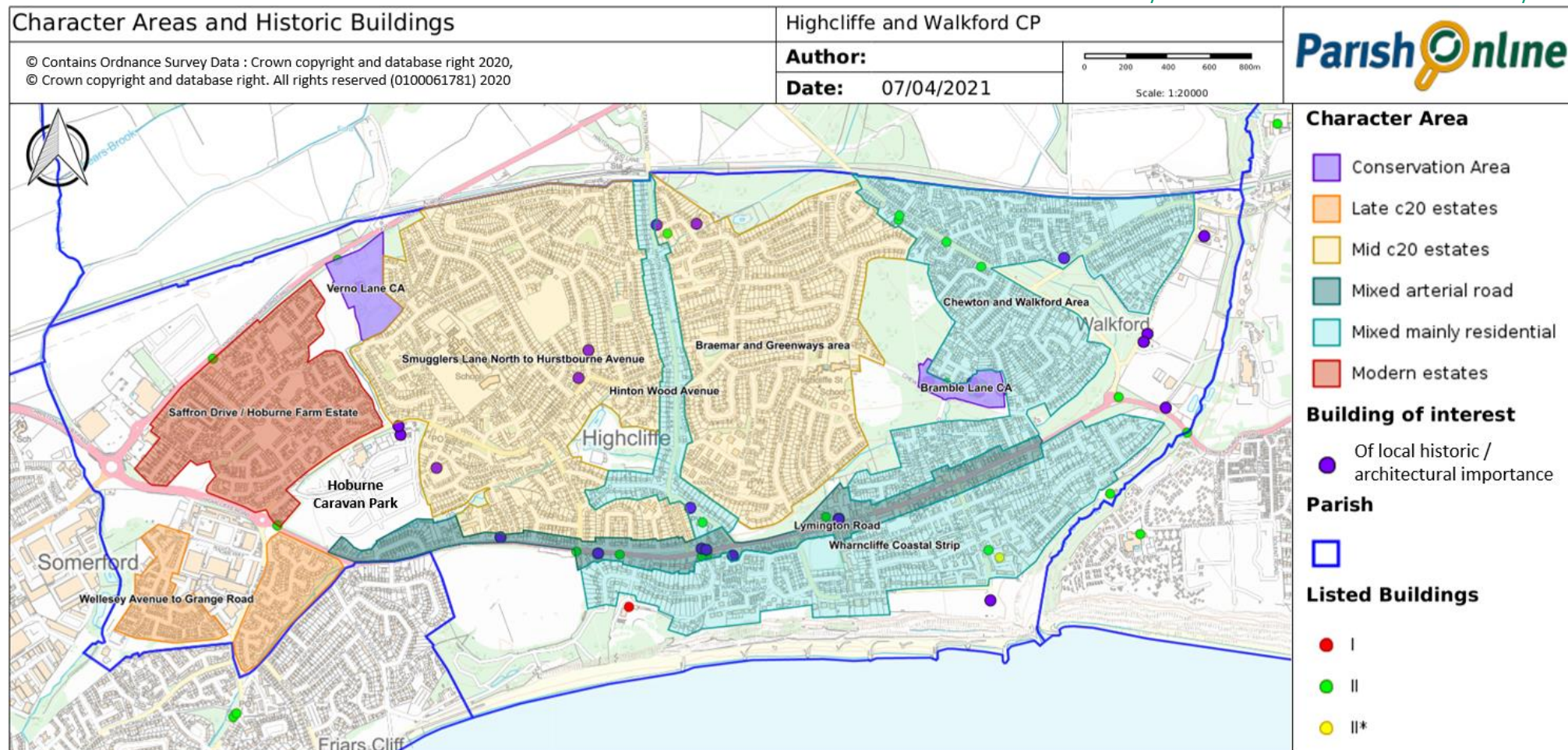


Above: examples of good design in the area

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- 3) Are within spacious surroundings (with greenery, and not cramped within their plot)
- 4) Are modest / discreet in scale (three full storeys was considered to be too high for the area)
- 5) Have a clean appearance (noting that it is important that any render or cladding will weather well)
- 6) Have a varied roofline.

Map 11. Character areas within the parish



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7.20. Many of these points were reversed in terms of the designs that people didn't think worked well. Additional factors were to avoid blocky or box-like homes, 'estate'-like development with too little parking and uniform repetition of designs. The least popular examples tended to include a degree of repetition of buildings close together, or were modern, flat-roofed design filling much of the plot.

7.21. We also looked at the character assessment of Christchurch Borough undertaken by MacGregor Smith in 2003, the Historic Towns Survey for Christchurch undertaken by Dorset County Council in 2011, and the list of Buildings of Local Architectural or Historic Interest and character areas identified in the 2003 Local Plan, to gain a better understanding of how different parts of the area are perceived. Our findings are summarised below. Where we have highlighted possible development opportunities this should not be read as site allocations, as they have not been tested to that degree.

The Runway area (Wellesey Avenue to Grange Road) and Saffron Drive / the Hoburne Farm Estate

7.22. The area was developed initially in the latter half of the 20th century around the edges of the aerodrome to the south side of Lymington Road, with distinct phases of development. The development of the Hoburne Farm Estate is the last area to be developed (not yet completed), mainly built by volume house builders in modern culs-de-sac, with comparatively good levels of landscape and spacing between dwellings. Some of the older elements (such as Somerford Avenue / Westfield Gardens) have a higher degree of variation, although changes in terms of new windows, minor extensions etc can be seen throughout the modern estates. There are few local landmarks that make these areas notable.

What could work in West Highcliffe...

Sympathetic alterations including rear extensions including conservatories should be acceptable as these would not adversely affect local character. More significant changes that would deviate from the general characteristics of that estate will need careful consideration. Such changes could be justified to create a local landmark in a focal location, or where it would be beneficial to add more interest and variety.

However, the set-back of properties, and the open spaces are particularly valuable design elements.

Hoburne Park

7.23. There may be an opportunity for significant redevelopment of the existing holiday caravan park. If this were to go ahead, it will be important to consider how the area can be designed to avoid an appearance of a suburban estate that has little in common with the village or coastal areas of the parish. To find the right solution a number of different ideas and options might need to be explored, drawing inspiration from local architectural and/or landscape character, looking to reflect the village or coastal character in either a traditional or contemporary style.

7.24. Hoburne Farm House dates from the 19th century and is Locally Listed. It provides some context to the farming history of the wider site. The associated barns were recently converted (with the more modern additions redeveloped) and their traditional red brick facade, dark grey roof tiles and painted timber doors and window frames. The farmhouse and barns provide a potential focal point / local landmark on the northern end of this area.

For large-scale redevelopment...

We need a process that involves collaborative working between the developers, local councils, local residents and other stakeholders. Successful placemaking comes from talking, discussing and exploring ideas, workshops, drawing and modelling.

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7.25. If the site is redeveloped, whilst there may be groupings of similar buildings, repetition should be avoided. Particular care should be taken to arrange buildings next to each other in a way that creates a cohesive and interesting street scene, that is human in scale and distinct from the other streets that are created. Structural landscaping, expanding the green corridors that already run through the site, will also be important as a way to ensure that the area integrates successfully and reflects this important local characteristic.

Verno Lane Conservation Area

7.26. The 19th century Verno House lies to the north of Hoburne, within landscaped grounds, and is thought to be based around a small farming hamlet which appears to have existed here from the late 18th century. The grounds of Verno House are themselves a survival from the 19th century, including a former walled garden to the west which is proposed to be retained as part of the community open space associated with the last phase of the Hoburne Estate development. There are several cottages and farm buildings grouped informally around Verno House, and just off the main road, Little Thatch on Roeshott Hill is a Grade II Listed 18th and 19th century L-shaped thatched cottage. To the south-west of this lane is Hoburne House set in its own grounds. The area is described in the 2001 Local Plan as a rural enclave with pleasant open spaces, narrow lanes and well treed. More information on the history of Verno House is in the article by Stephen Roberts in the Highcliffe Herald October 2017

https://issuu.com/bartonbugle/docs/herald_oct17_web/12

Smugglers Lane North to Hurstbourne Avenue

7.27. This area encompasses a range of suburban housing on the western side of Hinton Wood Avenue, at a density of around 20 dwellings per hectare, and containing areas of very mature well-vegetated gardens and significant areas of open space and tree coverage. The general grain of development is estate roads and occasional culs-de-sac, and there is a significant amount of bungalows in this area. Reasonable variety of housing styles and age groups within individual streets, although some groupings do exist and overall the scale and spacing of housing is



Protecting our heritage...

Given its status as a designated heritage asset, any development within the Conservation Area should avoid harming its historic character and significance, and that if possible the development makes a positive contribution to the local character and distinctiveness of the area.



What could work in this area...

Given the age of the housing stock, extensions, alterations and refurbishments are more in evidence than some of the more recently developed estates. In some cases, individual properties are now being replaced. The continuation of refurbishments and alterations and some replacements is likely to be acceptable providing the changes are not completely out of character with the area.

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relatively consistent. The overall impression is of a reasonably pleasant suburban setting dating from the 1940s – 1970s (with architectural styles reflecting the span of building ages).

7.28. Saulfland House is perhaps the oldest and largest building in this area, which was constructed in the early 20th century and set within grounds carved out of former unenclosed heath to the south of Smuggler's Way North. It survives today as the centrepiece of a modern residential development on Saulfland Drive. Some other unlisted 19th century buildings also survive, of which the former Nea Close Farm (number 75-77 Smuggler's Lane North) is an example, as are the nearby numbers 62-64 Smuggler's Lane North.

Hinton Wood Avenue



7.29. Hinton Wood Avenue has for many years been one of the sought-after roads in Highcliffe. As a link between the A337 and A35 this road pre-dates the surrounding suburban development, with many of the houses dating back to the 1920s and 1930s, and consequently has a much greater mix of individual detached houses and bungalows set in good sized plots. The development is generally set back from the road which is tree lined (on its west side) giving a pleasant wooded character to the area. At its southern end Hinton Wood Avenue forks to the south east and passes St Mark church and graveyard. Houses bordering this section are on the north east

The character of Hinton Wood Avenue...

The individual nature of the houses in this area mean that there is plenty of scope for further variation (and conversely, repeated estate-style designs would not be appropriate). Whatever changes are considered, it is important that properties are generally set well back from the road plot and the extent of tree coverage is not reduced.

side of the road where land drops to a valley. They too are located behind mature trees, but here the public footpath (also on just one side of the road) winds between the trees and front boundaries, providing the pleasant atmosphere of a woodland walk. This character also largely continues into Nea Road (where most of the properties are bungalows).

East of Hinton Wood Avenue: Braemar Drive and Greenways area



7.30. Much of this area originates from the area of commons and woodland that were taken over by ornamental villas and country houses set in extensive parkland during the 19th century. These houses included Wolhayes, Belvedere, Latimers and Cranemoor. The Grade II Listed ornamental villa of Cranemoor House and its grounds (now 3 – 7 Cranemoor Avenue) provide a small area of notable historic character, linked with the former lodge at the junction with Hinton Wood Avenue. The only other notable surviving historic building is 2 Cranemoor Gardens, slightly further to the east; the other country houses were

What could work in this area...

Outside of the communally designed areas (which have retained a strong character), the continuation of refurbishments, alterations and some sensitive replacements is likely to be acceptable, providing the changes are not out of character with the area. Rear and modest upward extensions (eg to create a chalet bungalow) should be able to retain the generous spacing between properties.

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demolished during the mid to late 20th century and redeveloped. As such, today the area primarily comprises large detached bungalows set within medium-large plots arranged on linear roads in geometric patterns at a density of around 15 dwellings to the hectare. These provide a classic example of post war open plan housing, with well-maintained gardens and open spaces that make this a very pleasant residential environment. There are oak trees, and other smaller street trees, and rear gardens of sufficient size for trees to mature. A small number of more planned estates (with communal grounds) retain their strong original character, such as the groups of two storey terraced developments at Oakwood Road and Kilmington Way. Elsewhere, small variations between dwellings over a period of many years have introduced some individuality whilst retaining a cohesive character.

Bramble Lane Conservation Area



7.31. Situated immediately north of Chewton Common Road this Conservation area extends from the eastern side of Chewton Common to Chewton Way. It contains some of Highcliffe's oldest dwellings including nine thatched cottages (typically cream rough cast rendered), six of which are Grade II Listed, and the oldest of which were once part of an 18th Century hamlet. With the exception of the fourteen properties at Gordon Mount managed for social housing by Sovereign Housing Association (which form a cohesive group of one-bedroom bungalows of pre-fabricated construction), nearly every one of the two dozen dwellings is detached and unique. Sundial Cottage, Rose Cottage, Gorse Cottage and Woodpecker Cottage are all identified as Buildings of Local Architectural or Historic Interest in the 2001 Local Plan. An important part of the area's character is the abundance of mature trees and hedges, and the informal groupings of cottages and houses in clusters around gravel tracks and paths.

7.32. Bramble Lane itself is an unmade lane that runs north from Chewton Common road. The bottom half of the lane is owned by Meyrick Estate and a small copse to the west provides a sylvan setting to the lane's entrance. Dwellings around and in the vicinity of the lane are arranged in a higgledy piggledy fashion, dating back 300 or so years. The evolution of this

intimate and 'disorganised' layout gives charm to the area. The gravel tracks and rural character mean that vehicular access can be difficult and in some places contorted. There is also constant pressure to minimise the impact of trees upon the dwellings.

Protecting our heritage...

Given its status as a designated heritage asset, any development within the Conservation Area should avoid harming its historic character and significance, and that if possible the development makes a positive contribution to the local character and distinctiveness of the area. In particular, designs should exhibit individuality, respect for the quirky layout and rural quality generated by unmade tracks and mature planting. Increases in vehicular activity creating more noise and disturbance on the rural character of the gravel tracks should be resisted.

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Chewton and Walkford area

7.33. Ringwood Road through Walkford and Chewton Common Road are some of the original routes through the area (and includes the Bramble Lane Conservation Area described above). As a result the area has grown more organically than some of the estates further to the west, with a mix of individual detached houses along these roads, and estates and culs-de-sac of varying character and age.



7.34. Ringwood Road has more of the characteristics of a village high street with some shops and community facilities as part of its more mixed character. Cranemoor United Reform Church is a Grade II Listed Building on this stretch of road, together with modest Ivy Cottage (the is orientated end- on to the road, close to where Chewton Common starts). The Cottage at 1 Solent Road (at its junction with Walkford Road) is identified as Building of Local Architectural or Historic Interest in the 2001 Local Plan.

7.35. The areas in and around the older established residential roads such as Glenville, Solent and Wyndham were substantially developed during the 1970's, and two main larger-scale estate developments: the housing in and around Plantation Drive (built for affordable homes) and the Glenville Park estate to the south of Glenville Road (constructed by McCarthy & Stone). Both developments were designed with relatively high densities and although parking provision at the time appeared adequate, the subsequent increase in vehicular ownership is now causing problems.

7.36. Chewton Farm Road is situated at the extreme east side of the parish and has a distinct semi-rural feel. The road, although metalled, is relatively narrow and bordered on its west side by large, detached houses, each of a unique design. There are two former lodge buildings at the southern end that are of local historic interest. The 2001 Local Plan identifies the area between Avenue Road and Chewton Farm Road as having a special character that was desirable to retain. To the east (within the Green Belt) there are just a couple of dwellings, some redundant farm buildings (now for the most part used as the Coda music centre) and open fields. There is plenty of mature tree cover and the road lacks both pavements and kerbs. Instead, there is just a small section of tarmac path that winds it way through sections of grass margin. Pinch points have been added to deter the use of the road as a 'cut through'. A recent planning application at 20 Chewton Farm Road which involved the demolition of existing dwelling and erection of 14 apartments was eventually approved (following the withdrawal of an earlier application), on the basis that the proposed underground parking enabled the retention of key trees and the spacious character of the area. BCP Council's housing supply shortfall (wherein a tilted balance in favour of approving further housing is applied) was also a key deciding factor in the decision. This highlights the particular difficulties and costs that may be associated in finding a successful means of infilling within this part of the character area.

What could work in this area...

This area has varied character with no strong continuity of housing pattern or style, and as such further changes through individually-styled replacements and the introduction of some non-residential uses compatible with residential areas would be possible. Particularly care is needed to avoid adding to the parking issues identified, and retaining the strong village and rural character of the main routes including the area between Avenue Road and Chewton Farm Road.

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Lymington Road

7.37. Lymington Road is the main road through the parish, containing the High Street and its many shops and services. The High Street is comprised of mainly post-war buildings and modern shop fronts, set back from the main road with wide pavements and generally modest building heights. Some sections of the street are three storey with flats over shops and commercial office/business premises, with other sections are two storey residential, and some single uses such as the garage/car sales premises, public houses and (former) banks. Recent developments have increased the proportion of three storey development on the High Street. The occasional gaps between buildings lead through to parking areas or other buildings. Whilst some of the area may appear dated or run down, there are obvious signs of reinvestment and redevelopment, with the recent development of Postmasters Court considered to be an example of good design.



What could work in the High Street...

The identity of the High Street owes much to its role as the main district centre, and it is the mix of uses, buildings and reinvestment that are critical to its interest and success. Section 3 covers ideas about how the High Street can be improved. The key issues are not so much the character of the buildings, but that overall the impression is one of an attractive, clean environment with a mix of uses and public realm that make it an area people want to visit.

Beyond the High Street, there continues to be scope for redevelopment, with the importance of this main arterial route making it an appropriate location for individual and slightly grander buildings. However any intensification should not be at the expense of the treed and green character of this road.

369 7.38. The road beyond either end of the High Street is heavily vegetated with many mature trees. This well-vegetated roadway is important in terms of the perception of tree cover to be found within the wider built up area. Housing within these outlying area is either set back from the A337 Lymington Road or backs on to it, with redevelopment retaining the overall level of tree cover. There are several historic buildings as you head west towards Christchurch, the Old School House is Grade II Listed, as are No.s 179 and 181 Lymington Road (The Lord Bute) as the former lodge buildings to Highcliffe Castle. The two pubs (The Globe and The Oaks) and both notable buildings of character, the former being older and included in the 2001 list of Building of Local Architectural or Historic Interest. Further to the west, No 72 Lymington Road is also on the list of Buildings of Local Architectural or Historic Interest

Wharncliffe Road and the Coastal strip



7.39. The coastal side of the High Street is a mixed residential area built between mainly in the 1920's - 30's (e.g. Wortley Road and Stuart Road located immediately behind and parallel with the Lymington Road) and 1960's - 70's (such as the apartments

What could work along the coastal strip...

This area's proximity to the sea and its mixed character provides a lot of scope for further change, that should celebrate this area's coastal identity whilst retaining the overall tree cover that contributes to the area's character. Redevelopment in the area around Greystones should consider how to better reveal its setting and restore its visual connection with the sea.

Particular care will need to be had regarding how materials will weather in this environment.

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around the Greystones Community Centre). Greystones is an important arts-and-crafts Clifftop house by ES Prior, but its historic relationship with Christchurch Bay has been diminished by the mid-20th century developments. The Cliffhanger, to the south is a recent development and forms a landmark in part due to its design but also because of its singular location. Highcliffe Castle is another key landmark, and is Grade I Listed, set within landscaped grounds (which are believed to have been visited by Capability Brown)

7.40. The area has a wide variety of house types and styles, from sea-facing properties (some large but now developed into flats) substantial apartments to individual family homes. The ongoing replacement has led to pockets of modern housing completing the overall mix. There is a band of tree cover along the cliff edge (mainly oak and maritime pine) and up Chewton Bunny, that penetrates into the housing areas, adding to the area's strong landscaped character.

Key design guidelines

7.41. The overall thrust of the Local Plan policies on design is that new development must reflect and enhance areas of recognised local distinctiveness (within the context of the Christchurch Borough Wide Character Assessment). It goes on to explain that this can be achieved through development being compatible with, or improving, its surrounding in terms of the layout, site coverage, architectural style, scale, bulk, height, materials, landscaping, visual impact, and relationship to nearby properties and mature trees. But as we have learnt, there will always be different views on what is an improvement, and indeed what is the overall character particularly in those areas where this is a real mix.

7.42. It is clear from all of the above that there is often a balance to be struck. For example, both modern and traditional designs can work, or a blending of the two. There needs to be variety and character, avoiding being too bland and box-like, or too fussy, or too out of keeping with the areas. Both village and coastal 'styles' are likely to be welcomed (the latter particularly in those areas to the south side of Lymington Road), but very urban and overly massive or imposing buildings are not. The inclusion of greenery and space around building is something that was very strongly supported.

7.43. It is also recognised that in many established areas, minor changes may be possible under permitted development rights than can, cumulatively, have a significant impact on the character of an area. One such example is the replacement of front gardens with parking areas (which may be even more relevant in light of the stricter BCP Council parking standards). Whilst it is not considered reasonable to remove existing permitted development rights (which would need to be done through an Article 4 Direction), BCP Council may consider removing such development rights in new developments where such incremental changes would be particularly harmful to the area's character.

Policy HWNP11. Retaining and Reinforcing Local Character

In order to reflect and enhance the areas' local distinctiveness, the following guidelines should be applied to development:

- Respect the character and heritage of the Conservation Areas within the parish and the setting to the Listed Buildings and other buildings of local architectural or historic interest.
- Seek to retain the degree of spaciousness and set-back where this makes an important contribution to that area's character and/or enables the retention and integration of larger tree species within the area as well as practical garden space. Cramped forms of infill development that have limited space for landscaping are unlikely to be appropriate. Parking provision should not dominate the street scene, with measures taken to ensure that front gardens and

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landscaped spaces in front of properties are not simply re-purposed to accommodate the car.

- Ensure that the overall tree cover of the area is retained and where feasible enhanced. On larger developments, new street trees will be expected along new primary routes to reinforce the treed character of the area.
- Include safe and attractive public amenity spaces within housing areas
- Bungalows and/or two-storey houses should remain the predominant characteristic north of Lymington Road (east of Roeshot Hill); larger scale apartment-type or similar blocks are unlikely to be supported in these areas, or in the estates either side of the Runway. Whilst such larger buildings may be possible along the main arterial roads and in the coastal strip, care will need to be taken that such development does not overwhelm the plot or appear overbearing to adjoining properties, and (other than the High Street) should include provision for large trees (such as oaks and maritime pines) within their landscaping proposals. Attention should be paid to ensure that rooflines of these buildings are varied.
- Whilst a degree of variation between individual streets and within the streets is generally encouraged to add human interest and allow good design to flourish, this should not be to the extent where there are too many buildings competing visually for attention, and within obvious groupings any changes to existing properties (or their replacement) should reflect or complement the characteristic style and materials used in that group.
- Bland, blocky or box-like designs (including large expanses of blank walls) should be avoided, as should overly fussy or ostentatious designs (unless there are exceptional reasons why such an approach would enhance the area's character). Windows should be generous and proportionate to the style of house. Modern materials such as for cladding, glazing and roofing may be supported provided they are sensitively chosen for type and colour with respect to the wider character area and will weather well.

Project P8. Monitoring effective Tree Preservation Order coverage

The Parish Council will work with BCP Council to help ensure that the coverage of TPO designations includes all of those areas where trees make a significant contribution to local character, and that replacement trees are planted and protected when existing trees are lost through development, damage or decay.

8. Reviewing this Plan

8.1. This Neighbourhood Plan has been developed in advance of the new Bournemouth, Christchurch and Poole Local Plan, which is expected to be adopted by 2024. The Parish Council will consider the need to review and update this plan when there is more certainty over the content and implications of the new Local Plan for the area, and to avoid conflicts between the two plans (particularly given that the most recently adopted will take precedence where a conflict exists). The need for a review will therefore be considered annually by the Parish Council from 2023.

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9. Supporting Evidence / Referenced Documents

BCP Council and Dorset Council Strategic Green Belt Assessment (2020) <https://www.bcpCouncil.gov.uk/Planning-and-building-control/Planning-policy/BCP-Local-Plan/Evidence-base-studies/Green-belt/Green-Belt.aspx>

Bournemouth Christchurch and Poole Cycle Map (2019) <https://www.christchurch.gov.uk/sport-leisure/cycling/documents/bpc-area-cycle-map-christchurch.pdf>

Bournemouth Christchurch and Poole Parking Standards Supplementary Planning Document (2021) <https://www.bcpCouncil.gov.uk/Planning-and-building-control/Planning-policy/Current-Local-Plans/Christchurch/docs/BCP-Parking-Standards-SPD-Adoption-Final.pdf>

Bournemouth, Christchurch and Poole Travel Survey (2019) <https://www.bcpCouncil.gov.uk/About-the-council/Research-reports/Documents/Travel-Survey-Report.pdf>

Building for a Healthy Life - A Design Toolkit for neighbourhoods, streets, homes and public spaces, written by Birkbeck, D., Kruczkowski, S. with Jones, P., McGlynn, S. and Singleton, D. (2020) <https://www.designforhomes.org/wp-content/uploads/2020/07/14JULY20-BFL-2020-Brochure.pdf>

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Christchurch Borough Council Local Plan (2001) <https://www.bcpCouncil.gov.uk/Planning-and-building-control/Planning-policy/Current-Local-Plans/Christchurch/docs/schedule-of-saved-local-plan-policies.pdf>

Christchurch Borough-wide Character Assessment (2003) <https://www.dorsetCouncil.gov.uk/planning-buildings-land/planning-policy/christchurch/supplementary-planning-guidance/christchurch-borough-wide-character-assessment>

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English Housing Survey Floor Space in English Homes (2017) https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/725085/Floor_Space_in_English_Homes_main_report.pdf and https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/724616/Floor_Space_in_English_Homes_technical_report.pdf

England Coast Path: Kimmeridge to Highcliffe / Highcliffe to Hurst Spit - Natural England's Proposals (2017/2018) https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/620322/kimmeridge-bay-highcliffe-chapter-7.PDF and https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/684587/highcliffe-calshot-chapter-1.PDF

Highcliffe High Street, Highway Improvements Study (2020) <https://highcliffewalkford-pc.gov.uk/downloads/documents/high-street/highcliffe-high-street-highway-improvements-study.pdf>

Local Transport Note 1/12 Shared Use Routes for Pedestrians and Cyclists, Department for Transport (2012) <https://www.gov.uk/government/publications/cycle-infrastructure-design-ltn-120>

National Planning Policy Framework (2021) <https://www.gov.uk/guidance/national-planning-policy-framework>

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Open Space, Sport and Recreation Assessment - Christchurch and East Dorset (2008) <https://www.dorsetcouncil.gov.uk/planning-buildings-land/planning-policy/east-dorset/local-development-framework/evidence-base-studies/open-space-sport-and-recreation-assessment-christchurch-and-east-dorset.aspx>

Quantifying the extent of space shortages: English dwellings, Building Research & Information – report by Malcolm Morgan & Heather Cruickshank (2014) <https://www.tandfonline.com/doi/full/10.1080/09613218.2014.922271>

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1012976/160519_Nationally_Described_Space_Standard.pdf

The 2020 High Street Report, written by Salman Haqqi (2020) <https://www.money.co.uk/guides/high-street-report>

The Future Homes Standard: 2019 Consultation on changes to Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations for new dwellings (2019) [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/852605/](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/852605/Future_Homes_Standard_2019_Consultation.pdf)

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Volume 2 Bournemouth Christchurch and East Dorset Joint Retail and Leisure Study (2017) <https://www.bcpccouncil.gov.uk/Planning-and-building-control/Planning-policy/Current-Local-Plans/Christchurch/docs/Evidence-docs/bournemouth-retail-leisure-study-volume-2-2017-final-1.pdf>

2011 Census Tables (various including KS101EW - Usual resident population; KS102EW - Age structure; KS401EW - Dwellings, household spaces and accommodation type; KS403EW - Rooms, bedrooms and central heating; QS416EW - Car or van availability, and using Highcliffe, North Highcliffe and Walkford and West Highcliffe wards to represent the Neighbourhood Plan area) <https://www.nomisweb.co.uk/query/select/getdatasetbytheme.asp?theme=75>

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Appendix 1: Local Green Spaces Assessment

Local Green Spaces confirmed through the Examination

Ref and Site name	Relation to settlement		Importance High/Medium/Low				Local value (support and accessibility)		Main reason/s for designation
	Size (ha)		Landscape	Heritage	Recreation	Wildlife	Evidence of support	Access	
LGS1 Lakewood	0.71	Within	H	L	M	M	Household survey (>88% support)	Publicly accessible land	A pleasant oasis with lake, surrounded by mature trees, in the middle of a large area of housing.
LGS2 Green spaces off Saffron Drive	3.3	Within	M	L	M	L	Household survey	Publicly accessible land	Pleasant amenity green space within the housing area. The space contributes to the attractive setting of the houses as a cohesive planned estate, and is a space for play.
LGS3 Woodfield Gardens	0.55	Within	M	L	M	L	Household survey (>88% support)	Publicly accessible land	Pleasant amenity green space within the housing area, with a treed character.
LGS4 Bellflower Close Play Area	0.05	Within	L	L	H	L	Household survey (>73% support)	Publicly accessible land	Equipped children's play area within the housing development
LGS5 Hurst Close	0.07	Within	M	L	M	L	Household survey (>88% support)	Publicly accessible land	Pleasant amenity green space within the housing area.
LGS6 Oakwood Road / Latimer Close greens	0.49	Within	M	L	M	M	Household survey (>88% support)	Views / estate residents only	Pleasant communal parkland setting to the houses as a cohesive, planned development and provides opportunities for local wildlife.
LGS7 Hoburne Brook	0.86	Within	M	L	M	M	Household survey (>73% support)	Publicly accessible land, part wooded	Deciduous woodland (priority habitat) and part of green corridors through the developed area
LGS8 Woodhayes Avenue	0.47	Within	M	L	M	M	Household survey (>88% support)	Publicly accessible land, wooded	Important wooded space within the housing area, used for dog walking and also provides opportunities for local wildlife.
LGS9 Ashmore Grove	0.42	Within	M	L	M	M	Household survey (>88% support)	Publicly accessible land, wooded	Important wooded space within the housing area, used for dog walking and also provides opportunities for local wildlife.
LGS10 The Meadway	0.22	Within	M	L	M	M	Household survey (>88% support)	Publicly accessible land, wooded	Important wooded space within the housing area, used for dog walking and also provides opportunities for local wildlife.

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Green Spaces assessed by the Examiner as protected through other policies / designations

Site name	Designations / Protection	Access	Description
Coast and cliffs	SSSI, <i>Core Strategy ME1, saved policy ENV9</i>	Publicly accessible	Cliffs and coastline running the length of the parish's southern boundary, of high geological and nature conservation importance, as well as being a key landscape feature in many views and vistas. Of very high importance to local residents who value the unspoilt nature of the area's coastline.
Nea Meadows	LNR, SNCI, <i>Core Strategy HE4 and ME1</i>	Publicly accessible land, part wooded	Large area for recreation - fishing, dog walking etc. Plenty of mature trees / wooded areas and two lakes fed by a brook off wildlife and landscape value.
Highcliffe Castle grounds including area off Rothesay Drive	Setting of Grade I Castle and grounds, TPOs, <i>Core Strategy HE4 (part) and saved policy ENV9</i>	Part publicly accessible land, part private (LGS04b) - views only	Grounds (and setting) of Highcliffe Castle (major visitor attraction and Grade I Listed Building) with access to the beach. Many mature trees. Open areas used for concerts and other events. Grounds in part linked to Capability Brown design and much enjoyed by local residents and visitors. Whilst the adjoining area off Rothesay Drive is in private ownership and there is no access, its wooded character and continuity between the LNR and Highcliffe Castle is also important.
Chewton Bunny including area adj Abingdon Drive	SNCI, Green Belt, TPOs, <i>saved policy ENV9</i>	Part publicly accessible land with public footpaths, part private - views only	Narrow deciduous woodland strip (priority habitat) following Walkford Brook to the sea, giving excellent access to eastern Highcliffe. Setting to Mill House (Grade II Listed). Public footpaths very well used by local residents and visitors to access the beach.
Steamer Point	LNR, TPOs, <i>Core Strategy HE4</i>	Publicly accessible land, part wooded	Deciduous woodland (priority habitat), with trails used by walkers and cyclists. Information centre and picnic area. Of local historic interest - the site takes its current name from the steamer boat that was pulled up onto the point in 1830 and then used and inhabited as a sea-lodge for many years. It was also the site of a military radar research station that helped to develop the radar cover of the south coast.
Highcliffe Recreation Ground	<i>Core Strategy HE4</i>	Publicly accessible land	Dedicated under Fields in Trust as a QEII Field. Well used recreation area, including for local events such as the Food Festival. Some mature trees on boundaries.
Chewton Common	SNCI, registered common land, <i>Core Strategy HE4 and ME1</i>	Publicly accessible land, part wooded	Deciduous woodland (priority habitat), with many trails crossing it that are used by walkers. Much more accessible (currently) than the other areas of commonland, providing a large accessible greenspace in the parish.
Cliffhanger	Green Belt, adjacent to SSSI; <i>saved policy ENV9</i>	Publicly accessible land	Very popular area (given beach and café) with extensive views along the coast.
Wingfields Recreation Ground	<i>Core Strategy HE4</i>	Publicly accessible land	Grass recreation area with changing rooms, used by local football teams and for general exercise. Surrounded by mature trees.

Highcliffe and Walkford Neighbourhood Plan

Site name	Designations / Protection	Access	Description
Jesmond Avenue Wood	TPOs, <i>Core Strategy policies HE4 and ME1 (part) and saved policies ENV15 and KS4.</i>	One path linking Jesmond Avenue to Lymington Road, mainly views	Deciduous woodland (priority habitat) and important wildlife corridor with veteran trees, contributing to the wooded character of Lymington Road and setting of the Grade II Listed Old School House. Clearly visible from the surrounding area, its wooded character and role as part of the wildlife corridor through Highcliffe from Nea Meadows to Chewton Common, as first recognised in 2001. Its preservation is much supported by the local community as demonstrated through objections to plans for its development. Its preservation is much supported by the local community as demonstrated through objections to plans for its development, and it has been recognised as part of the Green Infrastructure Network within BCP Council's Green Infrastructure Plan (adopted September 2022 - Appendix 5, Map A5.2).
Wharncliffe Road grassed area	<i>Core Strategy HE4, saved policy ENV9</i>	Publicly accessible land	Pleasant amenity green space within the housing area, used for walking, dog exercise and an overflow for picnics and a play area and allowing clear and uninterrupted views of the sea. Protected orchids present on site.
Mudeford Wood	SNCI (part), <i>Core Strategy HE4, saved policy ENV15</i>	Publicly accessible land, part wooded	Important woodland area of local wildlife interest, as first recognised in 2001, and walking route much used for local recreation.
Mudeford Wood Recreation Ground	<i>Core Strategy HE4, saved policies L3 and ENV15</i>	Private land, sporting fixtures	Well used sports ground adjoining the community centre, also identified as a potential site for formal sports activity in the draft Playing Pitch Strategy.
St Marks Cemetery	TPOs, <i>saved policy ENV15</i>	Publicly accessible land, part wooded	Quiet woodland cemetery area. This is peaceful area for reflection and a walk amongst mature trees. Part of the wooded wildlife corridor through Highcliffe from Nea Meadows to Chewton Common.
Bramble Lane Copse	Registered common land, Conservation Area (part), <i>Core Strategy HE4 (part)</i>	Publicly accessible land, wooded	Deciduous woodland (priority habitat) and contributing to the character of the Conservation Area. The description of the Conservation Area in the 2001 recognises this "wooded area to the south-west which adds to the spacious feel" of the area.
Hoburne Farm Estate / Verno Lane	Conservation Area / setting	Publicly accessible land	Important green spaces within and adjoining the Verno Lane Conservation Area. The description of the Conservation Area in the 2001 recognises its pleasant open spaces, narrow lanes and that it is well treed. Its preservation has been supported by the local community as demonstrated through objections to plans for its development, it has been recognised as part of the Green Infrastructure Network in BCP Council's GI Plan (adopted September 2022 - Appendix 5, Map A5.2).
Walkford allotments	<i>Core Strategy HE4</i>	Allotment holders	Well used allotments area.
Roeshot Allotments	<i>Core Strategy HE4 and CN1 (relocation)</i>	Allotment holders	Well used allotments area. Whilst their relocation was anticipated in the Core Strategy, this is not the intention of the Parish Council as the current landowner.
Highcliffe Castle Golf Course	<i>Core Strategy HE4, saved policies L8 and ENV9</i>	Golf Club users / views from PRoW	Well used popular local golf course, also open for non members to book tee times. Reinforces green character of the main road and links to the coast. Green corridors through and around the site provide opportunities for local wildlife.

Highcliffe and Walkford Neighbourhood Plan

Appendix 2: Housing supply research (December 2020)

Location	Application No:	Housing Units	Total	Houses	Flats	Application made	Outline consent given	Full consent given	Construction Completed
Highcliffe Corner, 401 Lymington Rd	8/15/0437 & 8/16/0460/FUL	7 2-bedroom flats (additional floor)	7		7				✓
282-286 Lymington Road	8/16/1209/FUL	5 2-bedroom flats, 7 1-bedroom flats, 5 2-bedroom terraced houses 2 commercial units	17	5	12				✓
Land E of Ph8, Hoburne Estate	8/17/0195/OUT	38 homes	38	38			✓		
261 & 273a & 273b & 275b Lymington Road	8/17/1254/FUL	4 3-bedroom houses, 4 3-bedroom flats, 17 2-bedroom flats, 7 1-bedroom flats, 4 commercial units	32	8	24				✓
167-169 Lymington Road	8/18/0619/FUL	17 apartments	17		17			✓	
359-375 Lymington Road	8/18/0619/FUL	4 1-bedroom, 1 2-bedroom 2 2-bedroom houses	7	7				✓	
Rothsay Hotel 175 Lymington Road	8/18/2093/FUL	18 2-bedroom flats	18		18			✓	
416-418 Lymington Road	8/18/3203/FUL	Duplex flat, 5 flats 3-bedroom house	7	1	6				✓
1 & 3 Seaton Road, 424, 426 & 428 Lymington Rd	8/19/0564/OUT	38 retirement flats	38		38		✓		
165 Lymington Road	8/19/0938/FUL	7 apartments	7		7			✓	
Newtown House, 24 Waterford Road	8/19/1371/FUL	23 apartments	23		23			✓	
280 Lymington Road	8/20/0336/FUL	5 apartments and commercial unit	5		5	✓			
398-400 Lymington Road	8/20/0717/FUL	15 apartments and 1 commercial unit	15		15	✓			
20 Chewton Farm Road	8/20/0752/OUT	14 flats	14		14		✓		
Jesmond Avenue	8/20/0965/FUL	23 houses, 8 2-bedroom, 15 3-bedroom	23	23		✓			
171 Lymington Road	8/20/1178/FUL	6 2-bedroom, 2 3-bedroom, 1 maisonette apartment	9		9	✓			

Highcliffe and Walkford Neighbourhood Plan

Location	Application No:	Housing Units	Total	Houses	Flats	Application made	Outline consent given	Full consent given	Construction Completed
366-370 Lymington Road	8/21/0056/FUL	9 flats, 2 commercial units	9		9	✓			
173 Lymington Road	8/21/0167/FUL & 0167/LB	5 2-bedroom, 2 3-bedroom, 2 2-bedroom flats apartment block	9		9	✓			
A35 Roeshot Hill, Urban Extension	8/16/2932/OUT	875 dwellings (with up to 35% affordable housing)	875	n/k	n/k		✓		
Consented (excluding completed)		NB exc Roeshot Hill	162	45	117		✓	✓	
% share				28%	72%				
Pending			70	23	47	✓			
% share				33%	67%				

Highcliffe and Walkford Neighbourhood Plan

Appendix 3: Neighbourhood Plan Policies (simple list)

Policy HWNP1. High Street Environment – the Public Realm

Proposals to increase the extent of, or improve the quality of, the public realm within the High Street will be supported.
Any major redevelopment schemes fronting onto the High Street should seek to improve the High Street environment for pedestrians.

Policy HWNP2. High Street Uses

The use of ground floor units within the District Centre area (shown on Map 5) should fall within one or more of the following (and may include a mix of uses within these categories):

- Use Class E - commercial, business and service uses
 - Use Class F1 – learning and non-residential institutions
 - Use Class F.2 – local community uses
 - Use Class C1 – hotels and guest houses
 - Pubs, hot food takeaways, leisure venues (such as theatres, cinemas, concert halls, live-music performance venues, bingo halls and dance halls) and other main town centre uses (as defined in the NPPF) – subject to ensuring that the amenities of the local residents are not adversely affected by noise or disturbance
- The provision of ‘click and collect’ facilities, an outdoor market / areas for outdoor events and al fresco dining should be supported, subject to ensuring that the amenities of the local residents are not adversely affected by noise or disturbance. Whilst residential uses on upper storeys is encouraged, ground floor residential uses will not be supported, notwithstanding permitted development rights where Prior Approval may be sought.
Any physical changes should retain (or where absent, create) shopfront entrances and openings so people can access the building from the street and so that the buildings appear connected with, and provide interest to, the street. Land off Wortley Road will continue to serve the centre as its main public car park.

Policy HWNP3. Local Centres

The local shopping areas in Ringwood Road and Saulfland Place are shown on Map 6 (a and b). Proposed improvements to the provision of shops and/or services which provide for people’s day to day needs will be supported within and adjoining these centres, subject to ensuring that the amenities of local residents are not adversely affected by noise or disturbance.

Policy HWNP4. Local Green Spaces

The areas shown as Local Green Spaces (LGS) on Map 7 are designated for the strongest protection. Policies for managing development within these areas should be consistent with those for Green Belts. Development that would positively enhance the beneficial use of these spaces, such as to provide improved access or to allow opportunities for outdoor sport and recreation, to retain and enhance landscapes, visual amenity and biodiversity, will be supported, provided their openness is preserved.

Policy HWNP5. Green Corridors

In the Green Corridors (as shown on Map 7) opportunities should be taken, where practical, to:

Highcliffe and Walkford Neighbourhood Plan

- enhance tree cover;
- enhance biodiversity through the linking of habitats, and
- provide opportunities for the informal enjoyment of these spaces where they form part of the public realm.

Development proposals adjacent to, or including a part of a green corridor (including, for example, for digital provision or cycleways will be expected to respect its function and integrity.

Policy HWNP6. Proposed Accessible Green Spaces

The proposed accessible green spaces as indicated on Map 7 are identified to provide additional publicly accessible green spaces. They should remain largely undeveloped and be managed to both allow recreational access (for example, the inclusion of paths and seating) and support and enhance the area's tree cover and biodiversity as part of the network of Green Corridors.

Policy HWNP7. Walking and cycle routes

Development should improve the safety and/or connectivity of the pedestrian and cycle networks where practical, taking into account the Local Cycling and Walking Infrastructure Plan (adopted May 2022). The separation of cyclists and pedestrians will be expected wherever feasible.

The design of any off-road routes should ensure that these are coherent, direct, safe, comfortable and attractive having regard to national guidance. This should include consideration of how the design would be accessible to all, including people with wheelchairs or buggies, how the routes would be suitably overlooked, the provision of benches, and use of landscaping to enhance biodiversity through the provision of wildlife corridors.

Policy HWNP8. Parking Standards

The starting point for the consideration of car parking provision will be the BCP Council Parking Standards SPD (adopted January 2021). Within an area where it is clearly and thoroughly evidenced that there are significant on-street parking problems, variation from the adopted standards may be considered.

Policy HWNP9. Locally Important Community Facilities

The community facilities (as shown on Map 10) and associated land should be retained and allowed to modernise and adapt to continue to meet the community's needs for social wellbeing / healthcare / education / culture, sports and leisure.

The preferred location for any new community facilities is within or adjoining the district or local centres, and on sites close to existing facilities (particularly where there is a clear functional link between co-located facilities, such as schools / clubs sharing recreation facilities) and well related to the network of walking / cycling routes (as shown on Map 8). The High Street should be the preferred location for facilities which are likely to have a larger catchment that may be more likely to reach it by public transport. Shared car parking arrangements are encouraged.

Policy HWNP10. Housing design for practical living

The design of housing, including conversions and extensions, should:

- attain the national space standards, and include sufficient doors and windows, to allow the main habitable rooms to be adequately sized with plenty of natural light and ventilation, visually and physically connected to attractive and useable outdoor spaces;
- seek to achieve carbon reduction and energy efficiency through design;
- include potential for flexible space within the layout that can be used for study / home working / hobbies;

Highcliffe and Walkford Neighbourhood Plan

- cater for waste, recycling and other household storage (including provision for cycles, mobility scooters / children’s buggies, and ensuring that waste collection is readily accessible without blocking pavements);
- be accessible, with level (or gently sloping) or lift access to the front door – and higher standards (such as M4(2) accessible and/or adaptable dwellings and M4(3) wheelchair user dwellings as set out in Building Regulations Part M) should be applied to properties specifically providing age / mobility related accommodation;
- encourage social interaction through front doors facing onto the street (or the main circulation spaces within an apartment design) and front gardens / communal areas and the public realm designed to encourage informal use and interaction;
- include private outdoor amenity areas that receive daylight for a reasonable period of the day, and can be used for sitting and relaxation, as well as providing for biodiversity and practical arrangements such as clothes drying.

Policy HWNP11. Retaining and Reinforcing Local Character

In order to reflect and enhance the areas’ local distinctiveness, the following guidelines should be applied to development:

- Respect the character and heritage of the Conservation Areas within the parish and the setting to the Listed Buildings and other buildings of local architectural or historic interest.
- Seek to retain the degree of spaciousness and set-back where this makes an important contribution to that area’s character and/or enables the retention and integration of larger tree species within the area as well as practical garden space. Cramped forms of infill development that have limited space for landscaping are unlikely to be appropriate. Parking provision should not dominate the street scene, with measures taken to ensure that front gardens and landscaped spaces in front of properties are not simply re-purposed to accommodate the car.
- Ensure that the overall tree cover of the area is retained and where feasible enhanced. On larger developments, new street trees will be expected along new primary routes to reinforce the treed character of the area.
- Include safe and attractive public amenity spaces within housing areas
- Bungalows and/or two-storey houses should remain the predominant characteristic north of Lymington Road (east of Roeshot Hill); larger scale apartment-type or similar blocks are unlikely to be supported in these areas, or in the estates either side of the Runway. Whilst such larger buildings may be possible along the main arterial roads and in the coastal strip, care will need to be taken that such development does not overwhelm the plot or appear overbearing to adjoining properties, and (other than the High Street) should include provision for large trees (such as oaks and maritime pines) within their landscaping proposals. Attention should be paid to ensure that rooflines of these buildings are varied.
- Whilst a degree of variation between individual streets and within the streets is generally encouraged to add human interest and allow good design to flourish, this should not be to the extent where there are too many buildings competing visually for attention, and within obvious groupings any changes to existing properties (or their replacement) should reflect or complement the characteristic style and materials used in that group.
- Bland, blocky or box-like designs (including large expanses of blank walls) should be avoided, as should overly fussy or ostentatious designs (unless there are exceptional reasons why such an approach would enhance the area’s character). Windows should be generous and proportionate to the style of house. Modern materials such as for cladding, glazing and roofing may be supported provided they are sensitively chosen for type and colour with respect to the wider character area and will weather well.

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DECISION STATEMENT

10 January 2023



HIGHCLIFFE & WALKFORD NEIGHBOURHOOD PLAN (2020-2028)

Background

1. In September 2021, Highcliffe & Walkford Parish Council submitted the Highcliffe & Walkford Neighbourhood Plan proposal to BCP Council. An independent examiner, David Hogger BA MSc MRTPI MCIHT was appointed to examine the plan. His report was received in July 2022. It concluded that subject to modifications, the Highcliffe & Walkford Neighbourhood Plan meets basic conditions and other legal requirements and, on this basis, could proceed to referendum. A decision was taken at Cabinet on 26 October to agree to hold a referendum on 15 December 2022, to ask voters if they wanted BCP Council to use the Highcliffe & Walkford neighbourhood plan to decide planning applications in the neighbourhood area.
2. BCP Council held a referendum on 15 December in the neighbourhood area. In the referendum a majority (86%) voted in favour of plan. No other issues have become known that would suggest that the council should decline to make the plan.

Area covered by the Highcliffe & Walkford Neighbourhood Plan

3. The neighbourhood plan area covers the civil parish of Highcliffe & Walkford.

What this means for the Highcliffe & Walkford Neighbourhood Plan area

4. In England, development plans are used to set out the planning policies for the development and use of land. Planning applications are determined by local planning authorities such as BCP Council. Planning decisions are made in accordance with the adopted development plan, unless material considerations indicate otherwise.
5. The neighbourhood plan forms part of the development plan for the civil parish of Highcliffe & Walkford which also includes the adopted Christchurch Local Plan (2014).
6. The policies in the neighbourhood plan are in general conformity with the strategic policies of the Christchurch Local Plan. Therefore, when decisions are being made on development proposals, the policies contained in the Highcliffe & Walkford Neighbourhood Plan will take precedence over the non-strategic policies in the adopted Christchurch Local Plan (2014).

Where to find information

This decision statement and the Highcliffe & Walkford Neighbourhood Plan has been published on the council's website at [Highcliffe and Walkford Results of Referendum and Decision Statement \(bcpcouncil.gov.uk\)](http://bcpcouncil.gov.uk/Highcliffe_and_Walkford_Results_of_Referendum_and_Decision_Statement)