

BOURNEMOUTH, CHRISTCHURCH AND POOLE COUNCIL
AUDIT AND GOVERNANCE COMMITTEE

Minutes of the Meeting held on 10 March 2022 at 6.00 pm

Present:-

Cllr J Beesley – Chairman

Cllr L Williams – Vice-Chairman

Present: Cllr M F Brooke, Cllr D Butt, Cllr M Cox, Cllr L Fear, Cllr M Phipps
and Cllr Dr F Rice

79. Apologies

An apology for absence was received from Councillor Filer.

80. Substitute Members

Formal notification had been received appointing Councillor J Butt as substitute for Councillor Filer.

81. Declarations of Interests

Councillor Brooke declared that he was a Board Member of BDC.

82. Confirmation of Minutes

The Minutes of the meeting on 3 February 2022 were confirmed as a correct record.

83. Public Issues

The Committee was advised of the receipt of the following Public Statement which was read out to the Committee.

Statement

The provisions regarding conflicts of interest in FuturePlaces are very flimsy. Under the company's articles, Part 6.3, the board "may" impose certain restrictions on conflicted directors, but equally, the board retains the full right *not* to do so; while Part 6.7 releases directors from declaring any profits or benefits arising from authorised conflicts. The engagement director, meanwhile, is spared even these provisions, not being registered as a director of the company at Companies House. I wonder, therefore, whether in considering the governance of this company, your committee might table a motion that looks towards patching up the present deficiencies.

Alex McKinstry

84. BCP FuturePlaces

The Committee received a presentation about 'FuturePlaces' introduced by the Director of Regeneration supported by representatives of 'FuturePlaces' including the Managing Director and the Chief Operating Officer.

The presentation set out details for the Committee about the objectives of 'FuturePlaces' described under the headings of Stewardship; use of Capital, Design quality, Place management and Consultation and engagement. It included a list of projects and an explanation of the scope of services to be provided and work to be undertaken. Copies of the presentation slides were available to the Committee.

The Committee was advised that 'FuturePlaces' was a Company wholly owned by the BCP Council with governance arrangements set out within a suite of documents including primarily a Shareholder Agreement and a Commissioning Plan. These documents were outlined and explained and made provision for organisation and governance with the objective of ensuring that the company functioned correctly. A Company Board structure was in place including appropriate provision for dealing with potential conflict of interest and for provision of audit.

There was the opportunity for individual members of the Committee to ask specific questions about the way in which the Company operated. These included questions around budgeting and financial planning and how the objectives described would be delivered in a way that would achieve the desired benefits for the Council. There were also questions about the composition and structure of the Company Board and the level of involvement of Officers and of Councillors with particular reference to the interface with the Political leadership of the Council. Reassurances were provided for the Committee about the governance processes in place around Board meetings and around the appointment and roles of professional staff employed within the Company. The importance of consultation, communication and community involvement was also underlined and accepted as critical to success. It was also important that ESG (Environmental, Social and Governance) priorities became properly embedded into the operation of the Company.

There was a recognition that 'FuturePlaces' was still in its early stages of development particularly within the area of the Business Planning process and in the realm of establishing robust governance arrangements and that, as work progressed, the Committee would therefore be likely to require some greater clarity in some areas.

The Head of Audit and Management Assurance advised that, in terms of the work of Internal Audit, 'FuturePlaces' was treated in the same way as any other service unit would be and was therefore fully incorporated into the Council's agreed programme of audit and assurance. It was also reported that an approach based around a relationship of 'trusted adviser' was fostered enabling the achievement of a proactive relationship.

In conclusion, the Chairman of the Committee referred to the Committee's ambition to understand the arrangements for governance being established as 'FuturePlaces' evolved and to test those governance arrangements as the Company became fully operational and thereafter on an ongoing basis.

It was agreed that, in consultation with the Chairman and Vice-Chairman of the Committee, a document be prepared by 'FuturePlaces' taking account of the issues raised at the meeting in order to enable issues and concerns to be addressed by the Committee over time and, if necessary, identify areas where further clarity might be required. This would also be an opportunity to create a record of what had been covered as a baseline for future monitoring and allow the Company to work through and develop its governance arrangements.

The meeting ended at 8.25 pm

CHAIRMAN