

Notice of Cabinet



Date: Wednesday, 22 November 2023 at 10.15 am

Venue: Committee Room, First Floor, BCP Civic Centre Annex, St Stephen's Rd, Bournemouth BH2 6LL

Membership:

Chairman:

Cllr V Slade

Vice Chairman:

Cllr M Earl

Cllr D Brown
Cllr R Burton
Cllr M Cox

Cllr A Hadley
Cllr J Hanna
Cllr A Martin

Cllr K Wilson

All Members of the Cabinet 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?MIId=5363>

If you would like any further information on the items to be considered at the meeting please contact: Sarah Culwick (01202 817615) on 01202 096660 or email 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

14 November 2023

**DEBATE
NOT HATE**



Available online and
on the Mod.gov app

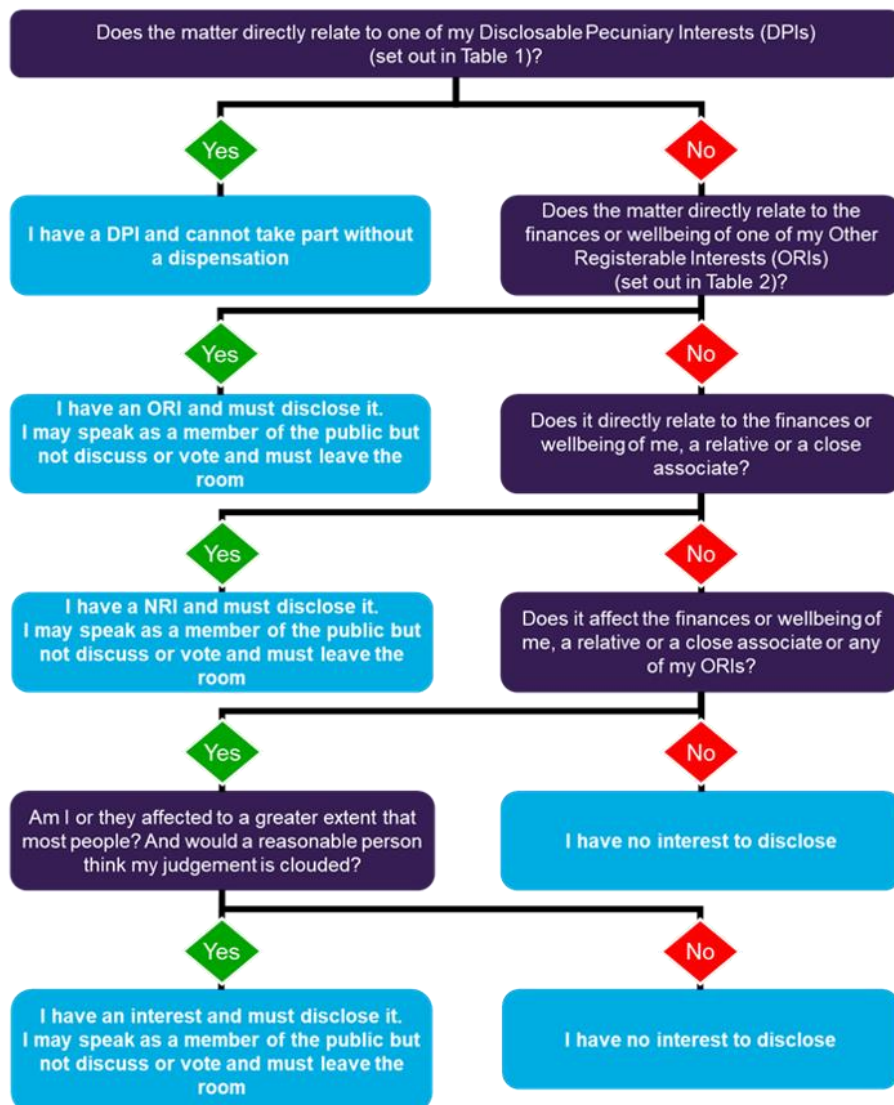


Maintaining and promoting high standards of conduct

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
(richard.jones2@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 25 October 2023.

5 - 16

4. 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 public questions is 3 clear working days before the meeting.

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

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

5. Recommendations from the Overview and Scrutiny Board

To consider recommendations from the Overview and Scrutiny Board on items not otherwise included on the Cabinet Agenda.

ITEMS OF BUSINESS

6. Medium Term Financial Plan (MTFP) Update

17 - 32

This report presents the positive progress that has been made towards delivering a sustainable and balanced budget for 2024/25 and developing the latest medium-term financial plan (MTFP) position of the council.

It is important that the context to the development of the 2024/25 budget is fully appreciated. This can be summarised as.

- The February 2023 approved general fund budget for 2023/24 was balanced on the assumption of a £30m drawdown in reserves and the delivery of £34m in savings, efficiencies, and additional resources including £9m in respect of transformation which were un-itemised.

- A funding gap of £44m for 2024/25 as set out in the July MTFP Update report to Cabinet and a 3-year funding gap to 2026/27 of £67m.
- An environment of ongoing uncertainty and volatility associated with the cost-of-living crisis.

Although significant progress has clearly been made it is clear that there is still much work to be done and that the savings, which will be considered as part of a November and December public engagement process, will have an inevitable impact on the level of services provided to our community.

7. Budget Monitoring 2023-24 at Quarter Two

33 - 68

This report provides the quarter two 2023/24 projected financial outturn information for the general fund and housing revenue account (HRA).

The February 2023 approved general fund budget for 2023/24 was balanced on the assumption of a £30m drawdown in reserves and the delivery of £34m in savings, efficiencies, and additional resources including £9m in respect of transformation which were un-itemised.

Based on the current projections the Council is forecasting it will instead need to draw down £34.3m from unearmarked reserves (a further £4.3m) to balance the 2023/24 budget.

The orderly closure of BCP FuturePlaces Ltd could either reduce the drawdown of reserves by up £2.2m or increase the drawdown by a further £1.2m based on the report to Cabinet in September 2023. An estimate of the outcome should be available by January.

Mitigations are being progressed by directorates, including a spending and recruitment freeze where possible, but the risk remains that if these are unsuccessful then the council would be required to reduce its unearmarked reserves below the minimum threshold based on good practice.

Delivering to budget remains critical as the medium-term financial plan makes no allowance for replenishing any unearmarked reserves used to balance 2023/24 and there are no earmarked reserves available to support any drawdown over the £30m assumed in the original budget.

8. Future - Bournemouth Air Festival

69 - 166

This report provides background to Bournemouth Air Festival, outlines the financial and environmental challenges of continuing to run the festival after 2023, and recommends a new way forward developed from the work of the Air Festival Task and Finish group

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

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

10. Cabinet Forward Plan

167 - 184

To consider the latest version of the Cabinet Forward Plan for approval.

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

BOURNEMOUTH, CHRISTCHURCH AND POOLE COUNCIL
CABINET

Minutes of the Meeting held on 25 October 2023 at 10.15 am

Present:-

Cllr V Slade – Chairman

Cllr M Earl – Vice-Chairman

Present: Cllr D Brown, Cllr R Burton, Cllr A Hadley, Cllr J Hanna, Cllr A Martin
and Cllr K Wilson

Also in Cllr G Farquhar and Cllr P Hilliard
attendance:

Also in Cllr S Armstring, Cllr P Canavan and Cllr J Salmon
attendance
virtually:

40. Declarations of Interests

There were no declarations of interest made on this occasion from any members of the Cabinet.

Cllr S Armstrong declared a pecuniary interest in agenda item 7, 3 Housing Regeneration Schemes, Craigmere Avenue, Rochester Road and Grants Close but spoke on the item and then withdrew from the meeting.

41. Confirmation of Minutes

The Minutes of the meeting held on 27 September 2023 were confirmed and signed as a correct record.

42. Public Issues

No public petitions or questions had been received on this occasion. The following public statements were received and were all read out on behalf of those submitting them by Democratic Services:

Mr Dave Bishop, relating to Agenda Item 7 - Housing Regeneration Schemes (Grants Close)

Our house backs directly onto this site and the construction will greatly affect our privacy.

The noise of construction would be an issue with heavy machinery and general building work which would obviously take a long time to complete.

This is already a highly populated area and parking is very bad at the best of times.

We also do not have the infrastructure to cope with more residents coming to the area.

At present, we have to wait over 3 weeks just to get a doctors appointment at the local surgery and yet more residents will just exacerbate this time.

This is a relatively high crime area and more housing will just add to that problem bringing more opportunities for thieves.

In conclusion, there are far better places to build houses rather than in an area already over populated.

Ms Elaine Turner, relating to Agenda Item 7 - Housing Regeneration Schemes (Grants Close)

I reside at No 27 Harrison Ave. In the time living here, a garage directly attached to my garden has provided protection. The concern is total loss to my privacy of having houses that will overlook my garden, and the major impact on light.

I also believe there will be an increase in noise, bbq's. I enjoy my garden and do not wish to be overlooked, have increased noise and decreased sunlight. There is a proposed alley way between the new houses and my garden.

I do not agree with this, given the anti-social behaviour and drug dealing going on in the area. We have limited parking as it is, where will all the new cars go. As a neighbourhood have had no say in this planning and development. As this is literally at the end of my garden, I will have no privacy, decreased sunlight, more crime and noise.

Ms Gill Parke, relating to Agenda Item 7 - Housing Regeneration Schemes (Grants Close)

I am writing as a resident of Springbourne to express my concern about the housing development in Grants Close, and more widely the proposed windfall developments in the Springbourne area.

We are one of the most densely populated areas of BCP so I am very concerned that you are proposing to build more housing in our area.

It appears from the documentation that you have not listened to residents concerns about the high number of drug related crime already in the area or the excessive number of HMOs.

There would be no access to emergency services to the development as has already been proved by the fire that has already occurred there- where the fire services had difficulty getting through.

The cost of this development is also a concern considering the £44 million shortfall the council is facing in the next financial year.

Ms Tina Thompson, relating to Agenda Item 7 - Housing Regeneration Schemes (Grants Close)

There has been some dismay about the planning decision made because it was made against public concern and a Councillor for the ward in which it will take place. The decision to award planning permission was made by officers and not subject to any external scrutiny. This decision made by officers cannot be overturned regardless of local concerns.

The level of scrutiny of applications made to the council, by the council should be a matter for consideration of automatic referral to planning committee. It gives a poor view of the council externally not to have scrutiny prior to an important decision for people living nearby.

It is of concern that this decision may set a precedent for other infill developments on garage or garden sites which will increase pressure on parking, public safety, and services in Springbourne.

Mr Graham Nicholson, relating to Agenda Item 7 - Housing Regeneration Schemes (Grants Close)

Your ridiculous idea of inserting two houses in a small pathway at the rear of my property. Once these houses are built how can a fire truck or ambulance get up there and turn around to get out? Any damage to what's mine will be costly to you. I don't want my property overlooked in any way.

Cllr Anne Filer, relating to Agenda Item 7 - Housing Regeneration Schemes (Grants Close)

This development and the way that it has been handled really disturbs me, on behalf of the residents of Grants Close. It seems to me that the voices of the nearby community have been heard, but not listened to by this Council, which has posited itself as a "Listening Council".

The quality impact assessment focusses entirely on the proposed new residents, and not at all on the impact on existing residents, many of whom have disabilities and vulnerabilities. Surely both should be taken into consideration when building infill development in a small area.

I do hope these points will be taken into consideration for all future similar developments in this small part of Bournemouth.

Mr Steve Alves (Chairman of Friars Cliff Residents Association (FCRA), relating to Agenda Item 9 - Phosphate sin the River Avon

One item close to FCRA hearts, with many Harbour users and wild swimmers, is water quality, namely item 9 on the agenda "Phosphates in the River Avon".

There has been extensive investigation and analysis of this issue, and residents are rightly concerned.

I note the recommendation of option 1, which is to be applauded. However sections 15 to 22 of the summary mention "credits" could be purchased as mitigation by developers.

If purchasing of such credits are used, the water quality may not worsen, but would remain at status quo with already unacceptably high phosphate levels.

We should be looking to reduce phosphates to below existing levels rather than trading off credits merely to build more housing.

Therefore on behalf of residents I request that the council actively look to improve water quality by not allowing developers the use of such credits whilst we wait for the levelling up bill.

43. Recommendations from the Overview and Scrutiny Board

Cabinet was advised that there were no additional recommendations from the Overview and Scrutiny Committees on items not otherwise indicated on the Cabinet agenda on this occasion.

44. Transformation Programme Update

The Portfolio Holder for Transformation and Resources 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.

Cabinet was advised that a number of key achievements and milestones had been delivered since the inception of the programme and the last update in each of the principal elements of the programme; Organisational Design, Where and how we work and Supporting our Colleagues.

In relation to this Cabinet was advised that some of this is now so familiar to staff and Members that it is easy to overlook as we continue to thrive and operate in our new normal.

Cabinet was informed that significant time and investment had been put in to building the foundations from which we can continue to transform as an organisation, some of which may not be visible or obvious until such point as they are released for use and then quickly pass into familiarity with expectations and boundaries then pushed to the next improvement.

The Portfolio Holder thanked officers for their attendance to respond to any queries on technical aspects of the paper.

A non-Cabinet Member Councillor highlighted issues that residents have had in contacting the Council by their preferred method, via telephone and whether there was a timetable for resolving this. The Portfolio Holder advised that in the preceding month Cabinet had approved a new software system to manage this process which should be implemented in December. Additional in-person hubs were also being established and further solutions were being made available for digital engagement.

RESOLVED that: -

- (a) Cabinet noted the progress made on the implementation of the Council's Transformation Programme; and**
- (b) Cabinet noted the Financial Implications set out in paragraphs 41 to 43.**

Voting: Nem. Con.

Portfolio Holder: Transformation and Resources

Reason

To report a progress update on the Council's Transformation Programme.

45. 3 Housing Regeneration Schemes – Craigmoor Avenue, Rochester Road and Grants Close, Bournemouth

The Portfolio Holder for Housing and Regulatory Services 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.

Cabinet was advised that these schemes are being brought forward through the Council Newbuild Housing and Acquisition Strategy (CNHAS), a direct housing delivery route approved by Full Council in November 2021, and that the proposal presented is for all three sites to be progressed.

Cabinet was informed that the sites have very similar characteristics, being built at a similar time to a similar standard and designed by the same architect but are split into Individual approval recommendations - so each site - whose individual budget is less than £1m, can be assessed on its own merits by Cabinet.

Cabinet was advised that these proposals replace unsustainable homes/underutilised garages which carry significant maintenance requirements should they be retained and renew them with replacement family homes built to a highly sustainable standard.

In relation to this Cabinet was informed that overall, the proposals present a net gain of 2 new affordable homes which will be let to those with a housing need, and that detailed reports were attached as appendices on all three proposed schemes; Rochester Road – 2 houses, Craigmore Avenue 2 houses and Grants Close 2 houses.

	Homes	Types	Bed's	Tenure	Total scheme costs in	Additional subsidy per scheme for Social Rent	Contractor proposed	Change in 50yr surplus if social rent
Rochester Rd	2	Houses	2	affordable	£598k	(£120k)	CWT	(£184k)
Craigmore Ave	2	Houses	3	affordable	£680k	(£153k)	CWT	(£281k)
Grants Close	2	Houses	2	affordable	£597k	(£120k)	CWT	(£218k)
Totals	6				£1,875k	(£393k)		(£683k)

A non-Cabinet Member highlighted a number of planning issues with the proposed development in Grant's Close. The Leader advised for clarity that the decision to be taken by Cabinet was in relation to funding for the proposals rather than particular planning issues. In response to this the Portfolio Holder welcomed communication from any local resident who experienced issues particularly during the construction phase and advised that the Council would respond.

A Cabinet member highlighted the importance of the social impact of the provision of the housing schemes to provide affordable housing and the transformable effect these would have on people's lives. Cabinet was advised that the housing was all being built to Passiv House standards.

RESOLVED that Cabinet approved: -

- (a) the development of 2 x 3 bedroom affordable rented homes at Craigmoor Avenue at a total scheme cost (Capital Budget) of £680,000;**
- (b) the development of 2 x 2-bedroom affordable rented homes at Rochester Road at a total scheme cost (Capital Budget) of £598,000;**
- (c) the demolition of underutilised garages at Grants Close and the development of 2 x 2-bedroom affordable rented homes at a total scheme cost (Capital Budget) of £597,000;**
- (d) awarding of the build works to the in-house Construction Works Team - subject to capacity and acceptable budget compliance; and**
- (e) delegation to relevant Service Director to undertake an external procurement process should the in-house team not be able to comply with the budget and/or have insufficient capacity.**
- (f) the delegation to the relevant Service Director, in consultation with the Chief Finance Officer of the authority to enter into the Contracts for build works, - provided that all key parameters (including delivery within the approved capital budget) are met.**

Voting: Nem. Con.

Portfolio Holder: Housing and Regulatory Services

Reason

This proposal supports the redevelopment of three sites which contain assets which carry significant maintenance requirements if retained and the opportunity to provide additional affordable housing to meet housing need.

46. Local Government & Social Care Ombudsman Annual Report 2022/23

The Leader of the Council and Portfolio Holder for Dynamic Places 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.

Cabinet was advised that The Local Government and Social Care Ombudsman (LGSCO) provides an independent and impartial service to investigate complaints about Councils, or actions taken by another body on behalf of the Council.

In relation to this Cabinet was informed that the LGSCO provides a report annually which details the number of enquiries, investigations and resolved complaints for each authority in the previous financial year, and that BCP Council's annual report for 2022/23 is attached as Appendix A.

Cabinet was advised that the report shows that the number of complaints upheld by the LGSCO is comparable to that of like organisations, and that compliance with recommendations is at 100% - compared to 99% average in others.

In addition Cabinet was informed that it notes that we were below average for providing a satisfactory remedy to complaints before they reached the LGSCO and notes delays in receiving responses from the Council, which we are working to ensure improves in the future, and that it also includes some detail on the number of complaints to BCP Council during 2021/22 however, inconsistencies within identification, recording and monitoring of complaints remained a challenge so detailed analysis was not possible.

Cabinet was further advised that Adults and Children's Social Care complaints follow a different statutory process and that their reports will be reviewed separately at Overview and Scrutiny committees.

RESOLVED that Cabinet received and noted the content of the report.

Voting: Nem. Con.

Portfolio Holder: Leader of the Council and Portfolio Holder for Dynamic Places.

Reason

To ensure good oversight of complaint management.

47. Phosphates in the River Avon

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

Cabinet was advised that this report sought agreement to adopt the advice from Natural England that all new developments should be nutrient neutral in respect of phosphates to protect the River Avon Special Area of Conservation (SAC) and Ramsar site.

In relation to this Cabinet was informed that this would require all applicants seeking planning permission for new homes in the Christchurch area to demonstrate they have secured phosphate mitigation measures before the planning application could be registered. This was an additional up-front requirement placed upon applicants.

Cabinet was further advised that the report set out our proposed interim approach while clarity on the national picture set out in the Levelling Up and Regeneration Bill is understood, and that through the BCP Local Plan we will develop a strategy to prevent housing sites becoming stalled and provide certainty to the market.

It was noted in relation to the public statement credits could be used to provide more effective measures to support better water quality. Cabinet was advised that this was an extremely important issue that was required to ensure that the natural environment could be protected. The advice from Natural England was that the impact of development in Christchurch was minimal in comparison to areas further up the river. The Cabinet was advised on the number of developments being impacted by the proposals.

RESOLVED that: -

- (a) Cabinet approved the proposed change to the planning application validation requirements to require applicants seeking a net increase in homes in the Christchurch area to demonstrate they have secured phosphorous mitigation; and**
- (b) Cabinet noted that this approach will be reviewed in line with the development of the BCP Local Plan and Royal Assent of revisions to the Levelling Up and Regeneration Bill, and revisions to the approach will be brought back to Cabinet.**

Voting: Nem. Con.

Portfolio Holder: Leader of the Council and Portfolio Holder for Dynamic Places

Reason

The Council as competent authority under the Habitats Regulations needs to be certain that the adverse impact of phosphates from new development upon water quality can be mitigated.

48. Christchurch Civic Offices

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

Cabinet was requested to consider the disposal of the Christchurch Civic Offices.

In relation to this Cabinet was informed that a series of meetings of the cross-party asset disposal working group had taken place, and that working within the principles developed to determine future asset disposals as endorsed by Cabinet had considered the Christchurch Civic Offices.

Cabinet was informed that the application of these principles means that the council should now be looking to dispose of the former civic offices in Christchurch.

A Cabinet member commented on the public access through the site and that it was also part of the national cycle network, that this should be protected and enhanced if possible.

RECOMMENDED that Council after consideration of any feedback from a consultation with Christchurch Town Council, approve the disposal of the former civic offices in Christchurch on such terms to be approved by the Chief Financial Officer, also acting in his capacity as Corporate Property Officer, in consultation with the Portfolio Holder for Finance.

Voting: Unanimous

Portfolio Holder: Finance

Reason

To obtain approval for the disposal of the former civic offices in Christchurch.

49. SEND Programme of Expansion - Broadstone First School

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

Cabinet was advised that the number of children and young people assessed as requiring a place at a specialist education provision in the BCP area has increased in recent years and that this has increased expenditure on high needs.

Cabinet was informed that as part of the Council's strategy to address growth and associated financial pressure, a programme of expansion of specialist school provision across the conurbation is being implemented to help provide local access to cost effective places and thereby to reduce the Council's reliance on costly independent placements.

Cabinet was advised that in order for this to be successful the programme will need to provide additional places:

- across the BCP area
- Across reception to Post 16 year groups
- Meet the profile of needs that we have an identified as a challenge in sufficiency of places.

Cabinet was informed that Broadstone First School, an academy run by the Castleman Academy Trust, is one of the schemes in the expansion programme where there is excellent opportunity to provide additional resource base places for children with autism spectrum condition (ASC), and that detailed feasibility analysis shows that the academy would be capable of accommodating 20 SEND places from September 2024 provided modifications and extensions to the existing school buildings are undertaken.

Cabinet was advised that unless schemes such as this are implemented the Council will have no option other than to continue with expensive independent placements to meet its legal duty to provide specialist places.

Cabinet was informed that the recommendation of this report therefore was to approve the budget detailed in Appendix 1 (Exempt) which was needed to grant fund the building works and related processes required for the creation of 20 SEND places at Broadstone First School.

RECOMMENDED that Council approves the capital budget set out in Appendix 1 (Exempt), which is funded from DfE grant monies, to enable the construction works and related processes to be undertaken to create the facilities for 20 SEND places at Broadstone First School.

Voting: Unanimous

Portfolio Holder: Children and Young People

Reasons

1. Approval of the 20 SEND places at Broadstone First School and the requisite budget for the relevant constructions works and processes will enable the Council to:
 - (a) meet its legal duty to provide places for pupils with special educational needs and disabilities (SEND)
 - (b) meet its priority to expand the availability of specialist school places to:
 - i. provide local places for pupils with special educational needs and disabilities (SEND)
 - ii. to achieve savings as part of the Council's High Needs Block Deficit Recovery plan.
 - iii. to improve inclusion across mainstream provision as part of the Graduated Pathway Programme
2. The provision of 20 SEND places at Broadstone First School will complement the SEND service being provided through the 23 SEND places already available at Broadstone Middle School. The combination of provision will create a cohesive SEND support service for pupils from age 4 through to age 13.

50. Traffic Order Proposal, Goods Yard Development Loading Bay Proposal (P39 2023)

The Portfolio Holder for Climate Response, Environment and Energy presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'G' to these Minutes in the Minute Book.

Cabinet was advised that the Council had received funding from the developer as part of the Section 106 agreement to implement a loading bay on Moor Road to enable a safe place for deliveries to be carried out to the Goods Yard Public House, and that Cabinet were therefore requested to consider the proposed traffic order.

RESOLVED that Cabinet approve the making and sealing of the Traffic Orders as advertised and implement the restrictions outlined in Appendix 1 of the report.

Voting: Unanimous

Portfolio Holder(s): Leader of the Council and Portfolio Holder for Dynamic Places
Deputy Leader of the Council and Portfolio Holder for Connected Communities
Climate Response, Environment and Energy

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

Cabinet was informed of two urgent decisions which were taken by the Chief Executive since the last Cabinet meeting, as follows:

The appointment to the Interim Monitoring Officer and the appointment of the Corporate Director for Wellbeing.

52. Cabinet Forward Plan

The Leader advised that the latest Cabinet Forward Plan had been published on the Council's website.

The meeting ended at 11.43 am

CHAIRMAN

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CABINET



Report subject	Medium Term Financial Plan (MTFP) Update
Meeting date	22 November 2023
Status	Public Report
Executive summary	<p>This report presents the positive progress that has been made towards delivering a sustainable and balanced budget for 2024/25 and developing the latest medium-term financial plan (MTFP) position of the council.</p> <p>It is important that the context to the development of the 2024/25 budget is fully appreciated. This can be summarised as.</p> <ul style="list-style-type: none"> • The February 2023 approved general fund budget for 2023/24 was balanced on the assumption of a £30m drawdown in reserves and the delivery of £34m in savings, efficiencies, and additional resources including £9m in respect of transformation which were un-itemised. • A funding gap of £44m for 2024/25 as set out in the July MTFP Update report to Cabinet and a 3-year funding gap to 2026/27 of £67m. • An environment of ongoing uncertainty and volatility associated with the cost-of-living crisis. <p>Although significant progress has clearly been made it is clear that there is still much work to be done and that the savings, which will be considered as part of a November and December public engagement process, will have an inevitable impact on the level of services provided to our community.</p>
Recommendations	<p>It is RECOMMENDED that Cabinet:</p> <ul style="list-style-type: none"> (a) Acknowledges the progress in delivering a sustainable balanced budget for 2024/25. (b) Endorses the updated MTFP position. (c) Approve the implementation of a voluntary redundancy process to support the delivery of a balanced budget for 2024/25 with delegation to the Chief Executive, in consultation with the Leader of the Council, to develop an appropriate policy.

Reason for recommendations	<p>To comply with accounting codes of practice and best practice which requires councils to have a rolling multi-year medium term financial plan.</p> <p>To present progress on delivering a balanced budget for 2024/25 and a high-level overview of the current medium term financial plan position.</p> <p>To ensure a prudent approach to financial management based on traditional local government financial management processes.</p> <p>To present ongoing progress against the Best Value Notice requirement to establish a sound budget setting process and begin preparation for the 2024/25 budget as soon as possible and draft a sustainable MTFP and three-year budget by the end of September 2023.</p>
Portfolio Holder(s):	Cllr. Mike Cox, Portfolio Holder for Finance
Corporate Director	Ian O'Donnell, Corporate Director for Resources
Report Authors	Adam Richens, Director of Finance and Chief Finance Officer adam.richens@bcpcouncil.gov.uk
Wards	Council-wide
Classification	For Decision

Background

1. Cabinet on the 26 July received an MTFP Update report which set out the framework in support of the delivery of the 2024/25 budget including the proposed.
 - (a) Budget planning process.
 - (b) Budget timeline
 - (c) Financial strategy
2. Also included was an articulation of the £44.4m gap in the MTFP position inherited by the new Council following the local elections in May. This gap excluded all the previously assumed additional transformation or service savings and efficiencies on the basis that they were either unidentified against a specific budget line of the council or the public had not been transparently made aware of or engaged as to their deliverability.
3. This approach of only including transformation savings based on current delivery plans, rather than those assumed in the 2019 Transformation business case, has been endorsed by both a LGA Peer Review and by the government's recent governance review which was part of the Best Value Notice report to Cabinet in September 2023. Both warned against being over-optimistic around assumed transformation savings in terms of both timing and value. Through the MTFP, the

forecast savings to be achieved through the transformation programme currently totals £14m and may increase as further initiatives are implemented.

4. It was also recognised that this £44.4m did not make any allowances for several key risks assumed in the 2023/24 budget including.
 - (a) Any under delivery against previously budgeted savings, efficiencies or additional resources which were not subsequently delivered and would require an adjustment to the base revenue budget. Of particular concern was the unidentified transformation savings included in both the 2022/23 and 2023/24 budgets.
 - (b) Any implications caused by the uncertainty associated with the cost-of-living crises with the adequacy of the pay award assumptions being of particular concern.

Latest draft 2024/25 budget and MTFP position

5. The budget for 2024/25 and the MTFP should be seen in the context of a rolling, evolving process structured to enable the ongoing proactive management and prioritisation of the council's resources. It should also be seen in relation to the Best Value Review requirement to draft proposals for a sustainable MTFP and three-year budget.
6. In support of these requirements Portfolio Holders have been working with Corporate Directors, Service Directors, and Budget Holders to prepare proposals for balancing the 2024/25 budget. This has included bi-weekly meetings between the Cabinet and Corporate Management Board (CMB) since early July 2023 to consider progress and to consider the budget in the context of the developing new corporate plan, which is currently out for consultation. In addition, every growth and saving proposal was considered by Cabinet at a budget focus event held on the 2 and 3 October 2023 with further consideration via series of budget challenge sessions on the 18 and 19 October which focused on the information contained in the new Dynamics F&O system.
7. Figure 1 below sets out the current Medium-Term Financial Plan (MTFP) to 2027. As a reminder to Cabinet, the table sets out changes in the revenue budgets, on an annual basis, either positive numbers which represent additional costs to be met, or negative numbers 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 be reversed out in a following year. A more detailed summary statement is presented as Appendix A.

8. **Figure 1: Latest MTFP**

Service Pressures (net of any specific grant changes)	Budget 2023/24 £m	Incremental Year on Year Changes				
		24/25 £m	25/26 £m	26/27 £m	27/28 £m	Total £m
Wellbeing Directorate	133.0	4.2	4.9	4.9	5.0	19.0
Children's Directorate	85.0	4.9	5.0	5.3	5.3	20.5
Operations Directorate	63.1	2.8	3.2	1.8	1.6	9.4
Resources Directorate	40.8	0.6	0.6	0.7	0.4	2.3
	321.9	12.6	13.7	12.7	12.2	51.2
Savings, Efficiencies, Fees & Charges						
Wellbeing Directorate		(7.8)	(0.5)	(0.7)	(0.6)	(9.6)
Children's Directorate		(4.3)	0.0	0.0	0.0	(4.3)
Operations Directorate		(10.2)	(2.8)	(2.3)	(2.0)	(17.3)
Resources Directorate		(0.6)	(0.2)	(0.1)	(0.1)	(0.9)
Transformation		(10.6)	(3.1)	(0.6)	(0.1)	(14.4)
		(33.4)	(6.6)	(3.8)	(2.7)	(46.5)
One-off Items						
One-off Pressures		4.9	(4.9)	0.0	0.0	0.0
One-off Resources		(4.9)	4.9	0.0	0.0	0.0
		0.0	0.0	0.0	0.0	0.0
Corporate Items - Cost Pressures						
	16.6	20.2	12.0	3.8	7.7	43.7
Funding - Changes						
	(338.4)	12.6	(12.1)	(9.7)	(9.7)	(18.8)
Annual – Net Funding Gap						
	0.0	12.0	7.0	3.1	7.6	29.6
Cumulative MTFP – Net Funding Gap						
		12.0	19.0	22.1	29.6	

9. The key assumptions made in presenting the latest MTFP position can be summarised in Figure 2 below and in Appendix B.

10. **Figure 2: Key Budget Assumptions**

Key MTFP Financial Planning Assumptions

	2024/25	2025/26	2026/27	2027/28
Council Tax: Core	2.99%	1.99%	1.99%	1.99%
Council Tax: Social Care Precept	2.00%	1.00%	1.00%	1.00%
Pay Award	5%	2%	2%	2%
Increase in Fees and Charges	5%	2%	2%	2%
National Living Wage (NLW) % Increase in the National Living Wage	5.6%	2%	2%	2%
	Sep-23	Sep-24	Sep-25	Sep-26
Bank of England - Base Rate	5.25%	5.00%	3.00%	2.75%

Please note:

The increase in fees and charges should be regarded as a minimum increase to those not set by statute. The principle of full cost recovery may mean increases above these levels for example where costs are likely to rise by the National Minimum Wage which is predicted to increase by 5.6% (to £11 per hour) between 2023/24 and 2024/25.

11. The main changes to the inherited MTFP position as set out in the July report include.

Items having an adverse impact on the draft 2024/25 Budget.

- A £6.1m rebase of the 2024/25 base budget to excluded previously assumed, but unitemised, transformation savings. The quarter one budget monitoring report for 2023/24 highlighted the total of £10.7m in unitemised savings, £9.1m in respect of 2023/24 and £1.6m from 2022/23, which has been reduced by £4m based on a rigorous review of the 2022/23 financial outturn where positive variances were identified as ongoing. This net £6.7m has then been reduced to £6.1m because of further identified third party spend savings.
- Increase in the pay award assumption to reflect the offer by the National Employer Association for 2023/24 and an increase in the assumption for 2024/25 from 4.25% to 5% based on benchmarking with south coast unitary authorities (circa £4m total to reflect the change in both 2023/24 and 2024/25).
- Recognition of the intention to invest up to an extra £1.4m per year in regeneration further to "The future of BCP FuturePlaces Ltd, investment and development" report to Cabinet on 27 September 2023 as opposed to building up an off-balance sheet debt.

Items having a positive impact on the draft 2024/25 Budget.

- Recognition of the latest profile of asset disposals supporting the generation of £43m in capital receipts to fund the transformation programme across 2023/24 and

2024/25. The positive impact comes from the deferral of the disposal of income generating assets from towards the end of the 2023/24 financial year to towards the end of the 2024/25 financial year.

- Ongoing negotiations with the trade unions now mean that from a financial planning perspective the implementation date for the pay and grading review, and the consequential financial implications, has been delayed. The council will however endeavour to deliver at the earliest date achievable.
 - A reduction in the cost of utilities based on positive market movements over the last quarter.
 - Financial planning assumptions around a level of savings that can be delivered either in 2024/25 or over the 4 years of the MTFP. These and other options will be further considered as part of the public engagement exercise.
12. Clearly there is much work still to be done to ensure that the council can deliver a sustainable balanced budget for 2024/25 based on traditional approaches to local government finance. In support of this process, it is being recommended that in addition to the expenditure freeze and vacancy management process for 2023/24 approved by Cabinet in September, that a voluntary redundancy process is established with delegation to the Chief Executive to agree the final criteria. It is likely that this scheme will not be applied to certain elements of the workforce such as social workers but will focus on areas of the Council where future savings are forecast or can be made.
13. Work will now focus on further service efficiencies and savings and on options to enable the 2024/25 budget to be balanced. This will include further consideration of the items laid out in the financial strategy as set out in the July MTFP Update report and, via the council's Senior Leadership Network, will be a whole organisation response. This further work will also include a reflection of the amounts included in respect of both service and corporate pressures. For example, the Local Government Association is undertaking a use of resources exercise in regard to Adult Social Care which includes a reflection on the services budget position.

Options Appraisal

14. Alternative council tax strategies and savings proposals will be considered as part of the final budget report for 2024/25 to Cabinet and Council in February 2024.

Summary of financial implications

15. Any financial implications of the report's recommendations are considered, alongside alternative options, elsewhere within this report.

Summary of legal implications

16. The council has a fiduciary duty to its taxpayers to be prudent in the administration of the funds it manages on their behalf and an equal duty to consider the interests of the community which benefit from the services it provides.
17. 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.

18. 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, the 1 March each year to allow sufficient time for the council tax direct debit process to be adhered to.

Summary of human resources implications

19. The establishment of a voluntary redundancy process will have direct human resources implications on the authority. In turn it is likely to have a direct impact on the level of services delivered by the council, the mechanism by which those services are delivered and the associated staffing establishment.

Summary of sustainability impact

20. Provision was made as part of the 2023/24 budget to protect the annual budget supporting climate change and ecological emergency activity. This is supplemented by an Earmarked Reserve which provides resources to support one-off costs.

Summary of public health implications

21. The Department of Health and Social Care allocated BCP Council £21.29m, a 3% increase from 2022/23, to deliver its public health service in 2023/24. This will be combined with the £15.09m allocated to Dorset as part of the joint pan Dorset service.

Summary of equality implications

22. Officers are expected to deliver the services they are responsible for with due regard to the equality's implications. A full equalities impact assessment will be undertaken as part of the final February 2024 report to members as part of the annual budget process.

Summary of risk assessment

23. The risks inherent in the current year's budget were clearly set out in the February 2023 Council budget report for 2023/24. Key risks and assumptions made in balancing the 2023/24 budget included.
 - (a) £30m drawdown from reserves.
 - (b) Delivery of £34m in savings, efficiencies and additional resources including £9m in respect of un-itemised transformation savings.
 - (c) Recognition of the ongoing uncertainty caused by the cost-of-living crisis.
 - (d) In addition to those referenced in (b) the delivery of £8.7m in transformation savings assumed in the base budgets for 2022/23 onwards.
 - (e) Delivery of a financial surplus compared to previous plans of £10.6m in 2022/23.
 - (f) Disposal of assets to deliver capital receipts to fund the transformation investment programme in 2022/23, 2023/24 and 2024/25.
 - (g) Specific exposure regarding BCP FuturePlaces Ltd, and any amount drawn down from the £8m loan facility made to them which ultimately proves

unrecoverable, and any payments capitalised which might need to be written off in the Council decides not to progress with the Full Business Case.

24. In addition, it should continue to be highlighted that council continues to predict that it will have negative reserves as at the 31 March 2024 due to the accumulating deficit on the Dedicated Schools Grant (DSG) as pertaining to the growing annual deficit on the High Needs Block. If a council has negative reserves, then technically it is insolvent however government regulations currently allow councils to ignore the deficit on the DSG for the purposes of this assessment up to the 31 March 2026. The Council's general fund revenue budget is though having to cover the annual interest charges on the DSG debt.
25. By following a prudent approach to financial management based on traditional local government financial management processes steps have been taken to mitigate an element of these identified risks. Principally these have been outlined in the Financial Outturn for 2022/23 and Quarter One Budget Monitoring reports to Cabinet. Members should though be under no illusion, as evidenced in the body of this report, significant financial challenges underpinned by numerous difficult choices remain.

Background papers

26. February 2023 Budget and Medium-Term Financial Plan 2023/24
<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?CId=284&MId=5032&Ver=4>
27. July 2023 Financial Outturn Report 2022/23
July 2023 Medium Term Financial Plan (MTFP) Update
<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?CId=285&MId=5359&Ver=4>
28. Budget Monitoring 2023/24 at Quarter One
September 2023 Responding to the Best Value Notice
<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?CId=285&MId=5360&Ver=4>

Appendices

- | | |
|------------|------------------------|
| Appendix A | Detailed MTFP Summary |
| Appendix B | Key Budget Assumptions |

BCP Council - MTFP 2024 to 2028 - 1 November 2023

Service Pressures (net of any specific grant changes)	Budget 2023/24 £m	Incremental Year on Year Changes				
		24/25 £m	25/26 £m	26/27 £m	27/28 £m	Total £m
Wellbeing Directorate	133.0	4.2	4.9	4.9	5.0	19.0
Children's Directorate	85.0	4.9	5.0	5.3	5.3	20.5
Operations Directorate	63.1	2.8	3.2	1.8	1.6	9.4
Resources Directorate	40.8	0.6	0.6	0.7	0.4	2.3
	321.9	12.6	13.7	12.7	12.2	51.2
Savings, Efficiencies, Fees & Charges						
Wellbeing Directorate		(7.8)	(0.5)	(0.7)	(0.6)	(9.6)
Children's Directorate		(4.3)	0.0	0.0	0.0	(4.3)
Operations Directorate		(10.2)	(2.8)	(2.3)	(2.0)	(17.3)
Resources Directorate		(0.6)	(0.2)	(0.1)	(0.1)	(0.9)
Transformation		(10.6)	(3.1)	(0.6)	(0.1)	(14.4)
		(33.4)	(6.6)	(3.8)	(2.7)	(46.5)
One-off Items						
One-off Pressures		4.9	(4.9)	0.0	0.0	0.0
One-off Resources		(4.9)	4.9	0.0	0.0	0.0
		0.0	0.0	0.0	0.0	0.0
Corporate Items - Cost Pressures						
Adjustment - Assumed Transformation savings not rebased	(6.7)	6.1	0.0	0.0	0.0	6.1
Transformation Base Revenue Cost	4.5	0.0	0.0	0.0	0.0	0.0
Salary Costs charged to Transformation	(3.2)	0.0	3.2	0.0	0.0	3.2
Debt Capital Repayment - Minimum Revenue Provision	13.6	0.1	0.2	0.0	0.0	0.3
Debt Interest on Borrowings	3.3	0.0	0.0	0.0	0.0	0.0
Capitalisation Direction provision	0.2	(0.2)	0.0	0.0	0.0	(0.2)
Treasury Management Income	(2.5)	1.0	0.8	1.7	1.8	5.3
Pension - Back funding	3.4	0.2	0.2	0.0	0.0	0.3
Provision for the Pay Award	4.0	11.8	3.6	3.6	3.6	22.6
Pay and Grading Project	1.0	0.1	2.5	(2.1)	1.8	2.2
Redundancy Costs (non-transformation fundable)	2.1	(1.9)	(0.1)	0.0	0.0	(2.1)
Investment Properties Income	(5.0)	0.1	1.3	0.0	0.0	1.4
Carters Quay	0.1	0.0	0.0	0.0	0.0	0.0
Miscellaneous including levies	(0.4)	1.7	0.4	0.5	0.6	3.2
Contingency	2.2	0.0	0.0	0.0	0.0	0.0
Additional Investment in Regeneration	0.0	1.4	0.0	0.0	0.0	1.4
	16.6	20.2	12.0	3.8	7.7	43.7
Funding - Changes						
	(338.4)	12.6	(12.1)	(9.7)	(9.7)	(18.8)
Annual – Net Funding Gap	0.0	12.0	7.0	3.1	7.6	29.6
Cumulative MTFP – Net Funding Gap		12.0	19.0	22.1	29.6	

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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. Wellbeing

Service Pressures £12.4m (9.4% increase over the 2023/24 budget for demand and inflationary increases but excluding pay related costs)

Adult Social Care and Commissioning

The MTFP makes provision for an additional gross £30.2m investment in adult social care services over the 4-year period to March 2028 (£10.2m in 24/25). This pressure is a combination of:

- 1) Assumptions around inflationary pressures within the care market. These pressures relate mainly to increases for providers in staffing costs where a significant driver is the consequential impact of changes in the National Living Wage (NLW).
- 2) The additional funding allocation for the Market Sustainability and Improvement fund will be used to assist moving towards achieving the 'Fair Cost of Care'. The Discharge Fund will be used to meet the increased care costs and speed up hospital discharges.
- 3) All demographic growth is assumed to be demand managed for all client groups in 2024/25.

The NLW remains a key driver for the cost of care services affecting 70% of the cost of providing personal care. The increase from April 2024 has not been confirmed yet, however, there are indications that the increase will be to at least £11 per hour from £10.42 (5.6%). The MTFP assumes an increase to the minimum estimate, a higher level will result in additional budget pressure of approximately £122,000 for every 1p.

The remaining 30% of the cost of providing personal care is driven by other cost of living factors assumed to increase by 2.7% in 2024/25.

From 2025 onwards, the assumption is for 2% annual increases for both NLW and general inflation for costs in the care market.

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. 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 again. The council will commit spending on this activity up to any amount funded by the government.

The government remains committed to delivering the adult social care charging reforms and supporting people drawing on care and support, therefore the MTFP reflects an assumption that £5.8m estimated pressures in 2026/27 and further £10.2m in 2027/28 will be fully covered from additional government funding.

The delay includes the implementation of the extended means test, the lifetime cap on personal care costs and the extension of Section 18(3) to enable self-funders in residential care to access local authority contracting arrangements.

Housing

The main pressure included relates to homelessness emergency accommodation with an additional £1.5m budget increase estimated for 2024/25. In previous years, the annual homelessness prevention grant has been supplemented by reserves designated for the service. These reserves are forecast to be fully used in 2023/24 with the estimated shortfall in the annual £2m grant now included as a pressure.

2. Children's Services

Service Pressures £6.1m (7% increase over 2023/24 budget for demand and inflationary increases but excluding pay related costs budget)

The MTFP makes provision for an additional gross £23.7m investment in children's services over the 4-year period to March 2028 (before additional specific grants). 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 continued increasing complexity of children needing placements. The national picture of the care market evidences significant sufficiency issues and this, in addition to the ongoing cost-of-living growth, has prompted providers to increase their fees.
- b. A new government requirement for providers of supported accommodation for looked after children and care leavers aged 16 and 17 to be Ofsted registered and inspected will mean additional cost incurred by the providers will be passed on through placement fees.
- c. Local social care market purchasing has been reliant on framework contracts which previously worked well in managing placement costs, however in the past 2 years this has significantly deteriorated. This change has impacted on price and will be addressed through a revised strategy across all placement types with a range of market options.

2) School Transport:

- a. cost of special educational needs and disability (SEND) transport is directly linked with the increasing number of education, health, and care plans (EHCPs) and the pressure that continues in the high needs block of the dedicated schools grant (DSG). This grant is ring-fenced and currently outside the general fund budget.
- b. SEND transport is however not funded by the DSG and instead the responsibility falls to the general fund budget of the council.

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

3. Operations – Service Pressures £2.8m (4% increase over the 2023/24 budget for demand and inflationary increases but excluding the pay award)

The MTFP makes provision for an additional gross £10.4m investment in operations services over the 4-year period to March 2028 (£2.8m in 2024/25).

Inflationary pressures have been reflected for waste disposal and recycling services linked to contracts and market movements with £1.7m allowed for in 2024/25 and a total increase of £3m by 2027/28 compared with the current year.

Fuel inflation has been allowed for along with increased prudential borrowing repayments to ensure that the rolling capital programme for fleet vehicles is maintained.

Reduced income of £0.5m for the bereavement service has been allowed for reflecting the ongoing challenging market conditions from the growth in the direct cremation market and other local facilities.

Inflation has been provided for the concessionary fares schemes going forward, following the rebase in the 2023/34 budget to reflect the trend of reducing journeys.

A previously budgeted pressure for utility costs across the directorate has been reduced by £1.8m for next year as the market has stabilised below previously assumed levels.

Pressures have been included for commercial operations across a range of contracts including equipment hire, cleaning products, and consumables with these pressures to be recovered through additional income.

4. 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 National Employers organisation took a different approach in agreeing the pay award for 2022/23 based on a flat rate increase of £1.925 on every spinal column point which was estimated at an average increase of 5.4% for BCP Council.

The budget for 2023/24 made provision for a 4.25% average pay award. Following the 2022/23 approach the National Employers organisation made an offer on behalf of member councils of £1,925 on every grade up to SCP43 and 3.88% above this level. The unions confirmed on the 1 November 2023 that this offer had been accepted. It equates to more like a 6.25% average pay award and an additional in-year service pressure of £3.4m

The draft budget for 2024/25 makes good this under provision in 2023/24 and is followed by an assumption of a 5% pay award next year This is based on a benchmarking exercise undertaken by the Chief Financial Officer with near neighbour Unitary Authorities to ensure consistency with the assumptions being made by the sector.

In addition, as part of the savings and efficiencies proposals underpinning the 2023/24 budget, provision was made for only 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, of between 95% and 98%. Monitoring of this assumption is being undertaken as part of the in-year quarterly budget monitoring. In addition, services are also expected to manage the impact of any incremental drift in their pay base.

5. Harmonised Pay and Grading Structure

A key requirement following the creation of BCP Council was to create a single pay and grading structure. The proposed 2024/25 budget reflects, for financial planning purposes, a proposed implementation from 1 December 2024, with a proposed uplift in the pay bill from that point in time onwards. The council will however endeavour to deliver at the earliest date achievable

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 was agreed with the pension fund actuary in November 2022. The March 2022 position for BCP Council was a funding deficit of £53.2m with a resulting funding level of 95.9% as outlined below, compared to a funding deficit of £86.6m at 31 March 2019 relating to a funding level of 91.9%.

BCP Pension Fund – funding levels

Figure 1: BCP Pension Fund – funding levels

Local Authority	31 March 2016 Funding Level	31 March 2019 Funding level	31 March 2022 Funding Level
Bournemouth Council	79%		
Christchurch Council	88%		
Dorset Council	80%		
Poole	86%		
BCP Council	82%	92%	96%

BCP Council contribution rates are as set out below. In respect of the 2022 revaluation, the increase on the ongoing rate was offset by the reduction in the back-funding element. Key variables that impacted on the valuation were the impact on liabilities of inflation, salary increases and the assumed discount rate, and the level of investment returns on the assets of the fund.

Figure 2: BCP Pension Fund contributions agreed with the actuary:

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Ongoing (primary) rate	15.6%	16.2%	16.8%	17.4%	19.0%	19.0%
Back-funding (secondary) rate	£9.43m	£5.89m	£6.10m	£6.32m	£3.97m	£4.13m

In comparing pay rates with those of other employers, it is important to recognise that the council has a total contribution rate in excess of 22%. Many private sector companies will be making only a 4% minimum pension fund contribution.

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 2023, which is applied or factored into several contractual uplifts, was 6.7% as measured by the (CPI) Consumer Price Index.


The Spring Budget for 2023 predicted CPI inflation of 4.1% during 2023/24, 0.6% during 2024/25, 0% in 2025/26, and 0.8% in 2026/27. The government's inflation target remains at 2% on an annual basis.

One area of cost pressure which has specifically previously been provided for 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 2023/24 budget allowed for circa £8.9m in electricity and gas costs across all areas of service. The forecast outturn for 2023/24 assumes this will fall to £6.2m.

8. Government Autumn Statement

The Chancellor of the Exchequer, Jeremy Hunt, will present the Autumn Statement to Parliament on the 22 November 2023.

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CABINET 	
Report subject	Budget Monitoring 2023-24 at Quarter Two
Meeting date	22 November 2023
Status	Public Report
Executive summary	<p>This report provides the quarter two 2023/24 projected financial outturn information for the general fund and housing revenue account (HRA).</p> <p>The February 2023 approved general fund budget for 2023/24 was balanced on the assumption of a £30m drawdown in reserves and the delivery of £34m in savings, efficiencies, and additional resources including £9m in respect of transformation which were un-itemised.</p> <p>Based on the current projections the Council is forecasting it will instead need to draw down £34.3m from unearmarked reserves (a further £4.3m) to balance the 2023/24 budget.</p> <p>The orderly closure of BCP FuturePlaces Ltd could either reduce the drawdown of reserves by up £2.2m or increase the drawdown by a further £1.2m based on the report to Cabinet in September 2023. An estimate of the outcome should be available by January.</p> <p>Mitigations are being progressed by directorates, including a spending and recruitment freeze where possible, but the risk remains that if these are unsuccessful then the council would be required to reduce its unearmarked reserves below the minimum threshold based on good practice.</p> <p>Delivering to budget remains critical as the medium-term financial plan makes no allowance for replenishing any unearmarked reserves used to balance 2023/24 and there are no earmarked reserves available to support any drawdown over the £30m assumed in the original budget.</p>
Recommendations	<p>It is RECOMMENDED that Cabinet:</p> <p>Note the budget monitoring position for quarter two 2023/24.</p>
Reason for recommendations	To comply with accounting codes of practice and best practice which requires councils to regularly monitor the annual budget position and take any action to support the sustainability of the council's financial position.

Portfolio Holder(s):	Cllr Mike Cox, Finance
Corporate Director	Ian O'Donnell, Corporate Director of Resources
Report Authors	Adam Richens, Director of Finance and Chief Finance Officer adam.richens@bcpcouncil.gov.uk Nicola Webb, Assistant Chief Finance Officer nicola.webb@bcpcouncil.gov.uk Matthew Filmer, Assistant Chief Finance officer matthew.filmer@bcpcouncil.gov.uk
Wards	Council-wide
Classification	For Decision

Background

1. In February 2023 Council agreed the 2023/24 annual general fund net revenue budget of £309m, a capital programme of £180m and the net use of earmarked reserves to balance the budget and support services of £30m. This revenue budget also assumed the delivery of £34m of savings which included £9m in un-itemised transformation-based savings. Budgets were also agreed for the capital programme and housing revenue account (HRA).
2. The quarter one budget monitoring report indicated emerging net pressures in the Operations and Resources areas with mitigation strategies expected to be developed. Despite underlying cost and demand pressures Adults and Children's directorates presented balanced positions with only a small overspend in central budgets.
3. Non-delivery of transformation savings in full was already anticipated in the first quarter with service budgets reduced by £4m reflecting 2022/23 positive outturn variances that were established as on-going and not already reflected in the 2023/34 budget base. This action reduced the transformation savings target now to be identified to £6.7m and prevented unplanned savings being available in the current year to mitigate unbudgeted pressures.
4. The quarter two projections have been informed by the spending control and vacancy management processes implemented with the agreement of Cabinet from September 2023 to help the council manage service pressures and support the necessary reduction in the expenditure base of the authority to close the funding gap for 2024/25 in the current medium-term financial plan.

Quarter Two Revenue Outturn Projection 2023/24

5. The council is projecting a £4.3m overspend across all budget areas. Directorates that are projecting overspends are required to develop mitigation plans. These are described in the appendices to the report.
6. Table 1 below provides a summary of budget variances for each directorate:

Table 1 : Summary General Fund Projected Outturn at Quarter 2

Directorate	Working budget £000's	Forecast £000's	Under/ Overspend £000's
Wellbeing	131,838	129,613	(2,225)
Children's	86,205	88,259	2,053
Operations	63,508	67,688	4,180
Regeneration costs brought in-house	0	636	636
Resources	34,920	34,474	(446)
Corporate	(316,471)	(316,389)	81
	0	4,280	4,280

7. Wellbeing services include adult social care, housing and community, and strategic procurement. The pressure identified within housing and community in quarter one has been mitigated by greater recognition of grant supported activity. The increased demand for adult social care services is continuing to be supported through additional grants and funding from the NHS.
8. The Childrens directorate has identified new pressures over quarter two in safeguarding, early help, and corporate parenting with some offset from unfilled vacancies in education services. The mitigation activities to resolve the net £2.1m projected overspend are described in the Children's directorate section of Appendix A1.
9. The Operations directorate has made good progress in managing the pressures identified at quarter one. However, the poor summer weather has significantly reduced carparking income projections, and the restructure of the planning service has not yet taken place. Further mitigation plans for the projected £4.2m overspend are in progress as described by the Chief Operations Officer in Appendix A4.
10. The planned orderly closure of the council owned company, BCP FuturePlaces Ltd, in early 2024 has an estimated unbudgeted cost of £0.6m from bringing staff in-house from November 2023. Regeneration activity is to continue under new leadership by bringing together the activities previously undertaken by the company and the regeneration and housing delivery teams within the council. The closure of the company could provide either a net surplus of up to £2.23m or add a further pressure of up to £1.24m as set out in the September 2023 report to Cabinet.
11. The Resources directorate reported pressures at quarter one, with these mitigated in quarter two by keeping posts unfilled, reviewing the use of grants, and implementing expenditure controls with a £0.4m surplus now projected.
12. The net outturn projection for central budgets has changed little from quarter one. Expected prudential borrowing costs have reduced by £1.4m from the reprofiling of capital expenditure on the fleet. However, this positive variance has been offset by an increase in the high-level estimate for the additional costs of the pay award confirmed in early November with the trade unions. Work is progressing to finalise the impact.

13. Appendix A1 provides the detail and reasons for projected budget variances in each service area.
14. Appendix A2 provides a summary revenue outturn statement.

Savings Monitoring 2023/24

15. Delivery of budgeted savings is fundamental to a sustainable MTFP. The table below provides the progress on achieving the £34m of programmed savings with 69% shown as delivered by the end of the first half of the year. Some of the non-transformation savings shown as not yet delivered are expected to be implemented over the remainder of the year with it too early to establish the projected outturn position. The impact of savings not expected to be delivered during the year, including those for transformation, are included in the budget variances in Appendix A1.

Table 2 : Summary of progress in savings delivery 2023/24.

Directorate	Council Approved Savings 2023/24 £000s	Quarter Two Delivered 2023/24 £000s	Not yet delivered 2023/24 £000s
Wellbeing Directorate	(9,684)	(7,697)	1,987
Children's Services Directorate	(1,183)	(1,183)	0
Operations Directorate	(10,903)	(8,792)	2,111
Resources Directorate	(508)	(508)	0
Corporate Items	(3,021)	(3,021)	0
Transformation – not itemised	(9,044)	(2,373)	6,671
Total Savings	(34,343)	(23,574)	10,769

Note that the table above includes housing and community within Operations rather than reflecting the move to Wellbeing for consistency and as further reorganisation is taking place in quarter three.

16. Wellbeing savings not yet delivered include within adult social care for demand management, reassessment of care packages and greater use of technology, for example, and it will take time to implement changes and establish if successful. None of these savings are yet considered to be undeliverable.
17. Operations savings are many and varied. The delivery of savings is still under review with service managers, but it has been established that £2.1m (due to festivals, waste disposal, highways maintenance, carparking and planning services) is likely to be unachievable with amounts included within the projected budget variances in Appendix A1.
18. The transformation savings not yet delivered of £6.7m are included as a pressure in the year end projected outturn variances within corporate budgets.
19. Appendix A3 provides a schedule of progress for revenue budget savings delivery at quarter two. Those not expected to be ultimately delivered are shaded red in the appendix.

Reserves Monitoring for 31 March 2024

20. Earmarked reserves have been set aside for specific purposes and these were reconsidered in quarter one to release funding to support the children's services business case to improve the service.
21. Figure 2 below summarises the projected movement in reserves during the current financial year.

Table 3: Summary of projected movements in reserves

	Balance 1 April 2023	Balance 31 March 2024	Movement
	£m	£m	£m
Un-earmarked reserves	17.9	14.8	(3.1)
Earmarked reserves	68.5	18.2	(50.3)
Total reserves	86.4	33.0	(53.4)

31 March 2024 Un-earmarked reserves were planned to be increased to £19.1m. The Quarter Two forecast as set out earlier in this report will require the application of £4.3m which reduces these reserves to £14.8m.

These reserves do not include revenue reserves earmarked for capital, school balances or the negative DSG reserve.

22. The main movements in earmarked reserves include drawing down:
 - a. Financial resilience reserves to support the budget and MTFP £31.7m
 - b. Government grants £11.1m
 - c. Corporate priorities and improvement £3.7m
23. Appendix B provides a summary of earmarked reserves projected for 31 March 2024.

Dedicated Schools Grant (DSG)

24. The 2023/24 budgeted high needs funding shortfall due to the growing demand from pupils with high needs is £27.1m. The accumulated deficit was projected to increase to £62.9m.
25. The year end projection at quarter two is an overspend of £0.5m which increases the funding gap to £27.6m with an estimated cumulative deficit of £63.4m.

Table 4: Summary position for dedicated schools grant

Dedicated Schools Grant	£m
Accumulated deficit 1 April 2023	35.8
Budgeted high needs funding shortfall 2023/24	27.1
Overspend in 2023/24	0.5
Projected accumulated deficit 31 March 2024	63.4

26. At quarter one it had been expected that the in-year funding shortfall would be lower. This was due the delay in processing assessments for education, health, and care plans (EHCPs) and determining placements. This will have led to some children remaining in mainstream provision for longer than assumed in the budget.
27. However, the level of pupils permanently excluded from schools over the last academic year was unprecedented and one of the highest nationally. The council must make provision for those pupils of school age with costs charged to the high needs budget. The number of pupils needing alternative provision in September 2023 means the call on independent providers is greater than allowed in the budget. This trend for permanent exclusions appears to be ongoing in the new academic year.
28. Given the size of the projected growing deficit, the council is having discussions with the Department for Education (DfE) as part of the Safety Valve (SV) intervention programme. This programme is also supported by the Department for Levelling Up, Housing and Community (DLUHC). The first meeting took place on 6 October with a series of further meetings underway exploring the details of the council's current position and to find a way forward in developing an agreed deficit management plan. These early meetings have already established that an extended timescale (beyond five years) will be needed to eliminate the annual funding gap.
29. Final plans are to be provided to the DfE by 12 January 2024 and if an agreement is reached, the council will be held to account for the delivery of the plan and if adequate progress is being made, the DfE will provide funding towards the deficit.

Capital Programme

30. As part of the implementation of new financial system the council went live with a projects module to separately manage the Councils capital programme. Project Managers are now able to be actively involved in the creation and maintenance of their schemes on the system and have direct "live" access to monitor them.
31. Due to the enhanced sophistication that this system provides us, high level reporting from the new system has proven problematic and is taking longer than originally planned. Efforts are ongoing to conclude this by the next monitoring report for quarter three.

Housing Revenue Account (HRA)

32. 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.
33. The 2023/24 budget comprises total income of £51.5m for the year and a net surplus of £6.7m.
34. There are favourable income variances from rents and service charges of £0.9m due to the delivery of additional HRA properties via the development programme plus additional interest earned of £0.3m due to higher than budgeted interest rates. Staff costs for management and supervision are underspent by £0.4m due to vacancies. These positive variances are offset by additional spending of £1.5m on repairs and maintenance of properties in the Bournemouth area. This additional spending is across all three spend categories (responsive repairs,

planned repairs and on preparation of voids for reletting). Work is underway to ensure consistency of standards and accounting practices between the Poole and Bournemouth neighbourhoods with initial work focusing on the procurement model.

35. The projected net surplus is £6.7m as budgeted. This compares with the quarter one position of a projected surplus £0.5m higher. The reduction between quarters is due to the level of repairs and maintenance spend now projected.
36. The capital programme budget of £46.5m is forecast at quarter two with an annual spend of £31m, being 67% of the annual programme. This compares with 80% at quarter one. The shortfall is due to the rescheduling of new build projects and a low volume of acquisitions, the latter due to ongoing high borrowing costs making purchases financially unviable. The planned maintenance programme is currently forecast to be on track.
37. Appendix C provides a summary of HRA budget monitoring for both the revenue and capital account at quarter one.

Scenarios

38. The projected outturn is prepared based on estimates and assumptions, with the mostly likely outcome included in budget monitoring reports.

Summary of financial implications

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

Summary of legal implications

40. The recommendations in this report are to comply with the council's financial regulations with attention drawn to significant budget variances as part of good financial planning to ensure the council remains financially viable over the current year and into the future.

Summary of human resources implications

41. There are no direct human resources implications from the recommendations in this report.

Summary of sustainability impact

42. There are no direct sustainability impacts from the recommendations in this report.

Summary of public health implications

43. The council is seeking to maintain appropriate services for the vulnerable as well as improve the sustainability of services important for the wellbeing of all residents.

Summary of equality implications

44. Budget holders are managing their budgets with due regard to equalities issues.

Summary of risk assessment

45. The projected outturn is prepared based on estimates and assumptions in consultation with services. There are key risks in the projections across all service areas.
46. Wellbeing directorate risks for adult social care services are associated with market conditions and the increasing cost of residential care home fees, capacity in the home care market and demand for care from both hospital discharges and the community over the remainder of the year. In housing and community services there could be further demand from the number of homeless people needing support.
47. In Children's services risks include a further rise in demand for children requiring care placements impacting on the general fund. There is also a significant risk that further EHCP growth and permanent exclusions from schools outside the current forecast could significantly increase the DSG deficit above current predications.
48. Operations projections include significant risks around forecast commercial income from carparks and leisure activities. There is an indication that the rising cost of living has impacted on income generation, but the impact may be greater than currently anticipated. There are also risks around the extent that costs can be charged to the capital programme and in support of the HRA.
49. The impact of the pay award announced in November is still being worked through with a high-level estimate indicating at least a further £1.4m should be added to the quarter one estimate bringing the total to £4.7m above that provided in the budget. This estimate could be higher depending on the number of staff earning above scale point 43 (those earning above £49,590), where an increase of 3.88% is to apply in place of the flat rate increase of £1,925.
50. There remains the risk that services will not be able to mitigate their net budget pressures with drawdown of unearmarked reserves being required. This would impact on the financial resilience of the council.
51. The yearend projection is dependent on the outcome of the orderly closure of FuturePlaces Ltd with a range for the general fund from a £2.23m surplus or £1.24m deficit based on the report to Cabinet in September 2023.

Background papers

52. The link to the budget papers for 2023/24 is below:

[BCP Council – Democracy \(ced.local\)](#) item 10

53. The link to the 2023/24 quarter one budget monitoring report is below:

[BCP Council – Democracy \(ced.local\)](#) item 20

Appendices

- Appendix A A1 Revenue Projected Budget Variances by Service Area
 A2 Revenue Outturn Summary 2023/24
 A3 Revenue Savings Monitoring 2023/24
 A4 Report from Chief Operations Officer

Appendix B Earmarked Reserves Projection for 31 March 2024

Appendix C HRA Projected Outturn 2023/24

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Appendix A1: Revenue Projected Budget Variances by Service Area 2023/24

1. The projected outturn for each directorate is shown in the tables and narrative below:

Wellbeing

2. The Wellbeing directorate includes adult social care, public health services, and commissioning teams for adults and corporate procurement. In addition, housing and community transferred in from the Operations Directorate in quarter two. Also, during quarter two, the commissioning team for children's services moved back to Children's services.

Q1 Report Variance £000's	Service	Working budget £000's	Forecast £000's	Q2 Report Variance £000's
	Adult Social Care			
6,166	Care – Long Term Conditions	91,653	99,362	7,708
(737)	Care – Learning Disabilities & Mental Health	70,410	69,698	(713)
0	Employees	23,506	23,325	(181)
(160)	Client Contributions	(24,634)	(27,628)	(2,994)
(535)	CHC, Joint Funding & Sec 117 Mental Health	(12,574)	(13,086)	(512)
(4,684)	Section 256 NHS funding	0	(3,366)	(3,366)
0	Other Funding: grants, other authorities, Health.	(23,585)	(24,062)	(477)
0	Other services: training, running costs.	550	494	(56)
50	Total Adult Social Care Net budget:	125,328	124,737	(591)
	Commissioning			
0	ASC: Care and contracts (incl. LATC)	27,502	27,511	9
0	ASC: Employees	2,369	2,388	19
(50)	ASC: Client contributions	(1,624)	(1,679)	(55)
0	ASC: Income from Health	(3,440)	(3,464)	(24)
0	ASC: Specific grants & Gov. funding	(28,536)	(28,574)	(38)
0	ASC: Other services, voluntary sector, projects.	410	412	2
0	Procurement	1,181	1,019	(162)
(50)	Total Commissioning Net budget:	(2,138)	(2,387)	(249)
	Housing			
0	Housing Delivery	299	168	(131)
1,300	Housing Options and Partnerships	5,268	4,355	(913)
0	Neighbourhood Services	(2,215)	(2,215)	0
0	Risk and Improvement	374	350	(24)
1,300	Housing Total	3,726	2,658	(1,068)
	Communities			
0	Community Engagement	800	463	(337)
20	Regulatory Services	2,488	2508	20
60	Safer Communities	770	788	18
0	Service Management	309	309	0
0	Strategic Community Safety	555	533	(22)
80	Communities Total	4,922	4,601	(321)
1,380	Housing & Communities Total	8,648	7,263	(1,385)
(1380)	Housing mitigation strategies			
0	Public Health (fully funded by government grant)	0	0	0
0	Wellbeing Total	131,838	129,613	(2,225)

Adult Social Care and Commissioning

3. The care budgets were rebased to reflect the current care need mix and the market sustainability fund was used to rebase the weekly care homes fees in line with market pressures. However, care cost pressures continue in the second quarter of 2023/24 due to both demand for care home placements 5% above budget and residential fees 3% above budget mainly for packages of care to support patients leaving hospital. The demand for home care packages is now 16% higher than budget, although this pressure is partially mitigated by lower take up of direct payments.
4. The cost of care for people with Learning Disabilities and Mental Health shows a potential underspend due to a combination of delayed demand, lower cost than previously anticipated and delays with mental health hospital discharges.
5. Employees savings is due to ongoing vacancies because of expenditure control measures and some recruiting difficulties.
6. Additional client contributions above budget are expected due the additional caseload. However, we recognise that a proportion can be considered ongoing and therefore the 2024/25 budget will be increased by £0.3m.
7. The Council is intending to make use of transfers from Health under Section 256 agreements to fund legacy and ongoing pressures as a direct result of hospital discharge and new ways to assess, noting that this is temporary one-off funding.
8. Additional income from the NHS for continuing health care (CHC) eligibility. Again, there is a recognition that a proportion can be considered as ongoing additional income therefore the 2024/25 budget will be increased by £0.2m.
9. Addition grant funding has been used to offset expenditure and this was not expected when the quarter one forecast was produced.
10. The Commissioning Directorate is experiencing variances of a smaller order with the largest variance being vacancies in the procurement department.
11. There are risks associated with the continuing increase cost of residential care homes fees, capacity in the home care market and demand for care from both hospital discharges and the community over the next months of this financial year. The current projections reflect known factors as at quarter two.

Housing & Communities

12. The Housing & Communities service is reporting in-year pressures, but these are being mitigated by an allocation of external grant funding in recognition of the staff costs and other overheads incurred in administering the schemes.
13. Housing options and partnerships are continuing to face a significant challenge with the cost of Bed & Breakfast and temporary accommodation increasing the housing benefit subsidy clawback charge. The in-year homelessness prevention grant (HPG) will be fully used this year to support the clawback and the increased costs from inflation on contracts and staffing costs aimed at reducing homelessness. The reserve balance held from previous years is expected to be reduced considerably retaining a £0.5m balance to carry forward into 24/25. This will create challenges next year to spend within the HPG in-year allocation, but mitigations are being actively sought to create alternative accommodation options.
14. There remains a pressure on the CCTV service, however this is also being offset by grant funding with a favourable variance within the public protection service.

Children's Services

15. The services within the Children's directorate are unchanged from last year except for the return in quarter two of the children's commissioning team and transfer of the full year budget.

Q1 Report Variance £000's	Service	Working budget £000's	Forecast £000's	Q2 Report Variance £000's
(2,921)	Children Services Management & Commissioning	7,452	3,028	(4,424)
0	Grant Income	(6,063)	(6,063)	0
2,201	Safeguarding & Early Help	13,268	15,854	2,586
277	Corporate Parenting & Permanence	45,000	49,182	4,182
205	Quality, Performance Improvement & Governance	4,431	4,732	301
238	Education & Skills	19,923	19,331	(592)
0	Partnerships	2,195	2,195	0
0	Children's General Fund Total	86,205	88,259	2,053

16. Children's Services management incorporates various budgets including the overall service agency budget. This is held centrally as the agency use within individual service units fluctuates based on demand and vacant positions. The forecast variance is directly offsetting the staffing overspends shown in all other directorates as described below.
17. Safeguarding & early help has the highest use of agency as the front door teams (multi-agency safeguarding hub (MASH)/assessment/children & families first) are predominately the most challenging social worker posts to fill permanently.
18. The agency use within corporate parenting & permanence relates to the children in care teams. The service continues to work to reduce the level of over-established agency social workers. The agency were above establishment levels to stabilise the service and support quality assurance activities.
19. Staffing pressure within quality, performance improvement & governance relates to additional independent reviewing officer (IRO) posts required to manage the increased level of case work.
20. The shift in pressure from quarter one within the education and skills directorate reflects the freezing of vacancies within some teams. The quarter two net variance includes pressure from the educational psychology service due to difficulties recruiting as mentioned in the quarter one report.
21. Considerable work has been undertaken to review the forecast cost of all children in care placements costs. The pressure is shown within corporate parenting & permanence directorate. There has been an increase in the number of CiC (children in care) during this financial year, 26 new CiC from April 2023, 17 of which during quarter two.
22. A high number of these additional placements are residential based settings, with an average annual cost of £0.347 million.
23. A demand and mitigation programme has been developed and will be introduced with specific reference to seeking efficiencies within various workstreams relating to care placements. Specifically looking at over 18 placements, 16 plus residential placements, under 12 residential placements and unregistered placements. An assumption of reduced in year spend has been included in the forecast variance with further work to seek additional mitigations against the current £2 million variance.
24. The services are continually reviewing the use of agency staff and with the ongoing recruitment campaign to attract and retain qualified social workers, there is an aspiration to further reduce the cost incurred from high agency premium.

25. As part of the Cabinet decision regarding expenditure control measures any request for general fund spend is reviewed and approved by service directors. Specific attention is being applied to expenditure around the duty to safeguard and promote the welfare of children in general within the local authority (Section 17). This could further reduce the current forecast variance.

Operations

26. A significant reorganisation of the directorate was undertaken at the start of the year. Overall, a budget deficit of £4.3m is projected at quarter two, an increase compared with the first quarter, in large part due to lower carparking income. Mitigation strategies are in progress as set out by the Chief Operations Officer in Appendix A4.

Q1 Report Variance £000's	Service	Working budget £000's	Forecast £000's	Q2 Report Variance £000's
	Commercial Operations			
552	Leisure Centres	(593)	(372)	221
(215)	Seafront	(5,611)	(6,168)	(557)
145	Tourism & Events	1,432	1,299	(134)
(270)	Parking	(18,284)	(15,817)	2,468
212	Commercial Ops Total	(23,056)	(21,058)	1,998
	Environment			
138	Highways Delivery	1,756	1,915	159
0	Waste & Cleansing – green waste	8,000	8,102	102
0	Parks Operations	5,277	5,368	91
500	Bereavement	(1,368)	(895)	473
0	Coroners & Mortuary Service	1,161	1,276	116
0	Service Management	962	962	0
764	Strategic Waste	15,859	16,050	191
0	Greenspace & Conservation	427	427	0
(78)	Transport & Operating Centres	7,134	6,714	(420)
0	Passenger Transport	892	892	0
1,324	Environment Total	40,100	40,812	712
	Planning & Destination			
0	Planning Policy	685	641	(45)
0	Development Management	(1,043)	426	1,469
0	Planning Enforcement	467	467	0
0	Design & Heritage	359	420	62
0	Planning Arboriculture/Landscape	346	453	108
0	Planning Research, GIS, & Info	149	149	0
0	Smart Places	104	37	(67)
0	Economic Development	741	732	(8)
0	Planning & Destination Total	1,807	3,325	1,518
	Infrastructure			
0	Building Control	171	164	(7)
0	Asset Engineering	2,895	2,770	(124)
0	Flood & Coastal	839	871	32
0	Network Management	2,012	2,173	161
0	Sustainable Travel	8,827	8,981	154
0	Transport Development	665	738	73
0	Transport Improvement	30	30	0
0	Engineering	1,269	1,228	(41)
	Infrastructure Total	16,707	16,956	248

Q1 Report Variance £000's	Service	Working budget £000's	Forecast £000's	Q2 Report Variance £000's
	Regeneration	700	700	0
	Customer, Arts, & Property			
0	Libraries	6,130	6,127	(3)
0	Customer Services	2,566	2,566	0
0	Out of Hours / Telecare	(107)	(136)	(29)
0	Poole Museum	692	525	(167)
0	Russell Cotes Museum	440	440	0
0	Arts Development	411	409	(2)
0	Cultural Partners / Compact	969	968	(1)
476	Facilities Management	7,089	7,375	286
0	Public Toilets	(975)	(975)	0
0	Construction works and other income	412	(288)	(700)
0	Business Support	6,665	6,865	200
476	Customer, Arts, & Prop. Total	24,293	23,878	(413)
0	Operations Strategy + Utilities	2,956	3,076	120
2,012	Operations Services	63,508	67,688	4,180
(2,012)	Mitigation strategies			
0	Operations Total	63,508	67,688	4,180

0	Regeneration activity brought in-house	0	636	636
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Commercial Operations

27. Commercial income, which includes carparking, reduced between quarter one and quarter two due to unfavourable trading conditions. A partial recovery was experienced during September when the weather improved. However, the income target of roughly £1m per week will prove challenging to achieve if the poor weather is experienced again in early spring when higher income levels are normally expected.
28. The income forecast for leisure centres and park concessions improved over quarter two, but income remains below budget, including contract income from BH Live leisure centres.
29. The seafront trading projection has improved over quarter two with higher income expected in seafront concessions than previously and with reduced expenditure in repairs and maintenance and arcade machine purchase as now only essential spending is permitted.
30. The tourism and events variance due to previously undelivered festival savings noted at quarter one, has been mitigated through generating additional external funding for the Christmas lights and savings in delivering other festival and events.
31. Parking operations are forecast to meet income targets for pay and display charges, however additional pressures regarding permit fee income and the costs associated with income collection are contributing towards a net pressure of £2.5m for this activity.
32. Mitigating the main pressures listed may require further deferment of expenditure in the short term. This includes for routine repairs and maintenance and planned investments in key income generating assets.

Environment

33. The overspend for environment services identified last quarter has been reduced from £1.3m to £0.7m at quarter two, largely due to reduced expenditure in strategic waste and the transport operating centre.
34. Highways are experiencing pressure on vehicle costs in preparation for the winter service, also improvements are needed for plant and machinery to meet Health & Safety Executive standards.
35. The waste and cleansing pressure is for the cost of materials, external services and overtime incurred to support the summer season, partly offset by additional green waste income due to the 2024 fee increase from January.
36. Bereavement services are forecasting a pressure on income of £0.5m, with savings on expenditure providing a small offset. The number of cremations has continued to fall below budget due to the competition from other market options now available. The coroners and mortuary service has a one-off pressure from a high-cost inquest, partly offset by a reserve balance. The service is undertaking a higher number of inquests after covid.
37. Pressure on the waste disposal contract and recycling prices influenced by the market are partly offset by lower than budgeted waste tonnages. Household recycling centres are using more agency staff and sub-contractors necessary keep the sites operational and generate income streams, with commercial income projected ahead of budget.
38. Transport and operations underspend is mainly from fuel savings in the first half of the year although prices are currently increasing. Vehicle hire is lower than budgeted and workshop income is also contributing to the favourable position.

Planning & Destination

39. The planning service is forecasting a £1.5m overspend, largely in the development management service. There is a pressure from agency usage and establishment staff costs of £1.3m as the planned staff restructure has been delayed. This was needed to manage the budget reductions from the removal of short-term service improvement funding and planned savings in non-statutory services. There is also an estimated income shortfall of £0.2m for planning fees but this could be recovered by the end of the year as fee income is variable throughout the year.

Infrastructure

40. The latest projection for infrastructure services is a £0.2m overspend.
41. Pressures within network management £0.2m across a range of expenditure headings.
42. Sustainable travel has net pressures of £0.2m. Pressures are within bus shelter repairs and maintenance and cycling walking costs of 0.4m, with some offset from concessionary fare (£0.1 m) and use of grants (£0.16m).
43. In engineering there is a pressure from consultancy fees relating to the Twin Sails bridge of £0.15m with this offset in other areas by estimated increased charges to the capital programme.

Customer, Arts, & Property

44. There is a net surplus projected of £0.4m from cost savings and additional income.
45. Pressures are within facilities management from delay in disposing of buildings and incurring general maintenance costs higher than budget and within business support, which reflects the ambitious staffing reductions being difficult to achieve.
46. Additional income is projected for capital works of £0.5 million and further dividends of £0.2m from the council's company Bournemouth Building and Maintenance Ltd.

47. There is an underspend from Poole Museum being closed for major refurbishment with business rates and supplies and services savings during this period.
48. Telecare is experiencing significantly reduced income compared with budget due to lower take up since fees were increased this year, and as service users are cancelling to reduce their household outgoings. However, this has been fully mitigated by salary savings within the service.

Operations Strategy

49. There remains an unmitigated staffing pressure of £0.1m which Operations will need to mitigate across the directorate.

Regeneration Activity

50. The regeneration activities of the wholly owned council company, BCP FuturePlaces Ltd were brought into the council from 1 November 2023 with the cost estimated at £0.6m over the remainder of the year.

Executive & Resources

51. The Resources directorate has been refocused on professional support services in 2023/24 with a range of services, such as facilities management, regeneration activity, customer and business support moving to Operations. The overspend identified at quarter one has been eliminated in quarter two by the greater use of grants to support expenditure and from the implementation of expenditure controls. An underspend of £0.4 is now forecast for the directorate.

Q1 Report Variance £000's	Service	Working budget £000's	Forecast £000's	Q2 Report Variance £000's
0	Executive	927	999	72
0	Executive Total	927	999	72
454	Law and Governance	4,333	4,770	437
0	Marketing, Comms and Policy	2,590	2,533	(57)
0	People and Culture	2,005	2,005	0
0	Finance	12,651	11,835	(816)
519	IT and Programmes	12,414	12,332	(82)
0	Resources Total	33,993	33,475	(518)
973	Executive & Resources Total	34,920	34,474	(446)
(973)	Mitigation strategies in development			0
0	Resources Total	34,920	35,249	(446)

52. Executive is forecasting an overspend due to agency costs being incurred for longer than originally planned. In addition, this has consumed the saving expected whilst some posts were vacant which can no longer offset the vacancy allowance within the budget.
53. The overspend on law & governance is expected to remain at £0.4m although there are some fluctuations within the departments. The cost of the legal team's locums has risen to almost £0.2m compounded by vacancy allowance as the workload has not enabled the service to carry any unfilled posts.
54. The registrars' service continues with its downturn of income as families are opting for basic packages resulting in a £0.2m pressure. This is combined with £0.1m employee cost pressure due to an increase in salary costs needed to stabilise the workforce last year with the intention of additional income being generated but this has not

materialised. The pressure on land charges has increased to £0.08m due to stagnation in the property market.

55. Marketing, communications, and policy had a significant savings target to achieve for 2023/24 as well as pressures carried over from the previous year to be managed by a review of marketing spend across the whole council. They have worked hard to achieve this with a slight additional surplus forecast.
56. Finance overall has some variations on staffing across the departments and has been able to make savings on vacancies overall and from the expenditure controls in place. Allocations have been made from grant funding in recognition of the staffing and overhead costs incurred for the schemes.
57. The IT and programmes team have managed to significantly reduce their staffing cost pressure within the projects team by not filling vacancies and recharging some costs to services for specific projects. Vacancies have also remained unfilled across the whole of the IT department.

Corporate Budgets

58. Corporate budget variances and one-off items that impact on the outturn for 2023/24 are shown in the table below.

Q1 Report Variance	Service	Working budget	Forecast	Q2 Report Variance
£000's		£000's	£000's	£000's
	Ongoing variances			
3,400	Pay award 2023/24	3,987	8,787	4,800
(2,501)	Utilities (Electricity / Gas) price movement	0	(2,501)	(2,501)
(1,009)	Business rates adjustment	(49,825)	(50,834)	(1,009)
(207)	Capital direction repayment (avoided)	207	0	(207)
(99)	Public Health Grant (additional supporting services)	0	(99)	(99)
	One off variances			
(2,225)	Budget Contingency	2,225	0	(2,225)
(1,552)	Redundancy costs (non-transformation)	2,070	518	(1,552)
(665)	Treasury management interest income	(2,525)	(3,255)	(730)
(628)	VAT rebate	0	(628)	(628)
(806)	Pay & grading project	991	185	(806)
(347)	Dilapidation provision release	0	(347)	(347)
(86)	Other one-off items	0	(86)	(86)
200	Website improvements	0	200	200
6,716	Unidentified transformation savings non-delivery	0	6,671	6,671
0	Prudential Borrowing Repayment	13,489	12,089	(1,400)
0	Investment Properties	(5,034)	(5,034)	0
0	Council Tax Income	(243,798)	(243,798)	0
0	Other Corporate Items	(38,257)	(38,257)	0
191	Corporate Total	(316,471)	(316,389)	81
(191)	Mitigation strategies in development			
0	Corporate Total	(316,471)	(316,789)	81

59. Estimated pay award is more than allowed in the original 2023/24 budget by £4.8m based on the latest offer to the unions, which has now been accepted and will be paid in November 2023.
60. Utilities are budgeted within services with these budgets reduced by £2.5m and the saving taken centrally to reflect price adjustments since the budget was set in February.
61. Business rates payable to government is projected with a favourable adjustment of £1m, which will apply until the central calculation method is reset.
62. The capital direction expected to be drawn down when the budget was set was avoided as the outturn for 2022/23 was better than expected. The related borrowing costs of £0.2m have therefore been avoided.
63. The budget contingency of £2.2m is used to offset the anticipated net pressures.
64. Redundancy costs that cannot be charged to the transformation programme (where only statutory amounts can be included) are expected to be 75% lower than budgeted at £1.6m based on the experience in 2022/23. This was likely impacted by the high level of vacancies across services which is on-going.
65. Treasury management income is projected to be higher than budget by £0.7m as the returns on investments is linked to base rate movements and these are higher than anticipated.
66. A VAT rebate of £0.6m has been received following a recent national case for VAT charged on leisure services provided by local authorities.
67. The pay and grading project budgeted to conclude during 2023/24 with a net increase in the council's pay bill has been delayed. Agreement with the trade unions was not concluded according to the planned timescale with implementation of harmonised pay across the council not now expected this financial year. The additional salary costs allowed in the budget of £0.8m will not now be incurred but project staff will need to continue working on the activity during the year.
68. The £0.3m remaining in the dilapidation provision for the end of the Newfields lease can now be released.
69. Budget virements were processed in quarter one to remove budgets from services permanently based on a review of unexpected variances in the fourth quarter of 2022/23. Further reductions were made following budget challenge sessions in October. This has enabled the unidentified transformation savings included in the budget to be reduced from £10.7m to £6.7m with the quarter two projection assuming these will remain undelivered.
70. A review of the Council borrowing repayment of fleet costs has identified a £1.4m saving against the budget set in 2023/24.

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Appendix A2 - General Fund Summary

Directorate	Revenue	Working Budget £'000	Forecast £'000	Variance £'000
Wellbeing	Expenditure Total	283,794	293,792	9,998
	Income Total	(151,956)	(164,179)	(12,223)
Wellbeing Total		131,838	129,613	(2,225)
Children's Services	Expenditure Total	109,764	117,326	7,562
	Income Total	(23,559)	(29,067)	(5,508)
Children's Services Total		86,205	88,259	2,054
Operations	Expenditure Total	169,806	175,259	5,453
	Income Total	(106,298)	(106,935)	(637)
Operations Total		63,508	68,324	4,816
Resources	Expenditure Total	42,706	42,822	116
	Income Total	(8,713)	(9,347)	(634)
Resources Total		33,993	33,475	(518)
Executive	Expenditure Total	1,110	1,182	72
	Income Total	(183)	(183)	0
Executive Total		927	999	72
Total Net Cost of Service		316,471	320,670	4,199
Corporate Items				
Pay award 2023/24		3,987	8,787	4,800
Utilities (Electricity / Gas) price movement		0	(2,501)	(2,501)
Business rates adjustment		(49,825)	(50,834)	(1,009)
Capital direction repayment (avoided)		207	0	(207)
Public Health Grant (additional supporting services)		0	(99)	(99)
Budget Contingency		2,225	0	(2,225)
Redundancy costs (non-transformation)		2,070	518	(1,552)
Treasury management interest income		(2,525)	(3,255)	(730)
VAT rebate		0	(628)	(628)
Pay & grading project		991	185	(806)
Dilapidation provision release		0	(347)	(347)
Other one-off items		0	(86)	(86)
Website improvements		0	200	200
Unidentified transformation savings		0	6,671	6,671
Prudential Borrowing		13,489	12,089	(1,400)
Investment Properties		(5,034)	(5,034)	0
Council Tax Income		(243,798)	(243,798)	0
Other Corporate Items		(38,257)	(38,257)	0
Net Position		0	4,280	4,280

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BCP Council - Budget 2023/24 - Savings Monitoring Statement - Detailed Schedule

Ref:	Directorate	Category of the Proposal	Description of the Proposal	Council Approved Savings 2023/24 £000s	Quarter Two Delivered 2023/24 £000s	Variation 2023/24 £000s	Comments / Notes
1	Adult Social Care	Fees and Charges	Additional income - client contributions (inflation)	(1,229)	(1,229)	0	
2	Adult Social Care	Service Efficiency	Day opportunity strategy implementation	(600)	(600)	0	
3	Adult Social Care	Service Efficiency	Ensuring BCP block booked care home beds are at maximum capacity	(1,300)	(921)	379	Management of occupancy closely monitored
4	Adult Social Care	Service Efficiency	Demand management (LTC & LD)	(1,300)	(1,000)	300	work in progress
5	Adult Social Care	Service Efficiency	Review of care arrangements for people with Learning Disabilities and Mental health	(391)	(260)	131	work in progress
6	Adult Social Care	Service Efficiency	Extra Care Housing	(250)	(250)	0	
7	Adult Social Care	Service Efficiency	Additional Income from Health	(741)	(741)	0	
8	Adult Social Care	Service Transformation	Investment in care technology	(270)	(68)	202	work in progress
9	Adult Social Care	Service Efficiency	Reassessment of all cases and implementing Strength based culture	(500)	(150)	350	work in progress
10	Adult Social Care	Recharges	Adjustment to the Residential and Homecare Budget from Covid grants	(257)	(257)	0	
11	Adult Social Care	Service Efficiency	Enhance support to Self Funders to make decisions about their care	(50)	(50)	0	
12	Adult Social Care	Recharges	Increase use of DFG for Ots and ICES and decrease use for Housing	(550)	(550)	0	
13	Adult Social Care	Service Efficiency	Managing personal budgets to ensure a strength-based approach	(500)	0	500	work in progress
14	Adult Social Care	Fees and Charges	Service User contributions	(400)	(400)	0	
15	Adult Social Care	Service Efficiency	Work in partnership with Tricuro to reduce contract value	(400)	(400)	0	
16	Adult Social Care	Service Efficiency	Tricuro absorb inflationary pressures 22/23	(171)	(171)	0	
17	Adult Social Care	Service Transformation	Alternative meals provision (bring future savings forward)	(157)	(157)	0	
18	Adult Social Care	Service Efficiency	Employment support service	(130)	(130)	0	
19	Adult Social Care	Service Transformation	Reprovision of some carers services	(119)	(119)	0	
20	Adult Social Care	Service Efficiency	Prompt assessment and enacting client contributions	(100)	(25)	75	work in progress
21	Adult Social Care	Service Efficiency	Release of voluntary sector budget	(80)	(80)	0	
22	Adult Social Care	Service Efficiency	Expand Shared Lives	(60)	(10)	50	work in progress
23	Adult Social Care	Service Efficiency	Reduce social workers mileage budget to current use	(59)	(59)	0	
24	Adult Social Care	Service Efficiency	Alternative funding for BCP handyvan service	(37)	(37)	0	
25	Adult Social Care	Service Efficiency	Reprovisioned in-house reablement service	(33)	(33)	0	
		Saving Total - Wellbeing Directorate		(9,684)	(7,697)	1,987	
26	Children's Services	Service Efficiency	Children's Services Pay Review - October Cabinet 2022	28	28	0	net position of pay supplement and agency savings
27	Children's Services	Service Efficiency	Education - Revised Delivery Models	(200)	(200)	0	Managed with wider education service
28	Children's Services	Service Transformation	Staffing - Quality Performance Information & Governance	(250)	(250)	0	Staff team funded from DfE Improvement Grant 23/24
29	Children's Services	Service Transformation	Other Areas - Contracts & SLAs	(170)	(170)	0	SLA's - given notice
30	Children's Services	Service Transformation	Staffing - Corporate Parenting	(143)	(143)	0	Vacant posts removed from establishment
31	Children's Services	Service Transformation	Targeted Family Support - Clinical psychology	(131)	(131)	0	Saving Achieved - contract ceased
32	Children's Services	Service Transformation	Staffing - Safeguarding & Early Help	(106)	(106)	0	Vacant posts removed from establishment
33	Children's Services	Service Transformation	Other Areas - P-Cards	(70)	(70)	0	on track - will be delivered
34	Children's Services	Service Transformation	Other Areas - workforce development, use of grants	(55)	(55)	0	Savings Achieved
35	Children's Services	Service Transformation	Education - Family Hub & Youth Premises Costs	(47)	(47)	0	on track - will be delivered
36	Children's Services	Service Transformation	Other Areas - Subscription	(12)	(12)	0	Savings Achieved
37	Children's Services	Service Efficiency	Adult Learning - Skills & Learning - Internally Funding Pay award / Pension / Increments	(27)	(27)	0	Savings Achieved
		Saving Total - Children's Service Directorate		(1,183)	(1,183)	0	

Ref:	Directorate	Category of the Proposal	Description of the Proposal	Council Approved Savings 2023/24 £000s	Quarter Two Delivered 2023/24 £000s	Variation 2023/24 £000s	Comments / Notes
38	Operations - Communities	Service Reduction	Becoming an Enabling Council, rethinking Community Development	(300)	(300)	0	
39	Operations - Communities	Service Reduction	Individual saving proposals less than £100k	(138)	(138)	0	
40	Operations - Communities	Service Reduction	Food safety programme review inline with Food Standards Agency (FSA)rules	(45)	(45)	0	
41	Operations - Communities	Fees and Charges	Additional regulatory services income in line with set fees and charges	(35)	(35)	0	
42	Operations - Communities	Service Reduction	Bringing service in-house	(35)	(35)	0	
43	Operations - Communities	Service Reduction	Explore shared Trading Standards Service	(28)	(28)	0	Achieved through staff reduction.
44	Operations - Communities	Service Reduction	Reshape Out of Hours Noise & Nuisance Service	(49)	(49)	0	
45	Operations - Communities	Service Efficiency	Additional Market Income due to additional Wednesday market Bmth, plus fee structure	(10)	0	10	Concluding tendering process and resolving challenging historical income assumptions.
46	Operations - Communities	Recharges	Full cost recovery in regards to Domestic Abuse Grant usage	(25)	(25)	0	
		Saving Total - Operations - Communities		(665)	(655)	10	
47	Operations - Destination & Culture	Fees and Charges	Harmonisation of beach huts fees and charges	(611)	(611)	0	Annual hut licences have remained strong
48	Operations - Destination & Culture	Fees and Charges	Destination & Culture - Beach hut prices	(200)	(200)	0	income being achieved
49	Operations - Destination & Culture	Fees and Charges	R&E - Beach Huts licence fees - previous one-off saving due to temporary amendment to the rate of VAT	261	261	0	Prior Year Vat windfall was one off
50	Operations - Destination & Culture	Fees and Charges	Seafront prices excluding beach hut harmonisation	(400)	(400)	0	Final position will depend on spring trading conditions.
51	Operations - Destination & Culture	Service Efficiency	Upton Country Park - Move to full cost recovery including CIL	(85)	(85)	0	Income targets on course
52	Operations - Destination & Culture	Service Efficiency	Highcliffe Castle - Move to full cost recovery over a 3 year period	(82)	(82)	0	Income targets on course for this financial year,
53	Operations - Destination & Culture	Fees and Charges	Destination and Culture - Leisure Centres	(100)	(100)	0	Fees raised but reduced activity levels
54	Operations - Destination & Culture	Service Reduction	Remove Festival Coast Live - Events & festivals	(145)	0	145	Savings applied twice creating an in year pressure
55	Operations - Destination & Culture	Fees and Charges	Seafront Arcade income generation	(100)	(100)	0	Prices have been raised
56	Operations - Destination & Culture	Service Reduction	Bournemouth Indoor Bowls Club alternative management model (excluding Skills and Learning)	(80)	(80)	0	Current Q2 Forecast predicted to achieve saving
57	Operations - Destination & Culture	Fees and Charges	Pricing increases across the Poole Leisure Centre Estate	(60)	(60)	0	Current Q2 Forecast predicted to achieve saving
58	Operations - Destination & Culture	Service Reduction	Seafront - Reduction of operational budget	(50)	(50)	0	Savings achieved
59	Operations - Destination & Culture	Fees and Charges	Concessions income	(50)	(50)	0	Fees raised but some delay in additional Pop-ups being installed
60	Operations - Destination & Culture	Service Reduction	Innovative cost reduction and income generation for Christmas Tree Wonderland and Poole Christmas Maritime Light Festival	(15)	(15)	0	should be achievable
61	Operations - Destination & Culture	Fees and Charges	Seafront Car Parking income	(30)	(30)	0	Increased prices from 1st July
62	Operations - Destination & Culture	Service Efficiency	Highcliffe Castle tea rooms new operating model	(30)	0	30	Delayed due to implmentation of Concession
63	Operations - Destination & Culture	Service Efficiency	Reshape Leisure Team	(20)	(20)	0	Restructure proposed to deliver savings
64	Operations - Destination & Culture	Fees and Charges	Tourism & Events full cost recovery and income generation	(20)	(20)	0	Savings Achieved
65	Operations - Destination & Culture	Fees and Charges	Seafront Sandbanks Golf income generation	(15)	(15)	0	Savings Achieved
66	Operations - Destination & Culture	Service Reduction	Remove Blue Flags and Seaside awards	(10)	(10)	0	Savings Achieved

Ref:	Directorate	Category of the Proposal	Description of the Proposal	Council Approved Savings 2023/24 £000s	Quarter Two Delivered 2023/24 £000s	Variation 2023/24 £000s	Comments / Notes
67	Operations - Destination & Culture	Service Efficiency	Service efficiencies within the Bournemouth Tourist Information Centre	(10)	(10)	0	Savings Achieved
68	Operations - Destination & Culture	Service Reduction	Reduce Poole Quay and Bournemouth Summer Fireworks	(2)	(2)	0	Savings Achieved
69	Operations - Destination & Culture	Service Reduction	Sports Grants - Reduce Sports grants by 10% a year for 5 years	(2)	(2)	0	Savings Achieved
70	Operations - Destination & Culture	Fees and Charges	Tennis income generation	(5)	(5)	0	Savings Achieved
71	Operations - Destination & Culture	Service Reduction	Reshape Cultural Compact Activity with Partners	(100)	(100)	0	Savings Achieved - Function transferred to BAU
72	Operations - Destination & Culture	Service Efficiency	Poole Museum impact of capital scheme	(120)	(120)	0	Savings Achieved
		Saving Total - Operations - Destination and Culture		(2,081)	(1,906)	175	
73	Operations - Environment	Service Efficiency	Green bin waste income - increased charge	(741)	(841)	(100)	
74	Operations - Environment	Fees and Charges	Review of MTFP provision for waste disposal costs - recydate / black bin waste	(458)	(380)	78	Price per recycling tonne higher then budget, unfunded waste burdens. Working to identify one off savings to mitgate pressure for this year. Included in variances.
75	Operations - Environment	Service Reductions	Highway Maintenance - 10% reduction in Highway Maintenance	(300)	(141)	159	Investment needed to support HSE notice on quipment. Overall continued decline in highway infrastructure is resulting in a corresponding uplift in reacting to service demand to meet statutory requirements. Included in budget variances.
76	Operations - Environment	Service Reductions	Reshape Parks Operations	(170)	(170)	0	
77	Operations - Environment	Service Reductions	Strategic Greenspace - delete vacant posts	(121)	(121)	0	
78	Operations - Environment	Service Reductions	Sales of waste material from the Household Waste Recycling Centres	(100)	13	113	Lower tonnages coming through, included in variances.
79	Operations - Environment	Recharges	Parks Operations - Parish and Town Councils Full Cost Recovery Recharge	(50)	0	50	Providing a reduced service for Highcliff & Walkford Parish Council and Christchurch Town Council arrangement coming to an end Sept 23, managing saving from staffing
80	Operations - Environment	Service Reduction	Parks Operations - Remove subsidy of Kings Park Nursery, Commercialisation, or community management	(41)		41	tbc
81	Operations - Environment	Fees and Charges	Currently non-viable cafes put out to tender	(40)		40	tbc
82	Operations - Environment	Service Efficiency	Change contracted disposal arrangements for dog waste in Bournemouth	(11)	(11)	0	
83	Operations - Environment	Service Reduction	In-bloom and Green Flag is stopped	(10)	(10)	0	
84	Operations - Environment	Service Efficiency	Harmonisation of Grounds Maintenance services	(6)	(6)	0	
85	Operations - Environment	Service Reduction	Remove grit bins in all but essential locations	(3)	(3)	0	
86	Operations - Environment	Service Efficiency	Borrow to finance domestic waste bin replacements	(201)	(201)	0	
87	Operations - Environment	Recharges	Capitalisation of highway - neighbourhood services	(900)	(900)	0	
88	Operations - Environment	Recharges	Capitalisation of highway - neighbourhood services - revenue implications	244	244	0	
		Saving Total - Operations - Environment		(2,908)	(2,527)	381	
89	Operations - Housing	Investment	Council New Build Housing & Acquisition Strategy (CNHAS)	(399)	(399)	0	likely this will be achieved.
90	Operations - Housing	Fees and Charges	Telecare income generation	(68)	(68)	0	Fees increased but in-year pressure from reduced demand
91	Operations - Housing	Fees and Charges	Garages income	(49)	(49)	0	Fees increased.
92	Operations - Housing	Service Efficiency	Delete vacant posts	(48)	(48)	0	Vacancies have been addressed.
93	Operations - Housing	Service Efficiency	Temporary accommodation grant funding	(30)	(30)	0	Funding expected from DLUHC for RSI
94	Operations - Housing	Recharges	Refugee grant to fund officer time	(75)	(75)	0	Funding received from DLUHC for Homes for Ukraine
95	Operations - Housing	Recharges	Herbert Ave. set-up costs grant	(100)	(100)	0	Funded from a reserve for temporary accomodation

Ref:	Directorate	Category of the Proposal	Description of the Proposal	Council Approved Savings 2023/24 £000s	Quarter Two Delivered 2023/24 £000s	Variation 2023/24 £000s	Comments / Notes
96	Operations - Housing	Investment	21/22 Investment - CNHAS Feasibility Fund	(50)	(50)	0	Expected
97	Operations - Housing	Recharges	Capitalise Disabled Facilities Grant officer time	(48)	(48)	0	Expecting to capitalise as planned
		Saving Total - Operations - Housing		(867)	(867)	0	
98	Operations - Transport/Engineering	Fees and Charges	Car Parking income - Charges from June 2023 in line with inflation. Includes 10% increase in parking charges at Seafront/Beach car parks and adjacent (existing) on-street pay and display areas from June 2023.	(1,840)	(1,840)	0	Charges have been increased in line with budget but demand has reduced
99	Operations - Transport/Engineering	Fees and Charges	Car Parking Income - Impact of additional income in 2022/23 into future years	(1,266)	0	1,266	Deficit on car parking income attributed to poor weather in high season. Included in variances.
100	Operations - Transport/Engineering	Fees and Charges	Car Parking Options - Minor harmonisation charges	(200)	(200)	0	Harmonisation has taken place but impacted by reduced demand.
101	Operations - Transport/Engineering	Fees and Charges	Car Parking Seasonal Adjustment - Christmas	(150)	(150)	0	
102	Operations - Transport/Engineering	Fees and Charges	Car Parking Options - Parking concessions across the year	100	100	0	
103	Operations - Transport/Engineering	Service Efficiency	Car Park and subway lighting investment plus review of existing energy budget provision	(75)	(75)	0	
104	Operations - Transport/Engineering	Service Reduction	Dimming of street lighting in residential areas in Poole to match Bournemouth	(70)	(70)	0	
105	Operations - Transport/Engineering	Service Efficiency	Capital investment in alternative to School Crossing Patrols at specific locations	(15)	(15)	0	
106	Operations - Transport/Engineering	Service Reduction	Street Lighting - Lanterns to have revised dimming profile 75% output 8pm to midnight, 50% midnight to 6am	(56)	(56)	0	
107	Operations - Transport/Engineering	Service Efficiency	Highway Network Management - street works	(50)	(50)	0	
108	Operations - Transport/Engineering	Recharges	FCERM Centre of Excellence – adjustment in income target	(50)	(50)	0	
109	Operations - Transport/Engineering	Service Reduction	FCERM - Not undertaking technical incident response during flood events	(7)	(7)	0	
		Saving Total - Operations - Transportation and Engineering		(3,679)	(2,413)	1,266	
110	Operations - Planning	Fees and Charges	Development Management - Increase income through offering enhanced services	(104)	0	104	Forecasting income deficit through reduced demand
111	Operations - Planning	Service Reduction	Reshaping the non-statutory elements of the Planning Service	(100)	0	100	Reshaping has not been undertaken
112	Operations - Planning	Service Reduction	Additional reshaping of the non-statutory elements of the Planning Service	(75)	0	75	Reshaping has not been undertaken
113	Operations - Planning	Service Reduction	Stop sending neighbour notification letters on planning applications and harmonising press notices procedure	(20)	(20)	0	
		Saving Total - Operations - Planning		(299)	(20)	279	
114	Operations - General	Third Party Spend	Staff Mileage, premises costs (not energy related)	(156)	(156)	0	
		Saving Total - Operations - General		(156)	(156)	0	
115	Operations - Development	Service Reduction	Reduction of Economic Development - Reduce Budget non staffing	(147)	(147)	0	
116	Operations - Development	Service Reduction	Smart Places - Reduce Budget	(101)	(101)	0	
		Saving Total - Operations - Development Directorate		(248)	(248)	0	

Ref:	Directorate	Category of the Proposal	Description of the Proposal	Council Approved Savings 2023/24 £000s	Quarter Two Delivered 2023/24 £000s	Variation 2023/24 £000s	Comments / Notes
117	Resources - Marketing	Service Reduction	Delete vacancies and reduce marketing, PR and web support	(238)	(238)	0	Restructure delayed but alternative action taken to mitigate
		Saving Total - Resources - Marketing		(238)	(238)	0	
118	Resources - Finance	Transformation Savings	Finance Target Operating Model Savings - part 1	(108)	(108)	0	
119	Resources - Finance	Transformation Savings	Finance Staff Savings in Audit & Management Assurance	(97)	(97)	0	
120	Resources - Finance	Transformation Savings	Revenue & Benefits Service - insource from SVPP	(65)	(65)	0	
		Saving Total - Resources - Finance & Development		(270)	(270)	0	
121	Corporate Areas	Transformation Savings	Unitemised savings	(9,044)	(2,373)	6,671	included in variances as unachievable
122	Corporate Areas	Service Efficiency	Increase Vacancy Drag	(2,342)	(2,342)	0	Assumed as budget adjustments made
123	Resources Service Wide	Recharges	Recharges to Housing Revenue Account of charges in line with impact of inflation, particularly those associated with the pay award costs. Bournemouth and Poole Neighbourhood Account	(138)	(138)	0	
124	Corporate Areas	Service Reduction	Corporate Areas - Restructure of the Corporate Management Board / SDs	(244)	(244)	0	Reorganisation has been implemented and posts deleted
125	Corporate Areas	Service Reduction	Base Reduction in Regeneration Resources	(150)	(150)	0	
126	Resources Service Wide	Recharges	Recharges to Dorset Adult Learning	(28)	(28)	0	
127	Resources Service Wide	Recharges	Recharges to Bournemouth Companies	(19)	(19)	0	
128	Corporate Areas	Service Reduction	Base Reduction in Regeneration Resources	(56)	(56)	0	
129	Resources - Legal Services	Fees and Charges	Registrars Service impact of price adjustments	(19)	(19)	0	Fees and charges increased but reduced demand
130	Resources - Customer Services	Fees and Charges	Blue Badges recognising level of annual activity	(25)	(25)	0	
		Saving Total - Corporate Areas		(12,065)	(5,394)	6,671	
		Overall Total - Service Based Savings and Efficiencies		(34,343)	(23,574)	10,769	

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Report from the Chief Operations Officer

Operations Directorate Budget Pressures 2023/24 Mitigation Strategies

The mitigation strategies are designed to achieve a balanced budget across the directorate based on the £4.2 million projected overspend identified at quarter two.

The following activities are underway:

1. Line by line review through the council's budget monitoring system. This system provides management statements, currently refreshed daily using the Power BI reporting tool. The review is informed by information on prior year actuals, current year actuals, budgets, and forecasts with the aim of ensuring that all budget holders and directors are forecasting with consideration of the spend freeze in place.
2. Bringing forward savings planned for 2024/25 where possible – with the need to work through the amounts that can be delivered.
3. Exploring whether we can bring forward any increased fees and charges from next year, especially where there are concerns that current pricing is not covering the full costs.
4. Review of all fees and charges to make sure that the recently announced pay award has been reflected, where appropriate.
5. Continue to apply for central grant funding and fully recharge costs incurred.
6. Close seasonal services/concessions/cafes where costs can be saved.
7. Review all agency consultancy and contractor spend (where appropriate).

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Appendix B - Earmarked Reserves projection for March 2024

Detail	31/03/23 Actual Balances £000's	Estimated movement £000's	31/03/24 Estimated Balances £000's
Financial Resilience Reserves	(31,715)	31,715	0
Transition and Transformation Reserves	(185)	185	0
Insurance Reserve	(5,000)	225	(4,775)
Held in Partnership for External Organisations	(3,416)	1,287	(2,129)
Required by Statute or Legislation	(883)	(100)	(983)
Planning Related	(510)	510	0
Government Grants	(17,914)	11,082	(6,832)
Maintenance	(1,500)	519	(981)
ICT Development & Improvement	(1,570)	1,220	(350)
Corporate Priorities & Improvements	(5,800)	3,681	(2,119)
Total Earmarked Reserve Balance	(68,493)	50,324	(18,169)

Financial Resilience Reserves

	31/03/23 Actual £000's	Estimated Movement £000's	31/03/24 Estimated £000's
Purpose: Designed to provide the Council with the ability to manage any emerging issues. Includes reserves to enable the management of the MTFP.			
Cost of Living Mitigation reserves from 2021/22	(14,190)	14,190	0
Redirected Earmarked Reserves	(5,298)	5,298	0
Assumed Surplus 2022/23	(10,582)	10,582	0
Other Reserves	(1,645)	1,645	0
Financial Resilience Reserves	(31,715)	31,715	0

Transition and Transformation Reserves

	31/03/23 Actual £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 prog			
BCP Programme Resources Pay & Reward Strategy	(185)	185	0
Transition and Transformation Reserves	(185)	185	0

Insurance Reserve

	31/03/23 Actual £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	(5,000)	225	(4,775)

Held in Partnership for External Organisations

	31/03/23 Actual £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 Adult Learning Service	(984)	400	(584)
Dorset Adult Learning Service (Specific Bequeath)	(99)	0	(99)
ICS Emotional Wellbeing and Mental Health	(78)	78	0
Flippers Nursery	(247)	190	(57)
Adult Safeguarding Board	(143)	67	(76)
Dorset Combined Youth Offending Service Partnership	(621)	250	(371)
Music and Arts Education Partnership	(488)	0	(488)
Youth Programme	(50)	50	0
Local Safeguarding Partnership Board	(33)	33	0
Bournemouth 2026West Howe Bid	(45)	45	0
Russell Cotes revenue grant	(283)	0	(283)
UP2U	(74)	74	0
Domestic Homicide Reviews	(10)	10	0
Better Care Fund	(261)	90	(171)
Held in Partnership for External Organisations	(3,416)	1,287	(2,129)

Required by Statute or Legislation

	31/03/23 Actual £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)
Bournemouth Library Private Finance Initiative (PFI)	(783)	(100)	(883)
Carbon Trust	39	0	39
Required by Statute or Legislation	(883)	(100)	(983)

Planning Related

	31/03/23 Actual £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	(369)	369	0
Other Planning Related Reserves	(141)	141	0
Planning Related	(510)	510	0

Government Grants

	31/03/23 Actual £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	(16,996)	10,296	(6,700)
COVID 19 Government Grants	(918)	786	(132)
Total Unspent Grants	(17,914)	11,082	(6,832)

Maintenance

	31/03/23 Actual £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)	251	0
Other Maintenance Related Reserves	(1,249)	268	(981)
Maintenance	(1,500)	519	(981)

ICT Development & Improvement

	31/03/23 Actual £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	(1,570)	1,220	(350)

Corporate Priorities & Improvements

	31/03/23 Actual £000's	Estimated Movement £000's	31/03/24 Estimated £000's
Purpose: Amounts set aside to deliver various priorities, some of which will be of a historical nature inherited from the predecessor authorities.			
Other Service Priority reserves	(2,435)	1,510	(925)
Local Elections Reserve	(697)	527	(170)
Revenue & Benefits Reserve	(1,958)	1,028	(930)
Covid recovery resources	(710)	616	(94)
Corporate Priorities & Improvements	(5,800)	3,681	(2,119)

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Quarter Two 2023-24 HRA Forecast

1. The Housing Revenue Account (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. Within the HRA the Council manages 9,570 tenanted properties.
2. The 2023-24 HRA budget was approved by Council last February. It budgeted for total income of £51.5 million for the year and a net surplus of £6.7 million.

Revenue account monitoring at quarter two

	2023-24 Budget £000	Full year forecast £000	Variance £000
Income			
Dwelling rents	(48,153)	(48,999)	(846)
Non-dwelling rents	(261)	(214)	47
Charges for services and facilities	(2,583)	(2,622)	(39)
Contributions to expenditure	(479)	(509)	(30)
Total income	(51,476)	(52,344)	(868)
Expenditure			
Repairs and Maintenance	11,550	13,085	1,535
Supervision and Management	15,198	14,767	(431)
Rent, rates, taxes and other charges	535	552	17
Bad or doubtful debts	400	400	0
Total expenditure	27,683	28,804	1,121
Net operating (surplus) / deficit	(23,793)	(23,540)	253
Capital charges			
Debt management costs	191	191	0
Depreciation	11,787	11,787	0
Net interest payable	5,163	4,910	(253)
Total capital charges	17,141	16,888	(253)
Net (surplus) / deficit	(6,652)	(6,652)	0
Appropriations			
Transfer to HRA reserve	6,652	6,652	0
Total appropriations	6,652	6,652	0

Commentary on variances

3. Dwelling rents: Total forecast rental income of £49.0m is £0.8m favourable to budget. The favourable outturn is due to lower levels of rental voids and right-to-buy sales than expected, and the additional rental income receivable from new-build properties now incorporated into the forecast.
4. Other income: The forecast outturn for all other lines of income is broadly in line with budget.
5. Repairs & Maintenance: The forecast full-year outturn is £1.5m overspend. There was a significant overspend in 2022/23 and, based on expenditure in the first six months of the year, we expect to experience a similar overspend in the current year. Responsive repairs, planned repairs, and voids are all forecast to overspend, each by circa £0.5m.

6. Supervision and Management: Forecast costs are £0.4m lower than budget. This is primarily due to higher than expected levels of staff vacancies resulting in lower staff costs.
7. Supervision and management costs include communal utility costs for HRA properties. The forecast currently assumes that full year utility costs will be in line with budget of £2.0m. Once the Council is informed of pricing for the Oct 23 to Mar 24 period a more informed full year forecast will be calculated.
8. Net interest payable: The £0.3m favourable forecast is due to the recent increases in interest rates. This will result in higher interest earned on cash balances. Interest paid on borrowings is unaffected as all borrowing is at fixed rates.
9. Net surplus: The above favourable and adverse variances offset each other and as a result the current forecast net surplus remains in line with budget.

Capital programme monitoring at quarter two

10. The HRA budget paper set out a capital programme of £46.5m for 2023/24. This includes £30.5m investment in major projects, including those delivered as part of the council newbuild housing & acquisitions strategy (CNHAS) and £16.0m in planned maintenance.

	Budget £000	Full year forecast £000	Variance £000
New-build projects	25,540	12,832	(12,708)
Other major projects (Admiral, Sterte cladding)	1,991	1,991	-
Purchase of existing houses	3,000	166	(2,834)
Planned maintenance	15,989	15,989	-
Total capital expenditure	46,520	30,978	(15,542)

11. New-build projects: The forecast underspend of £12.7m is due to the rescheduling of projects since the budget was finalised.
12. During quarter two the Wilkinson Drive development was completed. This is a development of 11 flats. On-site work commenced for the two properties being developed at Summers Avenue.
13. Purchase of existing houses: Only one property has been acquired this year. Whilst the HRA receives right-of-first-refusal to repurchase ex-local authority properties, current high borrowing costs mean that repurchases are not financially viable at present. There may on occasions be exceptional non-financial reasons to justify purchases. This would include, for example, where the dwelling type is in short supply and urgently needed, such as larger properties or ground floor flats with good disability access. Other funding sources could be sought to reduce the capital cost and reduce the subsidy that would need to be borne by the HRA. Currently, any subsidy would be large due to the current high cost of borrowing and statutory restrictions on the level of local housing allowances.
14. Planned maintenance programme: This covers capital maintenance such as kitchen and bathroom replacements. The current forecast is that the budget will be fully utilised during 2023/24.

CABINET



Report subject	Future - Bournemouth Air Festival
Meeting date	22 November 2023
Status	Public Report
Executive summary	This report provides background to Bournemouth Air Festival, outlines the financial and environmental challenges of continuing to run the festival after 2023, and recommends a new way forward developed from the work of the Air Festival Task and Finish group
Recommendations	<p>It is RECOMMENDED that Cabinet:</p> <ul style="list-style-type: none"> a) Agrees to BCP Council running a three-day Air Festival in 2024, at a net cost of £200k to BCP Council. This will require the Air Festival team to work with local businesses to bring in additional sponsorship, donations, external funding, and commercial activity of at least £100k. b) Notes the inherent financial risks associated with the running of an Air Festival including weather related loss of income. c) Agrees that there will be no Council funding or direct staffing support for the Air Festival beyond 2024. d) agrees to invite proposals from external organisations to support and fund Air Festival in 2025 and beyond. e) Delegates to the Director of Commercial Operations in consultation with the Portfolio holders for Finance and Connected Communities, the implementation of these decisions.
Reason for recommendations	To achieve the corporate vision of delivery of dynamic places by funding and delivering Bournemouth Air Festival in 2024, whilst also acknowledging the Council's current and future financial position and therefore the requirement to cease Council funding beyond this point. To formally invite proposals for an alternative model of delivery for 2025 onward and provide the opportunity on the Sunday following the Air Festival for an externally funded and operated community day/festival as proposed by the Task & Finish Group.

Portfolio Holder(s):	Cllr Millie Earl, Deputy Leader of the Council & Cabinet Member for Connected Communities Cllr Mike Cox, Cabinet Member for Finance
Corporate Director	Jess Gibbons, Chief Operations Officer
Report Authors	Amanda Barrie, Director Commercial Operations Jon Weaver, Head of Events
Wards	Council-wide
Classification	For Decision

Background – Bournemouth Air Festival

1. The Air Festival concept was developed in 2008 as a free event that would attract people to Bournemouth and build on the vision at the time for Bournemouth to become an 'event full' destination. Since 2008 Bournemouth Air Festival has made a significant contribution to the local tourist economy, attracting several million visitors and residents and raising the profile of Bournemouth and the surrounding area.
2. Whilst visitor numbers across the four days of the Festival peaked at over 1 million in the early years, they have now stabilised at around 500,000.
3. In 2019 the decision was taken to move the dates of the Air Festival permanently to the weekend after the August bank holiday. This was because the Accommodation sector had identified that this week was the beginning of the shoulder season and therefore bookings dropped. Moving the Air Festival extended the season by one week.
4. The format and content of the Air Festival faces a number of significant challenges not least of which are the rising running costs increasing the financial support required from the Council and concerns about the impact on the environment.
5. An escalation in uncontrollable costs in delivering the Air Festival since 2019 has resulted in an increase in the net budgeted cost to the Council to run a four-day festival from £300k in 2019 to £400k in 2022. These costs are the directly identified costs and do not include secondary costs of ancillary services supporting the Air Festival, which are set out in this report. Contributory factors to this increase are primarily related to the costs of insurance, security, infrastructure and counter terrorism measures which continue to increase.
6. Given the size of the current festival and the unique nature of the site being on two levels, (Seafront and Overcliff) together with the high volume of visitors, options to reduce these infrastructure costs are challenging but continuously being reviewed. The infrastructure requirements are identified through the Event Management Plan with feedback and advice from the Festival Safety Advisory Group (SAG).
7. To look at how the challenges to deliver the Air Festival can be addressed and consider what a future Air Festival or replacement event might look like, a Task & Finish Group (T&F) was set up including Members, Council Officers and representatives from local

businesses and organisations. This group, and related sub-groups, have been meeting since July 2023 and their views and experience have been taken into account in preparing this report.

8. An overview of the work of the T&F Group including the details of membership can be found in **Appendix 1** and have been summarised below in Table 8.1

Table 8.1

Air Festival Task & Finish Group Summary	
Potential financial and content development initiatives	Current position and actions
Support from Bournemouth Area Hospitality Association (BAHA) to cover the costs of accommodation for Display teams where required, along with rooms for briefings and meetings. The budgeted figure in 2023 was £22,449	As one of the major beneficiaries from the Air Festival the sector is being asked to cover the cost of accommodation and provide additional support to wider logistical elements of the festival such as provision of meeting space for festival briefings. This has been discussed at both the September and November BAHA meetings and in November was verbally agreed with the intention to put confirmation in writing to the Council that week.
Development of Science, Technology, Engineering & Maths (STEM) involvement, possibly to include Arts (STEAM)	Pursue options for developing business to business opportunities. Economic Development working with Events to progress this. Relocating the STEM marquee to a more visible area with an enhanced structure and linked to increased sponsorship opportunities and dedicated hospitality areas.
Military financial support based on the fact that they use the event as a key recruitment event. This is more in relation to the Royal Air Force than the Royal Navy or Army	Initial discussions held needs to be taken up to a higher level in the Military. However, it is acknowledged that the RAF contribute towards the event through the significantly reduced costs of their assets. This is the case for all UK air shows. Some assets also cover their own accommodation and travel costs.
Premium pricing of the Town Centre Council car parks	There is the potential to look at premium pricing for seafront and Town Centre car parks (Bath Road South, Bath Road North, Winter Gardens, Eden Glen, Overstrand). There is a mechanism to achieve this via a TRO but work needs to be carried out to develop this with the Transport team and also consider pre-booking opportunities.

Donations	Blackpool Council (Blackpool Illuminations) and Eastbourne Borough Council (Air Show) have had some success with donations. Hardware technology is available. Would require support from a partner charity to staff onsite collections. Additional option to donate to be on the website
A two or three-day Air Festival would provide the opportunity for a Community Fun Day on the Sunday – maintaining extended visitor stay nights and benefitting hotels and hospitality businesses in the Town Centre	Bournemouth Town Centre BID have expressed an interest in supporting this initiative financially and working with community organisers as it would benefit their businesses directly. There is also the potential to extend this to include Poole & Christchurch – along the lines of a BCP community fun day. This would be a completely separate event to the Air Festival.
Develop a 'Festival of Air' to replace the Air Festival from 2025 onwards	This would be dependent on acquiring additional commercial financial input/partnerships. The aim would be to focus the event on 'air' related content e.g. kites, hot air balloons, drones etc. that are more sustainably acceptable and reduce the aircraft displays perhaps culminating in a display by the Red Arrows or Typhoon.
80 th Anniversary D-Day Normandy Landings	2024 is the 80 th Anniversary of the D-Day Landings in Normandy (6 th June) which could possibly be linked to an event later in the year particularly given the already established association that Poole, Christchurch and the New Forest have to the D-Day landings
Development of carbon-free alternative attractions	Low carbon or carbon-free attractions such as drone displays need to be urgently explored to bring the Air Festival up to date by using more modern alternatives to the current displays.

9. Throughout the development of these proposals the Council and partners on the Air Festival task and finish group have sought to actively encourage the sharing of views from all stakeholders.

Environmental position

10. One of the key challenges faced by the Air Festival is the growing public perception of the environmental impact of Air Shows. Following BCP Council's declaration of a climate and ecological emergency in July 2019 an Air Festival Creative Green Report was commissioned through Julie's Bicycle which estimated that the total environmental impact of the Festival was around 7000 tonnes CO₂ emissions. Approximately 97% of the emissions were from Festival goers travelling to and from the festival,

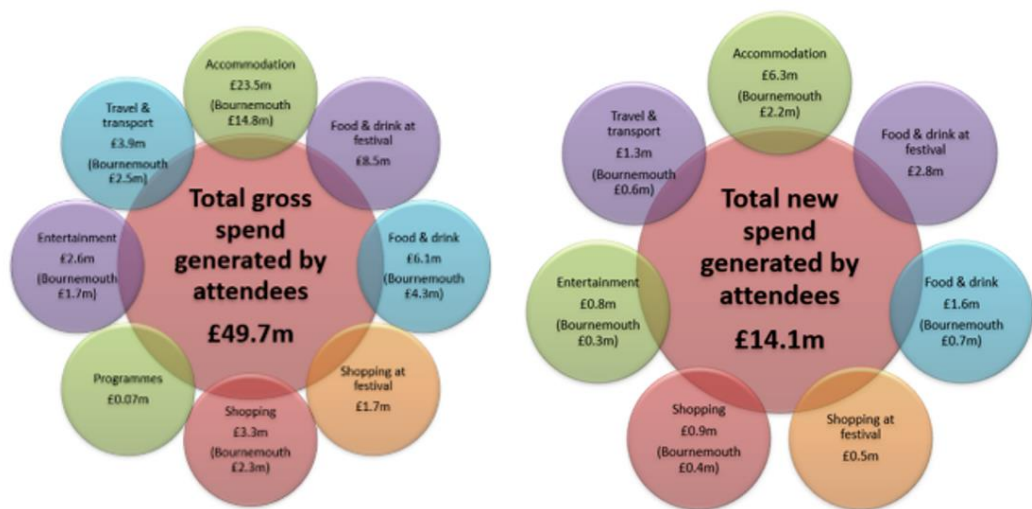
predominantly by car. The planes accounted for approximately 3% of the emissions **(Appendix 2)**. The main challenge is a modal shift in travel to and from the destination, whether for the Air Festival, or the millions of visitors that travel to the area throughout the year for all events, festivals and holidays.

11. However, this evaluation did not discount the carbon footprint of those visitors who would have travelled to the resort on a comparable weekend without an Air Festival and therefore this is not a true comparison. If visitor numbers, and their means of transport were similar on a normal comparative weekend, then the carbon footprint of the flights would be much more significant.
12. With the ever growing awareness of the impact of the climate crisis the public will continue to perceive recreational flying displays as environmentally 'unfriendly'. The carbon impact of planes in the sky as well as additional vehicle movements to and from the festival will need to be a major consideration in the future. Moving forward the Air Festival or any future key attractor event will need to demonstrate how it mitigates any carbon impacts and expand on initiatives already in place. This should include the 1-in-3 campaign aimed at encouraging all Festival Goers to consider alternative more sustainable ways to travel to the event and expanding the Leave only Footprints campaign and the Refill Dorset Scheme, among others. These were developed alongside the Air Festival Environmental Action Plan and the BCP Sustainable Events Management Policy
13. From 2025 onwards there is a growing desire to move away from the focus on air displays to a wider "Festival of Air" which could incorporate hot air balloons, kites, drones as well as some aircraft content. This approach would need to be explored with industry through a procurement exercise.

Economic position

14. In 2019 and 2021 a Bournemouth Air Festival Evaluation was carried out by the South West Research Company Ltd. There were no significant differences between the two years, despite Covid with the 2021 report showing that 40% of festival attendees were categorised as staying visitors including 30% staying overnight in the town at the time of the event and 10% staying in nearby accommodation outside of Bournemouth. Local residents of Bournemouth accounted for 32% of all festival attendees and day visitors for 29%. This report also showed that the Air Festival generated £14.1m total new additional spend to Bournemouth and the surrounding area. **(Appendix 3)**

Diagram 14.1

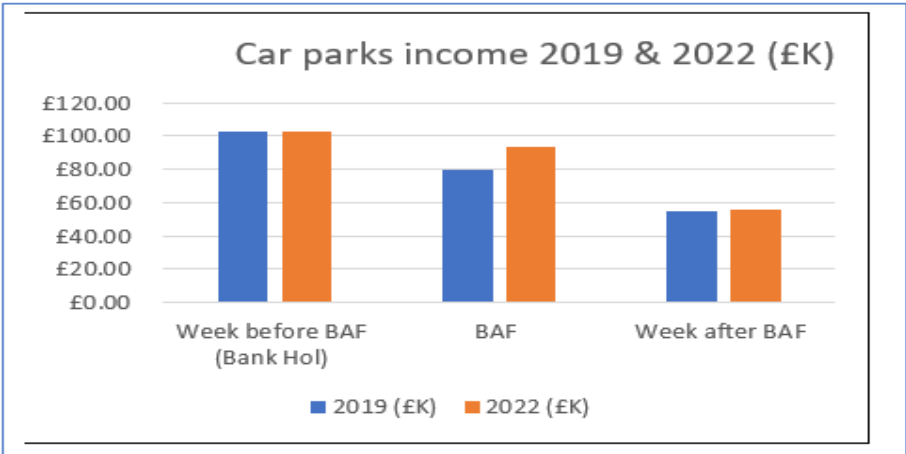


15. The independent 2021 BCP seafront survey of over 1100 visitors demonstrated that for every £1 spent by a resident, a staying visitor was spending £2.87 and a day visitor £1.84.

Car Park Income

16. The figures in **Diagram 16.1** show that car parking income was less during the Air Festival in both years than for the previous weekend which was the bank holiday.

Diagram 16.1

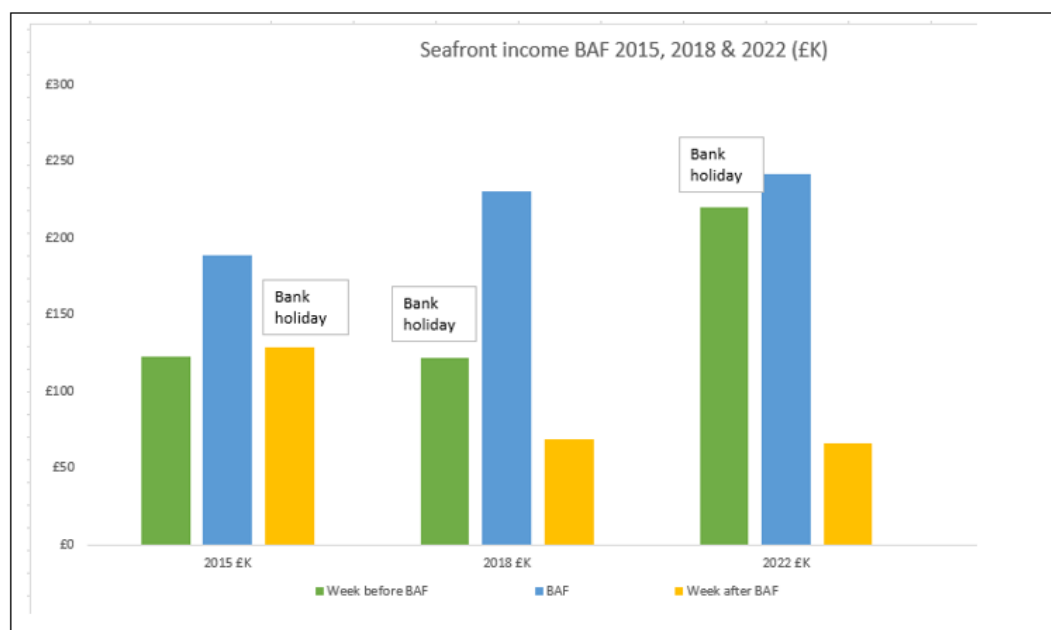


17. It is acknowledged that the net benefit to the Council taking into consideration all costs is not significant.

Seafront Trading

18. A comparison of seafront trading turnover for 2015, 2018 and 2022 (**Diagram 17.1**) shows a trend that across these years seafront trading during the Festival exceeded that achieved over the weeks before and after the Air Festival. Several other factors, including the weather, may impact on any given year.

Diagram 18.1



19. In 2023 seafront trading turnover was higher than for the bank holiday weekend but it should be noted that the bank holiday was a very poor weather weekend. However, **Table 18.1** below shows that as with car park income it is acknowledged that the net benefit to the Council, taking into consideration all costs is not significant. It should be noted that these figures relate to turnover, not profit. Overall Seafront catering makes a return of approximately 10% of turnover, so the true direct financial benefit to the Council equates to approximately £7k from the £70k turnover.

Table 19.1

Seafront Trading Income 2023 (turnover)		
Week prior to Air Festival 24 - 27 Aug	Air Festival 2023 31 Aug - 3 Sept	Week after Air Festival 7 - 10 Sept
£229,592	£299,359	£214,101

Summary of Air Festival 2023

20. An estimated 600,000 people enjoyed the Air Festival in 2023. This was despite the loss of Thursday due to bad weather. From the Friday the weather significantly improved.
21. The festival was successful in securing a strong and varied programme of air displays during the day and evening, including both the Red Arrows and the Typhoon for all 4 days. The STEM tent returning for its third year proved a successful attraction together with the Armed Forces villages and a variety of retail, catering and funfair offers.
22. **Table 22.1** summarises the 2023 Air Festival income and expenditure. The figures announced by the Deputy Leader at Council recently were an estimate pending further information. The figures have now been updated as reflected in **Table 21.1** below as more detailed information of actual cost and income has become available. The table shows both the budget for the Air Festival and separately identifies costs that the Council funds through existing budgets held in ancillary services. These have been identified and apportioned as shown. Examples include the Insurance Team, Procurement, Communications, Seafront, Licencing and Health & Safety.

Table 22.1

Summary	£
Air Festival Activity	
Direct Delivery Costs	£928,100
Direct Delivery Income	-£583,500
Net Direct Cost	£344,600
Apportioned/Allocated Costs	
Additional Staff Costs (Allocated/ Apportioned)	£190,900
Apportioned Central Overheads	£46,900
Total Apportioned Costs	£237,800
Total Cost	£582,400

23. Officers have carried out a more detailed evaluation of the ancillary income from car parking and sea front trading for the 2023 Air Festival weekend, comparing overall income and expenditure with the weekend prior (Bank Holiday weekend) and the

weekend after, which was not in the school holidays. The net effect of the Air Festival on direct Council surpluses is negligible and cannot be used to validate the Air Festival as a means of raising money for the Council.

Table 23.1

2023	Bank Holiday	BAF	Post BAF
Income	-£355,000	-£457,400	-£429,800
Expenditure	£151,500	£240,500	£184,400
Net Benefit	-£203,500	-£216,900	-£245,400
Car Parking Vends (no.)	£32,392	£32,316	£35,171

24. **Table 24.1** provides a detailed breakdown of the direct event operating costs and income for the 2023 Air Festival.

Table 24.1

Air Festival Activity		
Description	Detail	Direct costs
Expenditure		£
Accommodation, room & premises hire	Pilot accommodation & meeting room hire	£22,449
Technical Event costs	Signage - includes site signage and putting out banners	£1,696
Refuse collection	Emptying Bins	£8,400
Insurance	Airshow Insurance	£61,600
Vehicle hire	Cars for pilots/ van hire/FDD airport vehicles	£2,450
Traffic management	Park & Ride inc. buses, management, stewarding, traffic marshalls, parking enforcement	£73,424
	AA/VMS signage, cones, TRO, Bronze Traffic, Southcote Rd resources	£31,598
Equipment purchase	Stationery, passes, lanyards etc	£3,060
Subsistence	Staff & display team lunches	£4,296
Equipment hire	Inc. toilets, CCTV, Fencing, golf buggies, lights, market buoys, marquees, PA, Portacabins, generators, radios, trakway	£130,823
Postage	Postage	£254

Licence fees	PRS	£448
Advertising & Marketing	Programme print, bagging, commission/invoicing/ disposal	£11,807
Advertising & Marketing	General marketing costs inc. print	£4,505
Emergency services	Paramedics inc. First Aid, Police, RNLI	£94,666
Contractor - Security	Exclusion Zone Marshals, concrete barriers, National barrier asset	£58,052
Contractor - Security	Security, Stewarding	£99,382
Contractor - Special Events	BAF Radio, commentary	£4,450
Contractor - Special Events	Add'l site logistics, contractor prior to event	£2,400
Contractor - Special Events	TSA Fee/airshow admin (inc. CAA permissions etc)	£35,073
Contractor - Special Events	Displays	£127,384
Contractor - Special Events	Fireworks/Drone	£7,900
Hospitality	Hospitality	£142,000
Total expenditure		£928,117
Income		
Sponsorship	inc. STEM, Patrons, Transport	-£39,200
Trade	Trading, commercial	-£271,150
Park & Ride	Park & Ride income	-£48,240
Programmes	Souvenir Programme sales inc. online	-£69,726
Hospitality	Hospitality	-£155,185
Total income		-£583,501
Net delivery cost		£344,616
Budgeted Council contribution		-£397,000
Net saving on budget		-£52,384

Air Festival 2024 and beyond

25. Following detailed analysis of the data and financial position with the Task and Finish Group including detailed discussions on emerging ideas and innovations it is proposed that the Council events team deliver a three-day Air Festival in 2024 at a cost of £200k to the Council. This will require the Air Festival team to work with local businesses to bring in additional sponsorship, donations, external funding and commercial activity of at least £100k. This will depend on the Council continuing to provide those ancillary services which are not directly charged to the Air Festival budget, and which are estimated to be £237,800 for 2023. Any surplus generated will be donated to a future Air Festival.
26. It is also proposed that a procurement exercise be carried out to invite interested parties to come forward to fully fund and deliver the Air Festival in future years including working with a potential Accommodation Business Improvement District. This would be via a licence with no Council funding or direct staffing support beyond 2024, although we would still need to determine the level to which the Council can provide the ancillary support that it currently does not budget to the Air Festival. This reflects

the Council's current financial position and the need to reduce non-statutory services whilst allowing time for development of an alternative delivery mechanism for an Air Festival in the future.

27. It is proposed that the 2024 Air Festival would take place on the Thursday, Friday and Saturday which would not only provide an extra evening display and maximise the number of attendees but would also provide a stronger STEM offer as businesses are more focused on weekdays rather than weekends.
28. A potential source of funding support for the Air Festival could be via the creation of an Accommodation Business Improvement District (ABID). This is at the beginning of a legislative process that will take some months and is subject to a ballot of potential levy payers. The Bournemouth Area Hospitality Association (BAHA) and the Destination Management Board (DMB) along with the four BID companies and the Council have commissioned a feasibility study to explore options. If this initiative is successful, it has the potential to raise a substantial amount of money (amount yet to be verified) for both destination marketing and events however, any future contribution towards events would be dependent on the Board of the new ABID.

Other relevant information

29. An ePetition was lodged on the BCP Council website on 4 September 2023 asking for support to ensure that the Council 'keep the Bournemouth Air Festival for the foreseeable future' and 'pursue other avenues of funding'. This petition is due to close on 30 November 2023. As at 6 November, the petition had received 90 signatures. This level of response requires an acknowledgement from the relevant portfolio holder. For Council to debate an e-petition it would need to reach 2,000 signatures. There is also a second online petition to *Save Bournemouth Air Festival*, supported by the Bournemouth Air Festival Patrons Club but this has not been registered with the Council.
30. To support the options being considered, provisional dates for up to four days for a 2024 Air Festival have been identified as Thursday 29 August – Sunday 1 September and a bid has been submitted for military aircraft in order to meet the deadline set by the Ministry of Defence (MOD), and we await an update.
31. There are currently strong indications that the Red Arrows will not be available beyond the end of July 2024 due to overseas commitments after this time and will therefore not be available for the Bournemouth Air Festival proposed dates. In 2019 the main replacement civilian display team booked to replace the Red Arrows was the Breitling Jet Team but that is no longer available. Contact is currently being made with alternative multi jet and fast jet display teams in Europe.
32. In 2019 the Red Arrows team undertook a ten-week visit to the United State and Canada and it is understood that the 2024 season is likely to be on similar lines which will mean that they will be out of the country until at least early October

Timeline for delivery of 3-day Air Festival in 2024

33. Timeline for delivery of a 3-day Air Festival is outlined in **Table 33.1**

Table 33.1

Action	Deliverable	Date
Cabinet decision	Three-day Air Festival agreed at budgeted cost of £200,000	November 2023
Key tender preparation	Specifications prepared for full tenders and advertised for flying display director, security and stewarding, first aid, toilets and sponsorship	November 2023
Police arrangements	Start negotiations in determining police arrangements and costs	December 2023
Premium pricing – car parks	Determine locations and prices and begin process for applying for TTROs	December 2023
Trading	Preparation and sending out of trader packs and sales activity and STEM area begins	February /March2024
Tenders and quotes for remaining contracts	Tenders and quotes out for re– fencing traffic management, festival programmes, funfairs, catering and bars, portacabins	February/March 2024
Sponsorship	Strategy and sponsorship pack agreed and approaches being made	December 2023
Logistical arrangements	Initial draft documentation plan in place for consideration by SAG. Annual programme planning of a 4 day Festival begins	April – September 2024

Summary of financial implications

34. It is proposed that the ongoing base revenue budget for the air festival is removed from 2024/25 onwards.
35. The recommendation of this report recognises the proposal that a net direct cost of £300k be assumed for a 3-day Air Festival in 2024/25 only. The proposal being this one-off expenditure be funded by a £200k contribution from one-off resources with the £100k in respect of new sponsorship, donations, external funding, and commercial activity being underwritten by the council's 2024/25 base budget contingency.
36. This also assumes that the current level of ancillary services supporting the Air Festival is maintained for the future.
37. The proposed 2024/25 budget including costs and anticipated income generation for 2024 Air Festival can be found in **Table 37.1**

Table 37.1

Description	Detail	£
Expenditure		
Room & premises hire	Display team accommodation & meeting rooms - funded by Accommodation Sector	£0
Refuse collection	Cleaning Bins	£6,500
Insurance	Airshow Insurance	£59,000
Vehicle hire	Van hire & FDD vehicles	£1,750
Traffic Management	Park & Ride including, buses, management, stewarding, traffic marshalls, parking enforcement	£58,800
Traffic Management	AA directional signage, VMS, Bronze traffic, cones, Southcote Rd resources TRO	£33,300
Equipment purchase	Admin & stationery	£3,500
Subsistence	Display team/crew lunches	£1,500
Equipment hire	Toilet Provision	£14,500
Equipment hire	Fencing General Site	£16,000
Equipment hire	CCTV, extinguishers buggies, lights, buoys, marquees, PA Portacabins, generators, radios, telephone lines, trakway	£93,100
Postage	Postage	£300
Licence fees	PRS	£450
Advertising & Marketing	Programme commission/invoicing/ disposal, bagging, print & PDQ	£12,000
Advertising & Marketing	General marketing costs inc. print	£4,500
Emergency Services	Paramedics inc. First Aid, Police & RNLI	£95,000

Contactor Security	Exclusion Zone Marshals, concrete barriers, National barrier asset	£54,400
Contactor Security	Security, Stewarding	£75,000
Contractor Special Events	BAF Radio, commentary	£3,500
Contractor Special Events	Additional event site support prior to event	£2,400
Contractor Special Events	TSA Fee/airshow admin (inc. CAA permissions etc)	£30,000
Contractor Special Events	Display	£130,000
Contractor Special Events	Fireworks/Drone	£5,500
		£701,000
Income		
Sponsorship	Sponsorship, including Patrons	-£40,000
Trade	Trading	-£247,000
Transport	Park & Ride income	-£48,000
Programmes	Souvenir Programme sales inc. online	-£66,000
Total income		-£401,000
Net delivery cost		£300,000
Proposed Council contribution		£200,000
New funding initiatives		
Expansion of STEM and hospitality trading plus increased sponsorship	STEM exhibitor rentals - Expansion of STEM provision and letting of exhibition /hospitality space for local and STEM businesses	-£45,000
Transport	Premium car parking - net of costs	-£35,000
Fund raising	Donations / crowd funding - net of costs	-£20,000
Total additional income		-£100,000

Summary of legal implications

38. Any existing contracts linked to the Air Festival are on a 1+1+1 year basis with no commitment to the extension.
39. There is a legal mechanism through a Temporary Traffic Regulation Order (TTRO) to impose temporary highway restrictions to enable changes to be made to off-road car park charges temporarily.
40. The Council will need to be mindful of the Council's current Declaration of Interest policy in relation to any donations or sponsorship before taking anything forward.
41. It remains necessary to comply with all relevant procurement requirements, including the Council's Financial Regulations and the Public Contracts Regulations 2015 (if applicable) for any other aspects of the event that are to be carried out by third parties under contract and further legal advice would need to be sought.
42. Under section 145 of Local Government Act 1972 the Council has the statutory power to provide entertainment.

Summary of human resources

43. A review may be required of functions and roles to ensure the Council deliver the Air Festival and reach the existing income generating requirements for trade and programmes.

Summary of sustainability impact

44. Reducing from four days to three days has the potential to reduce the environmental impact in terms of reductions in emissions, e.g. air displays, generator fuel consumption. There may be a reduction in the number of visitors but the main challenge is a modal shift in travel to and from the destination and we will need to continue to expand on initiatives already in place, including the 1-in-3 campaign aimed at encouraging all Festival Goers to consider alternative more sustainable ways to travel to the event which has been developed alongside the Air Festival Environmental Action Plan and the BCP Sustainable Events Management Policy

Summary of public health implications

45. Emissions from increased parking in the area can impact on health, particularly for those with breathing issues. Encouraging visitors and residents to use alternative more sustainable modes of transport can mitigate against this impact.

Summary of equality implications

46. In June 2023 an EIA conversation/screening document was completed which went to EIA panel on 22 June 2023. The EIA report can be found in **Appendix 5**. An Action Plan will be developed once the final recommendation has been agreed.

Summary of risk assessment

Risks	Mitigations
Potential cuts in services and staff numbers across the Council could impact on the ability to deliver the event Medium/High	Maintain communication with other departments to identify early any potential issues and work through possible solutions
Inability to recruit replacement staff with the required level of experience to deliver the Air Festival. Medium	Consider other options for short term contracts. E.g. Agencies/Event companies
The Council underwrites the net cost of the Air Festival. Medium	Maintaining tight control on costs to maximise income generation
Impact from bad weather Medium	Three-day event mitigates better against bad weather than a two-day option.
There are still some costs that need to be finalised and could potentially come in higher than budgeted. Medium/High	Seek early confirmation of costs, prior to the new year e.g. Police

<p>The current budget for a 3-day event in 2024 is dependent on the Accommodation Sector funding the costs of hotels for the display teams. Low</p> <p>There are risks associated with new income streams, e.g. car park premium pricing, donations, fundraising, sponsorship High</p>	<p>We have received verbal confirmation. Awaiting written confirmation</p> <p>Estimates should be as realistic as possible and should not be overly optimistic</p>
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Appendices

Appendix 1 – Overview of work of the Bournemouth Air Festival Task & Finish Group

Appendix 2 - BAF Creative Green Report 2019 - Julia's Bicycle

Appendix 3 - BAF Evaluation report 2021 – South West Research Co Ltd

Appendix 4 – EIA Report

Background papers

BAF Evaluation report 2019 – South West Research Co Ltd

Overview of work undertaken by the Bournemouth Air Festival Task & Finish Group

Representation:

Members

Cllr Vikki Slade	Leader, BCP Council
Cllr Millie Earl	Deputy Leader, Cabinet member for Connected Communities
Cllr Andy Martin	Cabinet Member for Customer Communications & Culture
Cllr Mike Cox	Cabinet Member for Finance.

BCP Council Officers:

Amanda Barrie	Director of Commercial Operations
Jon Weaver	Head of Events
Adrian Trevett	Head of Economic Development
Andrew Emery	Strategic Development Manager
William Zellerbach	Finance Manager, Operations
Simon Langford	Management Accountant, Operations
Amy Orchard	Economic Development
Stephanie Sainsbury	Events Development Co-ordinator
Julia Bullas	Corporate Comms

External representation:

Craig Mathie	DMB/South Coast Events Forum
Andy Lennox	DMB/Hospitality
David Bailey	DMB/BAHA
Tim Seward	BAHA
Paul Kinvig	Bournemouth Town Centre BID
Fiona McArthur	Bournemouth Coastal BID
Simon Brooks	Seventa Events
Peter Tisdale	THAT Group
Ian Vincent	Red Arrows Association

Scope

The group was set up to look at how the challenges facing delivery of the Air Festival can be addressed and consider what a future Air Festival or replacement event might look like. Membership was to include Members, Council Officers and representatives from local businesses and organisations. This group has been meeting since July 2023 and has focused on understanding the options available and exploring interest from external businesses to deliver some form of Festival in 2024 and beyond.

If Bournemouth is to retain its reputation as a world-renowned tourism destination, it is essential that it continues to offer significant, vibrant events/festivals which contribute to ensuring that it remains an attractive place in which to invest, visit and live. Currently Bournemouth Air Festival makes a significant contribution to keeping Bournemouth on the world map, but the financial challenges faced by BCP Council mean that there need to be some significant changes to the delivery and funding of the Air Festival and /or

event(s) with a similar profile. Alternative sources of funding will need to be secured moving forward with the goal of becoming cost neutral in relation to Council funding, post 2024.

Following the first meeting two smaller sub-groups were established with some additional external input:

- Financial and Commercial Income
- Events & Festivals Content Development

Site Visits

All members of the group were offered the opportunity to have a 'behind the scenes' site visit during the 2023 Air Festival. These took place on the Thursday and Friday afternoon. Feedback from those who participated was that they were useful and informative particularly in relation to development of opportunities around the Science Technology Engineering and Mathematics (STEM) offer and revenue sources.

Financial initiatives and commercial opportunities considered:

Accommodation Sector Support

Support from Bournemouth Area Hospitality Association (BAHA) & the Accommodation Sector in relation to accommodation for pilots and crew. As one of the major beneficiaries from the Air Festival the sector needs to cover the cost of accommodation and provide additional support to wider logistical elements of the festival such as provision of meeting space for the festival briefings. Accommodation provision was discussed at the September BAHA meeting.

STEM development

Building on the success of the STEM marquee, pursue options for developing business to business opportunities linked to marine & aviation technology and other related technologies. eg. larger, more visible exhibition areas with better looking structures on the East Overcliff and Seafront developed by local, regional and national companies and brands. This provides the opportunity to link to increased sponsorship options for the Festival and dedicated hospitality areas for companies to invite their clients.

This approach would help to progress the event moving forward as a Festival of Innovation and Inventions.

STEM could also be developed to include an Arts element (STEAM) incorporating culture into the offer. Events team to work with Economic Development to see how this can be progressed once there is a decision on the format of a future event.

Hospitality

Look at options to have several key hospitality area tents, each run by brands/local restaurants/etc. There could also be smaller units, that companies could rent for the day. Possibly a stretch of Chinese hat marquees, each with their own little bit of beach and seating out front, (similar to beach huts) rented out by the day.

This to be led by external organisations rather than a Council provided hospitality offer

Military Support

There need to be conversations with the Military around possible financial support based on the fact that they have acknowledged the importance of the event as key to their recruitment calendar. This relates more to the RAF than to the RN or Army. Initial discussions have taken place but these need to be at a higher level. However, it is acknowledged that the RAF contribute towards the event through the significantly reduced costs of the assets they provide. This is the case for all UK Air Shows. Some RAF display teams also cover their own accommodation and transport costs for the event. (Red Arrows & BBMF).

Car Park Income & premium pricing

Income from car parks brings a direct financial benefit to the Council during the Air Festival and this needs to be taken into consideration when looking at the net cost of any future event.

There is the potential to look at premium pricing for seafront and Town Centre car parks during any future event. There is a mechanism to achieve this via a Traffic Regulation Order (TRO). Work needs to be carried out to develop this with the Transport team and also consider pre-booking opportunities. This could be a mix of pre-booked and first come first served with links to Hospitality offers.

Seafront trading

The Air Festival generates considerable seafront trading income. Comparisons have been carried out for 2015, 2018 and 2022 which all show that seafront trading during the Air Festival exceeded that achieved over the bank holiday weekend. 2023 saw their best trading days on record. As with car park income this needs to be taken into consideration when looking at the net cost of any future event.

Transport for display teams

The provision of transport to and from the Airport for some, although not all, display teams is essential. Need to look at opportunities to secure a specific transport related sponsor to cover the cost of this transport, eg: car dealerships. Deals have been secured in the past but in recent years have not been successful.

Donations

Research has been carried out into possibilities around donations from the public which has proved successful for Blackpool Illuminations and also Eastbourne Air Show. There are a number of different options including donations via the website, handheld devices onsite during the event, QR codes (website/around the site/in programme).

The hardware technology is available for onsite/ in person donations through the Council contract with Global Pay which would involve staff costs. An alternative would be support from at least one partner charity to staff the onsite collections with volunteers in exchange for a percentage donation to the charity. Blackpool use hand held devices successfully, but they are collecting over a number of weeks not days. Eastbourne have had success with cash collection in the past using charity partners. This could be looked at in conjunction to tap and donate systems but would also require staff/volunteers to manage.

Crowdfunding

Potential of launching a crowdfunding campaign to support the delivery of the Air Festival. This would need a strong marketing campaign connected to it. It would require progressing conversations on the legalities and financial arrangements from the Council's side and looking at the option of this being led by another organisation such as the BIDs or BAHA.

Desk Research has been carried out around the viability of Councils raising funds through donations based crowd funding and feedback from other Air Show organisers and Local Authorities is that it is unlikely to be successful. This is further supported by the LGiU Guide to Crowdfunding for local authorities which advises that *"Crowdfunding involves getting the public excited and engaged enough to support campaigns. If the council was running a campaign asking the public for direct donations, the public would most likely see it as giving the council more money, on top of council tax, and would be turned off by the prospect."*

Community Interest Company (CIC)

There was discussion around the possible benefits of looking into the creation of a CIC which it was suggested could be set up very quickly and could potentially incentivise people to donate and make collection of donations easier than through the Council. Recent Council experience however has shown that although technically a CIC can be set up in a couple of days via an online application, in practice this is only possible if a great deal of work has been undertaken in advance. It would require someone to step forward as the Director of the CIC and both the Council Legal and Finance departments would have to be involved to look at the implications and viability of going down this route.

If in the future a commercial company is found to take on the direct delivery and funding of the Air Festival then a CIC may be an option that they would want to consider taking forward. Further work is being carried out to better understand the resource requirements to deliver a CIC.

Options considered for a future Air Festival

Continue with the current 4-day Air Festival

The group did not consider that this would provide a suitable response to current aspirations and demands, nor did they consider it to be a viable or sustainable option achievable within the current £200,000 budget allocated for 2024.

Cancel the Air Festival for 2024 and beyond.

The group did not consider this to be the immediate response to the current situation and felt it was important to look at all possible options to avoid complete cancellation of the Air Festival moving forwards.

A two-day Air Festival in 2024

Initial estimated calculations indicate that this could potentially be delivered for around £275K with a budgeted Council contribution of £200K. This funding gap excludes the benefits of income from seafront trading/car parks and the direct costs of staffing. This assumes that BAHA members fund display team accommodation. Other approaches to respond to the reduced budget could include no Park & Ride, a local sponsor/car

dealership being found to cover display team transport requirements, premium car parking, donations and increased sponsorship through extending the Science, Technology, Engineering and Mathematics (STEM) elements to introduce business to business initiatives and dedicated hospitality areas. In order to maximise the above funding opportunities, the event would need to take place on the Friday and Saturday, not over the weekend. The impact of bad weather is greatly increased with a two-day event increasing risks.

Whilst planning and delivering a festival for 2024 work would be undertaken to secure an external partner/operator for the festival from 2025 onwards resulting in no cost to the Council beyond 2024.

A 3-day Air Festival in 2024

This was considered by the group to be a more viable option than a two-day festival providing less risk in relation to the loss of one of the days and presenting a more positive message. It would need to be Thurs/Fri/Sat in order to capitalise on the business to business and extended hospitality opportunities. However, it would increase the shortfall that would need to be made up, to around £100K based on a Council contribution of £200K. There would need to be similar initiatives to make up this shortfall as discussed for a two-day Air Festival including BAHF funding pilot/crew accommodation. Whilst planning and delivering a festival for 2024 work would be undertaken to secure an external partner/operator for the festival from 2025 onwards resulting in no cost to the Council beyond 2024.

Air Festival paused for 2024 and a 3-day Air Festival in 2025.

This would be similar to the current offer but would provide the time to work with the industry, businesses, sponsors and investors to secure the funding required to deliver a successful 3-day event in 2025 and beyond. It would also provide the time to get the best value through procurement of contractors. Messaging for what was planned for 2025 would need to be very positive in order to mitigate against negative impacts from the decision not to have anything in 2024. This would also provide time for the Bournemouth Town Centre BID to work with local communities and community event organisers to develop a Family Fun Day (see below) on the Sunday following the Air Festival to encourage visitors to stay the extra night and extend the benefit of the long weekend to town centre businesses helping to revitalise the town centre area.

A bi-annual Air Festival

This was not considered a preferable option by the group as there is increased financial risk and assets would be allocated elsewhere in the missed year which could be difficult to get back the following year. A bi-annual event could prove confusing for visitors and would inevitably be more challenging for hotels in relation to repeat bookings

Significant financial support from a commercial partner(s) but the Air Festival is still delivered and underwritten by the Council. There have been conversations with a couple of interested parties but these are at a very initial stage. This could be linked to dedicated Corporate VIP viewing spaces / premium hospitality offer for local businesses and organisations.

A commercial company to run and fund the Air Festival through a partnership with the Council, initially potentially allowing for the sharing of some costs, eg. loss of car park income/ sunk staffing costs. A proposal has been received and a couple of meetings have taken place but again these conversations are at a very initial stage. Timescales for

bringing in commercial partner for 2024 are extremely challenging and realistically unlikely to be achieved for 2024

An Air Festival funded and delivered through a partnership approach

A commercial company to run and fund the Air Festival, underwriting the financial risks, through a partnership with the Council. Initially this option would potentially allow for the sharing of some costs, eg. staffing, Timescales for securing a major commercial partner/joint venture for 2024 would be extremely challenging. Understanding the requirements of an external organisation interested in taking this on and what resource they would require from the Council to assist with delivery would need time to work through and would involve both legal and procurement processes to achieve. This option might therefore be considered to be more realistic for 2025 and beyond, allowing more time for full consultation and planning with a potential partner. The Council's ambition is for this to be taken forward for 2025 if the option for a 2 or 3-day festival is progressed.

Other Content development considered

Community Fun Day

Both a 2-day and 3-day Air Festival would provide the opportunity to develop a community festival, Family Fun Day, on the Sunday funded by local communities, businesses and BIDs focused on the Town Centre(s). This would build upon the attraction of the Air Festival and persuade people to stay in the area on the Sunday benefitting the Town Centre, local businesses and hotels. These discussions were based around the premise that the Air Festival does not benefit the whole town in its present format – the benefit is very much centred on the Seafront, East Overcliff and the Lower Gardens. The extension for a Family Fun Day focused on the Town Centre would help to redress this imbalance. This Community Festival could also be extended into Poole and Christchurch encouraging people to visit the wider conurbation and possibly extend their stay further. This additional day would need to be supported financially by external organisations. Bournemouth Town Centre |BID have confirmed that they would be happy to put funding into this initiative.

'Festival of Air'

Gradually develop the Air Festival into a 'Festival of Air' – with balloons, kites, drones etc. as well as some aircraft content. This could potentially pull in a sea element as well. Could be very impactful and perhaps culminate in a display by the Reds or Typhoon. Content could take place across the whole area as some elements eg. balloons could not be near the Seafront and there could also be an evening element. This would only be viable with external funding.

80th Anniversary of D-Day Normandy Landings

2024 is the 80th anniversary of the D-Day Landings in Normandy (6th June) which could possibly be linked to an event later in the year particularly given the already established association that Poole, Christchurch and the New Forest have to the D Day landings.

Scaled down offer centred around the Red Arrows

With the Red Arrows not available for 2024, consideration be given to having a scaled down rebranded event in partnership with the Red Arrows Association to bring the Red Arrows in to display over Bournemouth before they go abroad. This has been done in

the past. There would need to be initial discussion around insurance as if required at the same level as for the Air Festival then that would be prohibitive.

A bid has been submitted by the Bournemouth Red Arrows Association for this display but success of the request cannot be guaranteed, and no funding has been secured

Other suggestions

Develop more experiential areas, similar to the Boursin experience this year, targeting in big brands, Motor trade, Drinks companies, Retail brands. Success is based on finding brands who have invested significantly in experiential infrastructure to tour around events in the UK which recently have been difficult to find. In the past this has included Lidl, Audi, Sainsburys, Haribo.

An alternative offer which could be centred around just one of the 'big three' assets. It would need to be sponsored and take place when the chosen display was available

Retain a four-day festival but with only 2 days Air. Could scale down assets with just high interest ones (eg. Reds/Typhoon/BBMF) In 2024 Red would not be available.

Build other elements into a 2 week offer culminating in a 2-day Air Festival at the end. Culture would need to be an important part of the offer

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Julie's Bicycle

CREATIVE • CLIMATE • ACTION



Bournemouth Air Festival

CREATIVE GREEN REPORT
2019



2019

Bournemouth Air Festival CREATIVE GREEN KEY RESULTS

Environmental assessment of:

COMMITMENT	21 / 40
UNDERSTANDING	9 / 25
IMPROVEMENT	1 / 35

TOTAL POINTS 31 / 100



COMMITMENT to the environment

- ✓ Policy
- ✓ Communication and engagement with key stakeholders
- ✓ Integration with core organisational development



UNDERSTANDING of the following environmental impacts



energy



emissions



waste



travel



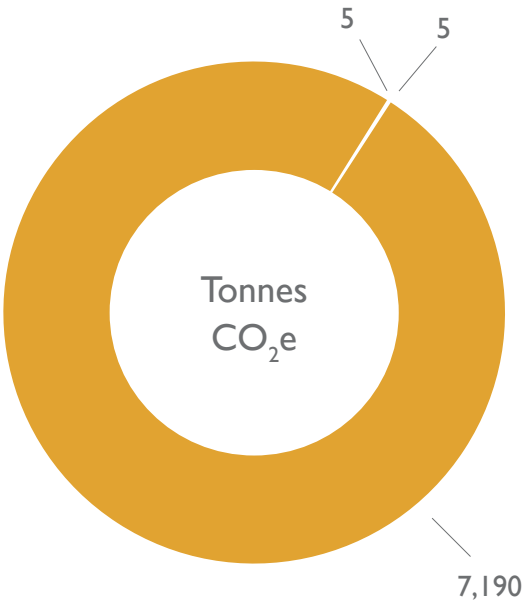
people



IMPROVEMENT towards reducing environmental impacts

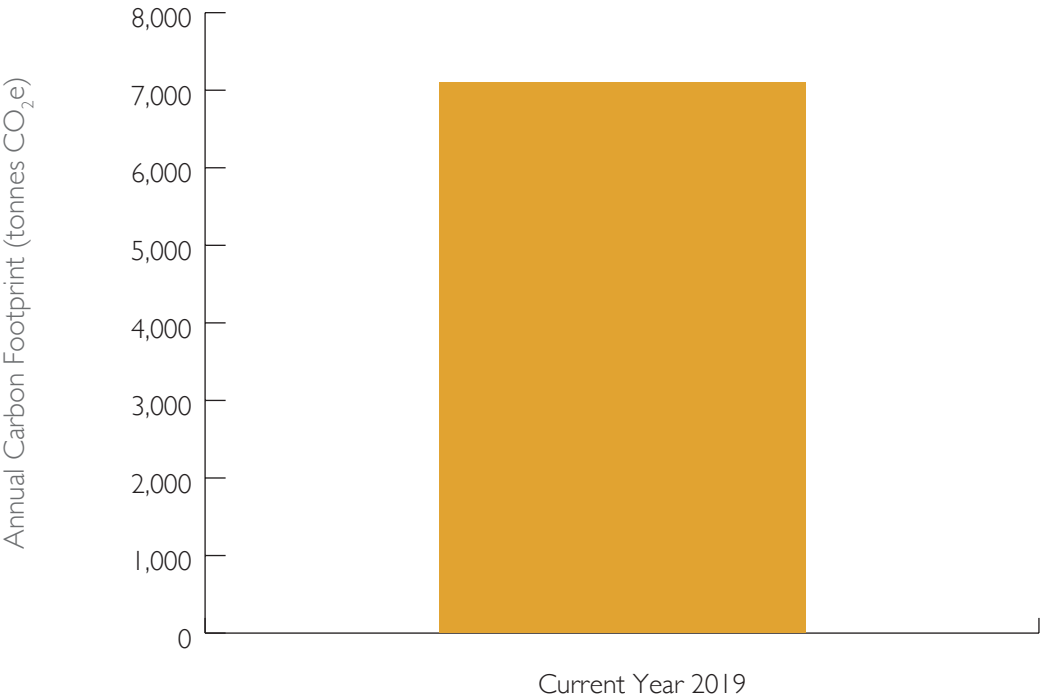
First year of environmental impact data submitted - two or more years of data needed to quantify improvements so next year it will be possible to provide an improvement score.

BOURNEMOUTH AIR FESTIVAL		STATISTICS
Type	Festival/Event	
Festival size	Major	
Visitors/Tickets/Attendees (total)	531,000	
Visitors/Tickets/Attendees (surveyed)	270,810	
Audience days (surveyed)	362,610	
Number of stages	120	



The total carbon footprint in 2019 was 7,190 tonnes CO₂e

- Audience travel
- Waste
- Energy



ABOUT CERTIFICATION



Creative Green is more than a certification scheme - it's an international community of pioneering creative and cultural organisations, recognised for their ambition and action on environmental sustainability. With over 250 certificates awarded since its launch in 2009, Creative Green remains the only environmental certification designed specifically for the creative and cultural sector.

Creative Green offers venues, museums, galleries, festivals and offices a transparent, methodical and inspiring framework for achieving environmental best practice, as well as a forum for recognition and celebration. It supports organisations' environmental impact reductions through its three strands: Commitment, Understanding and Improvement. Points are accrued within each strand and a one to five star certification is awarded based on the total number gained.

The methodology of Creative Green follows best practice and international standards for measurement, reporting and reduction of environmental impacts and it has been designed in partnership with arts, cultural and entertainment organisations.

The continuing emphasis on carbon emissions reductions align the Creative Green community to the ambitions of the Paris Agreement, reached at COP21 in 2015, to keep global temperatures well below 2 degrees of warming.

ASSESSMENT AREAS

COMMITMENT

- Environmental policy and action plan
- Integration of environmental sustainability in broader business mission, strategy or planning
- Environmental responsibilities
- Environmental procurement and sourcing
- Stakeholder communications and engagement

UNDERSTANDING

- Breadth and depth of understanding of environmental impacts
- Extent to which environmental data is used inform action and track progress in reducing impacts

IMPROVEMENT

- Quantifiable reductions in direct environmental impacts, i.e. impacts over which an organisation has direct control such as energy use and waste generation, both total relative impacts
- Actions to address indirect environmental impacts, i.e. impacts over which an event has limited or no direct control, such as audience travel



RESULTS IN FULL

ENVIRONMENTAL COMMITMENT

ASSESSMENT AREAS	POINTS AVAILABLE	POINTS AWARDED
Policy, strategy & responsibilities	12	5
Procurement	5	2
Communication and engagement	23	14
Total Points	40	21

HIGHLIGHTS

- Bournemouth Air Festival has an environmental policy, including their key objectives and methods to reduce environmental impacts.
- Efforts have been made to reduce single-use plastics onsite during the festival e.g. all staff/pilots were provided reusable water bottles to use onsite; all disposable drinking cups in event cabins and rest areas are recyclable etc.
- Bournemouth Air Festival works with a number of charity traders with environmental backgrounds, including World Wildlife Fund, Grohe, Rowse Honey and Greenpeace
- *Leave Only Footprints* campaign with Bournemouth and Poole Tourism encourages residents, visitors and workers to be more environmentally conscious, particularly in relation to waste disposal
- The festival promotes sustainable travel options through social media channels and the website, including the use of park and ride, cycling, buses and local trains

RECOMMENDATIONS

- Consider aligning with [Festival Vision 2025](#), a shared vision and pledge for a sustainable festival industry
- Create an environmental action plan with details on the specific objectives, outcomes and persons responsible for environmental impact reductions at the festival
- Consider creating a dedicated environmental action group which includes representation across all key departments/partners to discuss festival sustainability
- Develop a formalised procurement policy to be provided to suppliers, vendors, concessions and other purchasing for Bournemouth Air Festival. See Julie's Bicycle's [Sustainable Procurement Guide](#) for more details.
- Consider using best practices in festival design and management to reduce environmental impacts further. See the [Manchester Sustainable Events Guides](#)
- Ensure all staff onsite have access to the Environmental Policy, that they are familiar with the environmental impacts and initiatives in place in their departments
- Work with partners to explore and pilot new ways of engaging festival audiences on issue of sustainability e.g. onsite workshops for the public, legacy projects like tree planting programmes, etc.

ENVIRONMENTAL UNDERSTANDING

ASSESSMENT AREAS	POINTS AVAILABLE	POINTS SCORED
Submission of energy, water, waste, transport, production	4	0
Attitudinal insights	4	4
In-depth understanding of energy, water and waste	8	2
Monitoring of other impact	3	2
Use of data for setting targets and Key Performance Indicators in policy and action plans	4	0
Evaluation of learning and outcomes	2	1
Total Points	25	9

HIGHLIGHTS

- The management board and content groups of Bournemouth Air Festival discuss the environmental impact of the festival as part of their meetings
- The festival organisers have an understanding of energy, waste and audience travel related emissions in 2019 submitting data to the Creative Green Tools
- In 2019 a major source of festival emissions and environmental impact, spent aircraft fuel, was accounted for future carbon offsetting
- Environmental questions are included in supplier/audience surveys to gather attitudinal data on environmental impacts, with a strong focus on waste and plastic use
- Audience surveys also collect data on audience travel impacts by vehicle type, displaying an understanding of the festival's indirect carbon emissions

RECOMMENDATIONS

- Continue to monitor and measure festival impacts next year, upload this data to the CG tools to measure ongoing improvements in environmental impacts
- Develop quantitative Key Performance Indicators for energy, waste, water and transport/ travel targets to work towards using data from this year's festival. Ideally incorporate these into the environmental policy or action plan
- Consider monitoring other areas of environmental impact, e.g. trader & concessions, produce & food, production, business travel, trader travel or energy use etc.
- Consider undertaking an ecological impact assessment to better understand species on site and whether any new measures could minimise disturbance to them



ENVIRONMENTAL IMPROVEMENT

RECOMMENDATIONS

Data collection

- Develop robust methodologies to monitor energy consumption, waste production, water consumption and travel impacts at the festival. See [The Show Must Go On Report](#) for further details
- Use generator monitoring techniques or automated readers to monitor energy use/efficiency periodically (every 5-10 seconds for example), or collect meter reading from vendors/businesses involved with the festival before and after the event, to develop in-depth knowledge of energy use and patterns. See [ISO20121](#) - Sustainable Event Management principles to understand monitoring methodologies and best practices advice
- Utilise monitoring techniques and waste management reports to develop further understanding of waste generation and recycling rates. Work with your waste contractor
- Investigate opportunities and benefits of installing solar photovoltaic panels or hybrid generators to generate renewable electricity/ reduce emission impacts for the duration of the event

Carbon offsetting

- Carbon offsetting should be taken as the last step in the carbon management hierarchy to address the unavoidable emissions associated with your festival's activities
- When looking into offsetting ensure credible standards such as the Voluntary Carbon Standard, or the Gold Standard for the Global Goals (GS4GG) are considered
- Look for schemes which create local community and economic benefits, are measurable, permanent, and generate emission reductions beyond business as usual practice
- Consider carbon offsetting as an alternative, applying a cost per tonne and creating a ring fence fund or budget to enable investment within your event to reduce its carbon footprint and/or support other environmental initiatives

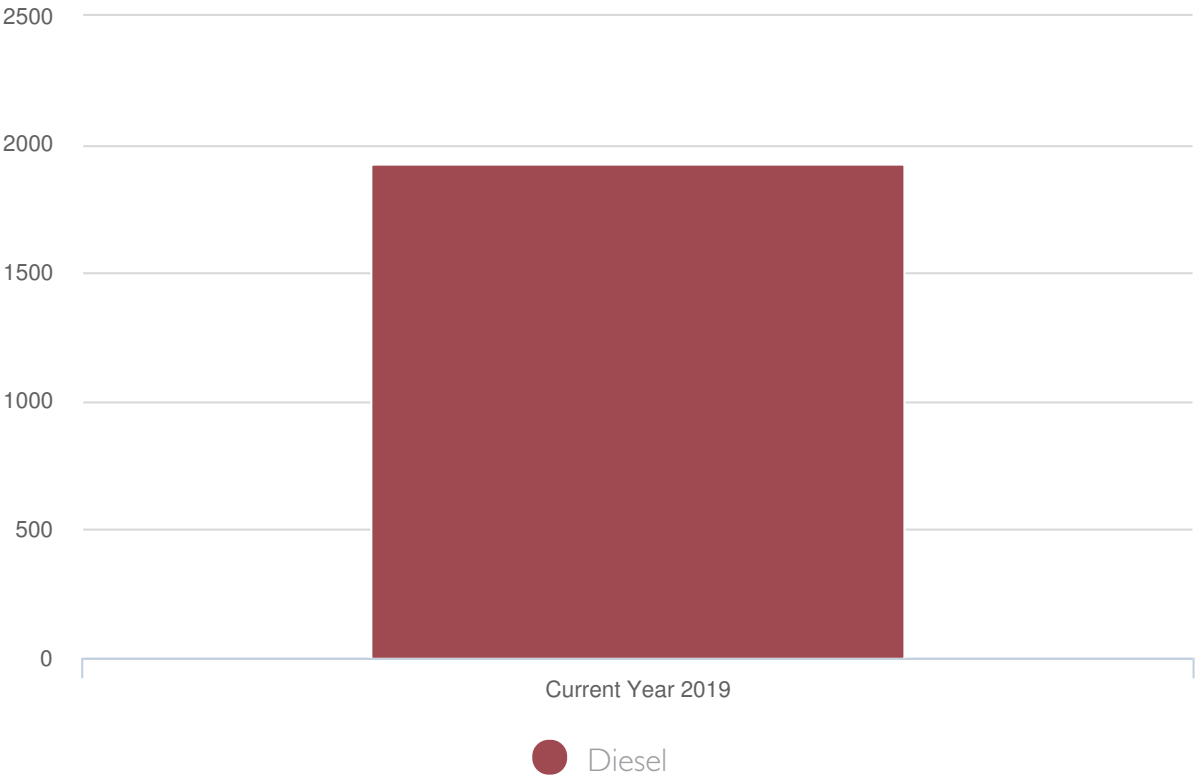


ENERGY USE

ENERGY USE	UNIT	CURRENT YEAR 2019
Energy use (non-mains) -- absolute	litres	1,921
Energy use (non-mains) -- relative	litres per Audience day	0.0
Diesel	litres	1,921



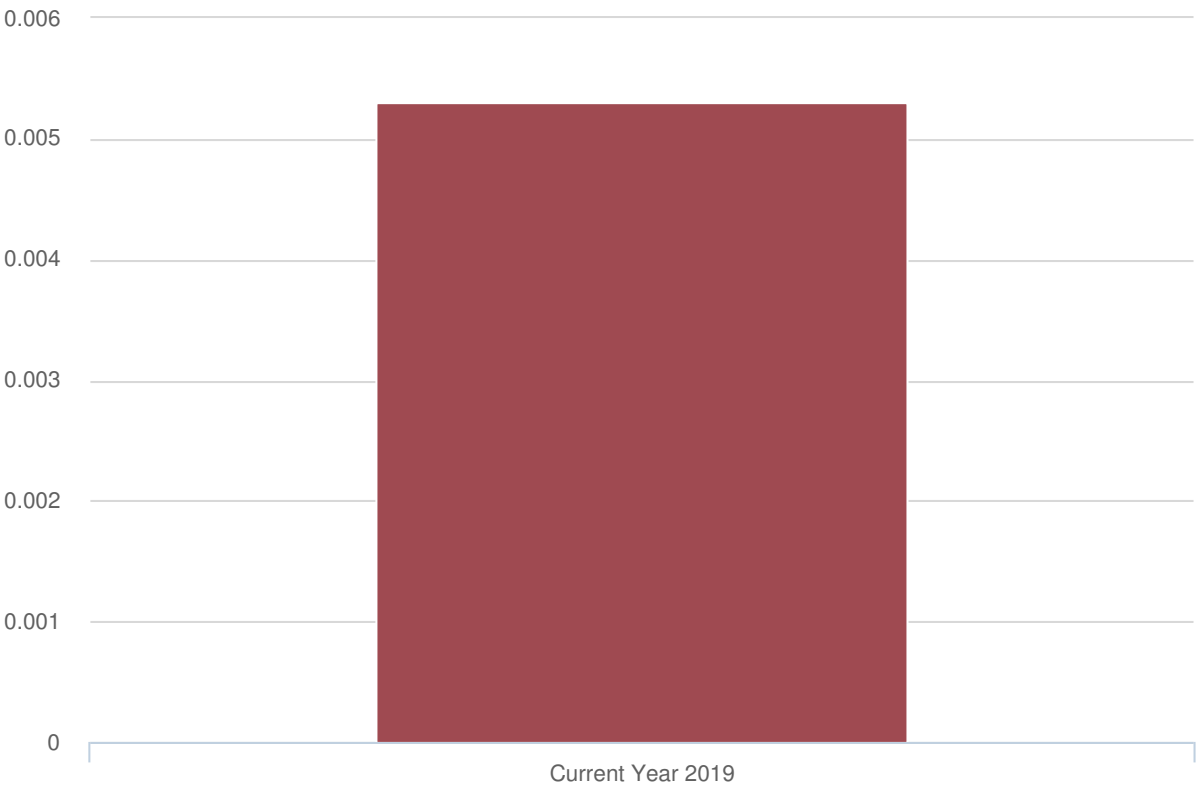
Energy consumption (litres)





ENERGY USE

Energy consumption (litres per audience day)



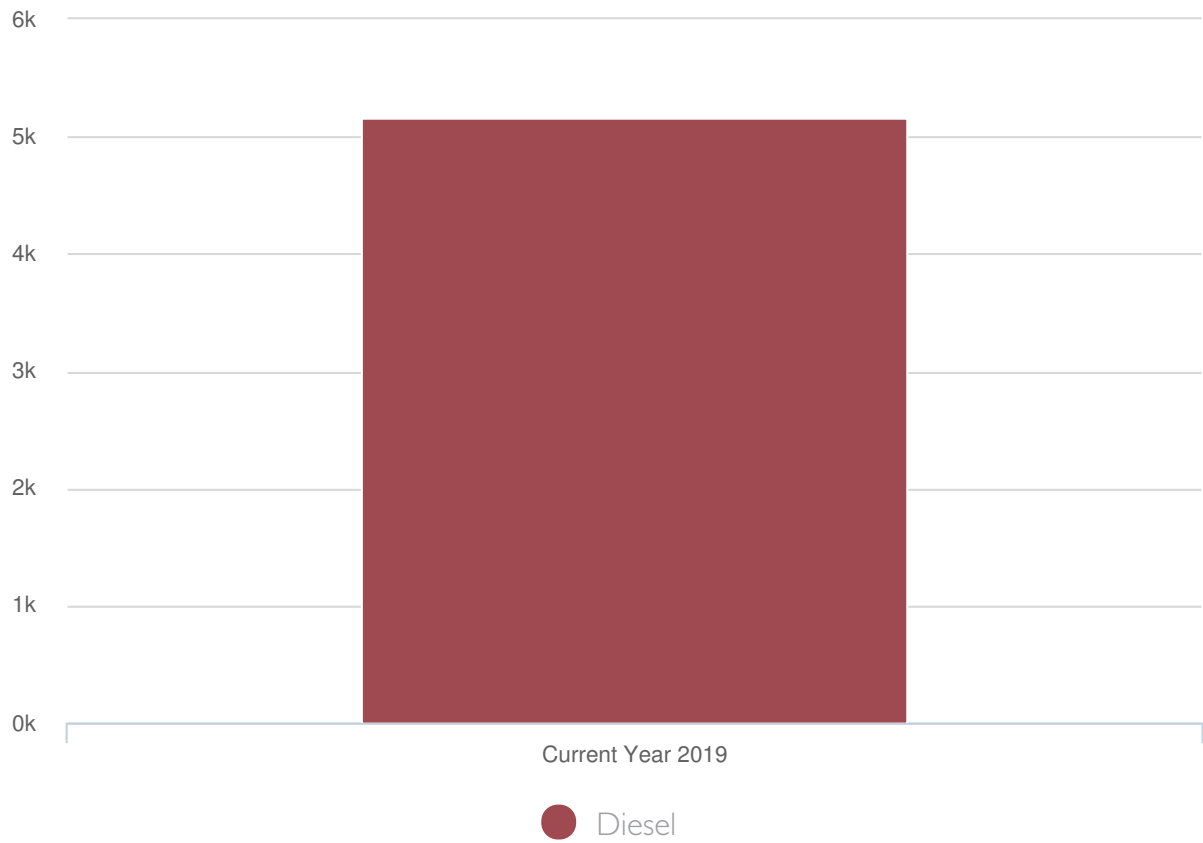


ENERGY USE RELATED EMISSIONS

ENERGY RELATED EMISSIONS	UNIT	CURRENT YEAR 2019
Energy use emissions (all sources) - absolute	kg CO2e	5,163
Energy use emissions (all sources) - relative	kg CO2e per Audience day	0.0
Diesel	kg CO2e	5,163



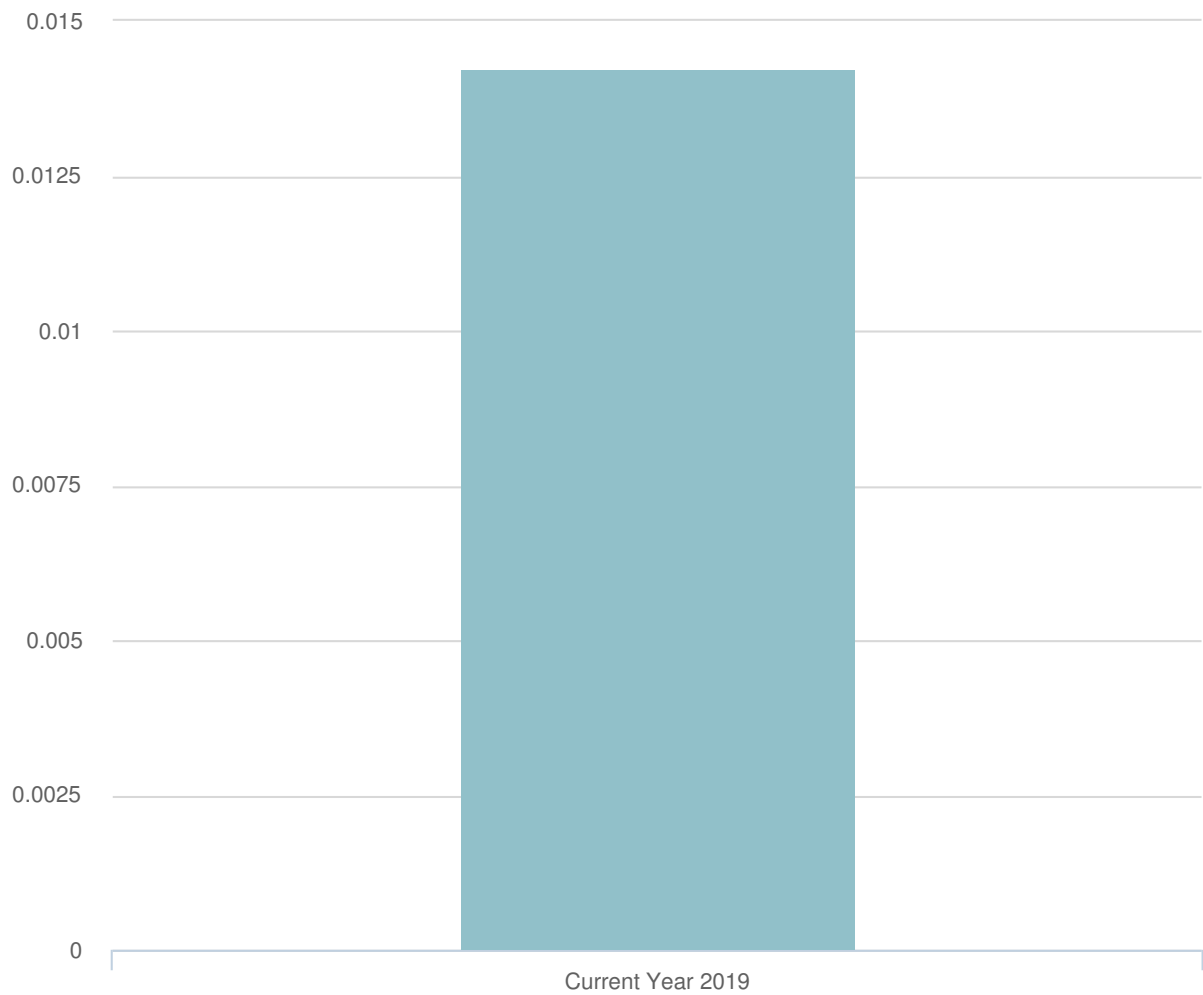
Energy use emissions (kg CO2e)





ENERGY USE RELATED EMISSIONS

Energy use emissions (kg CO2e per audience day)

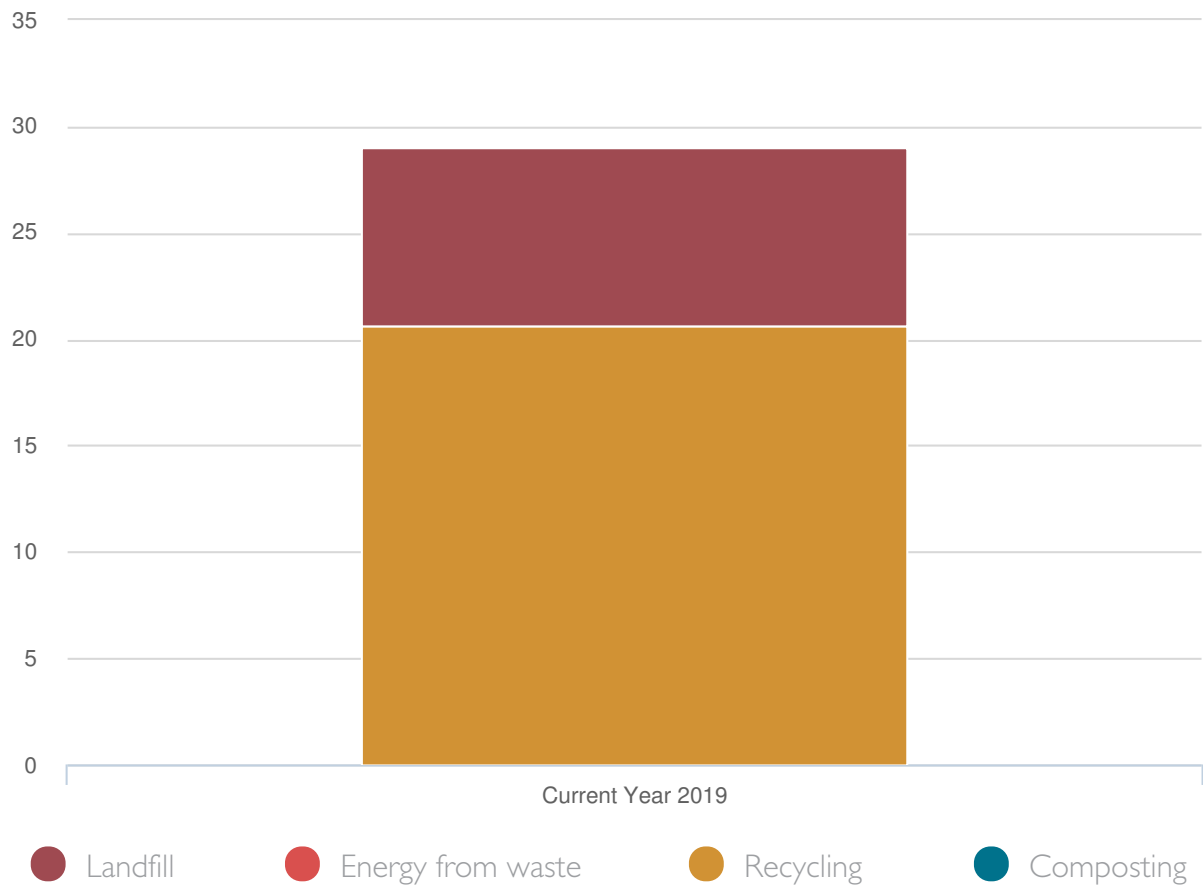




WASTE GENERATION

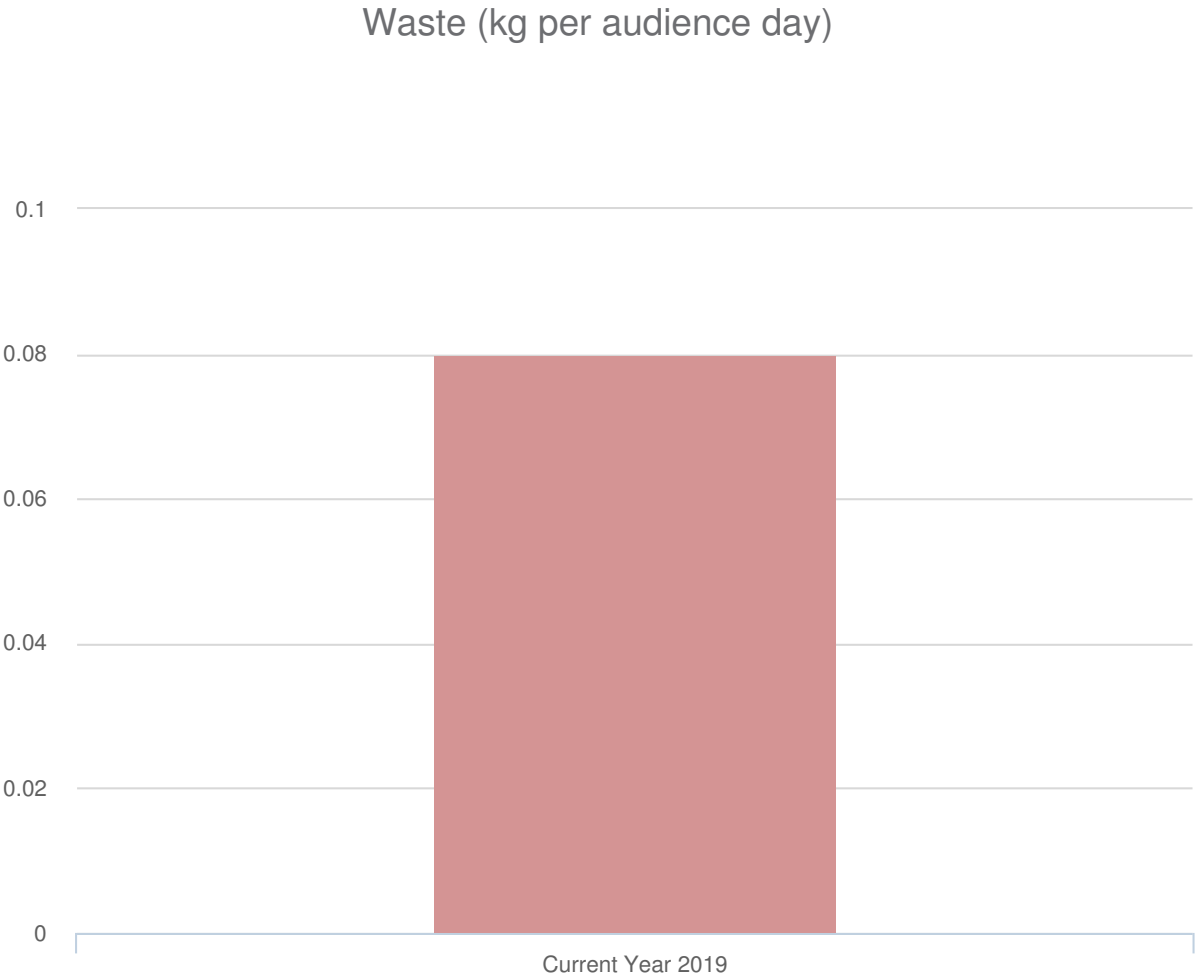
WASTE	UNIT	CURRENT YEAR 2019
Waste generation - absolute	tonnes	29
Waste generation - relative	kg per Audience day	0.1
Landfill waste	tonnes	8
Energy from waste	tonnes	0.0
Recycling	tonnes	21
Composting	tonnes	0.0

Waste (tonnes)





WASTE GENERATION



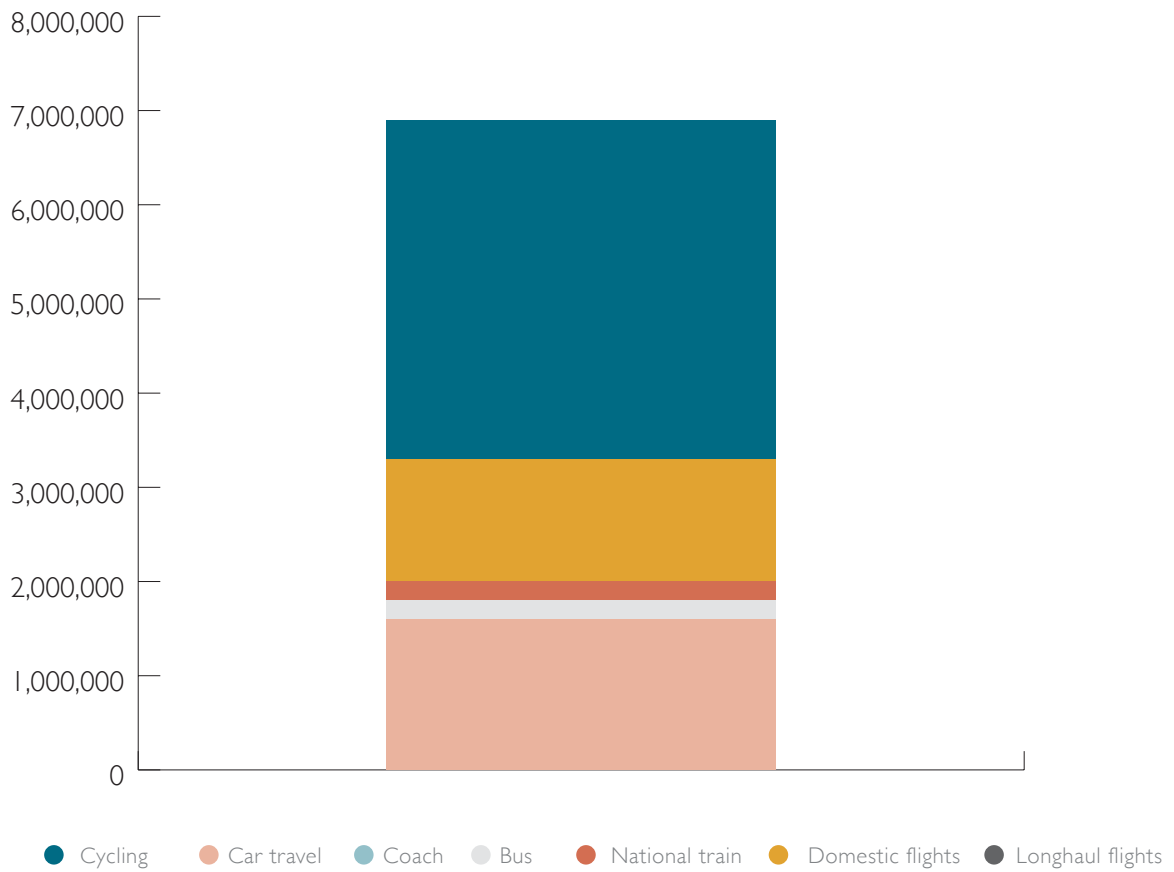
AUDIENCE TRAVEL



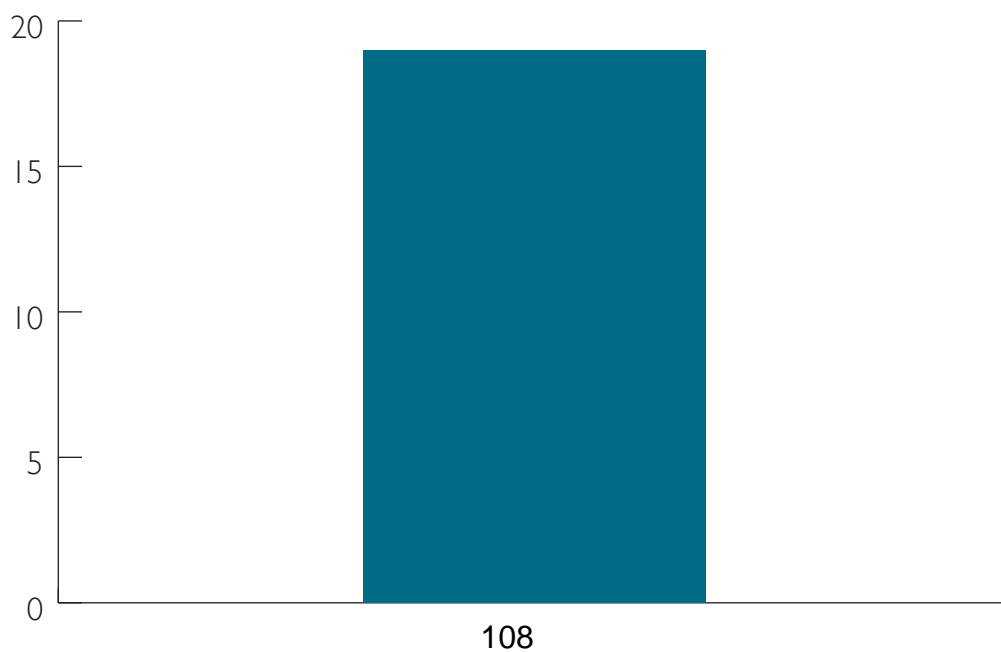
AUDIENCE TRAVEL RELATED EMISSIONS	UNIT	Current Year 2019
Audience travel related emissions — absolute	kg CO ₂ e	7,190,015
Audience travel related emissions — relative	kg CO ₂ e per audience day	19.8
Cycling	kg CO ₂ e	0
	% audience travelling	1
	km (average return distance)	181.1
Car travel	kg CO ₂ e	1,618,604
	% audience travelling	73
	km (average return distance)	181.1
Coach	kg CO ₂ e	8,857
	% audience travelling	1
	km (average return distance)	181.3
Bus	kg CO ₂ e	331,476
	% audience travelling	7
	km (average return distance)	181.1
Train (national)	kg CO ₂ e	377,674
	% audience travelling	13
	km (average return distance)	181.1
Flights (domestic)	kg CO ₂ e	1,122,146
	% audience travelling	3
	Hours travelled	<1.5
Flights (domestic)	kg CO ₂ e	3,731,258
	% audience travelling	1
	Hours travelled	>5



Audience Travel Emissions (kg CO₂e)



Audience Travel Emissions (kg CO₂e per audience day)





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Bournemouth Air Festival Evaluation 2021

Final report

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Commissioned by BCP council

Produced by

The South West Research Company Ltd

December 2021



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Bournemouth Air Festival Evaluation 2021

Key Findings

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Key Findings

The Bournemouth Air Festival is the town's premier visitor event and one of the largest free Air Festivals in Europe. It has been run by the Council since 2008. The festival is principally located on the seafront between Bournemouth and Boscombe Piers. This year the Festival took place over four days between Thursday 2nd – Sunday 5th September 2021. BCP Council appointed The South West Research Company Ltd. to undertake the economic evaluation of the 2021 festival including an on-site face to face survey with attendees to the festival over the four day period, a post event online survey amongst local businesses based in and around Bournemouth as well as an online survey amongst suppliers/traders directly involved with the festival.

The key findings of the 2021 research were:

Attendance and Economic Impact

- A total of 625,000 visitor days were spent at the festival representing an 18% increase on the last festival attendance in 2019 (531,000) and generated approximately 910,000 visitor days in the area (711,000 in 2019)..
- Attendance was well spread across the four days with Saturday and Sunday representing 52% of visitors.
- A total of £49.7m was spent in the local area by those attending the festival, 72% of which was spent in the local Bournemouth area and 28% spent in the wider Dorset county area.
- £14.1m of the total spend is estimated to be new expenditure that would not have occurred without the Air Festival taking place. 52% of this spend occurred in the local Bournemouth area and 48% in the wider Dorset county area.
- When further rounds of spending that occurred as a result of the visitor spend are considered, a total of £20.8m new business turnover was generated as a result of the Air Festival taking place, supporting an estimated 266 Full Time Equivalent (FTE) jobs and £11.6m Gross Value Added (GVA) in the local Bournemouth and Dorset county economy.

Key Findings

Face to Face Survey

- The feedback from festival attendees was very positive with 93% being very satisfied or satisfied with their experience and 89% stating that they would be very likely or likely to visit again.
- Overall, there was overwhelming support amongst local residents for the Air Festival with 86% in each case agreeing that it brings a sense of local/civic pride to the area and is of great importance to the local economy. 42% of local residents disagreed that the event caused unnecessary littering, traffic congestion and pollution to the town.
- 56% of all staying visitors said the Air Festival had been the main reason for their choosing to stay in the area.
- 70% of attendees (excluding staying visitors for whom the festival was the main reason for them choosing to stay overnight in the area) said the Air Festival had been the main reason for their visit on the day they were interviewed.
- 51% of attendees were repeat visitors and knew about the festival from a previous visit. Attendees visited the festival for an average of 1.65 days and stayed for 6.35 hours (6 hours and 21 minutes).
- Staying visitors accounted for 40% of all festival attendees, followed closely by 32% who were categorised as local residents of Bournemouth.
- 70% of festival attendees had visited in an adult only group, whilst 30% of groups contained children.
- 54% of all attendees had travelled to the Air Festival by car/van/motorcycle on the day of their interview, 24% had walked to the festival with the next most popular mode of transport being a public bus/coach service (16%).
- Around a third of attendees (35%) indicated that they had purchased single use items, 60% hadn't. A higher proportion of local residents had considered the environmental impacts of the festival itself before they attended, whilst staying visitors were more likely to have considered the environmental impact of their own actions.

Key Findings

Supplier/Trader Survey

- Overall, there was overwhelming support amongst suppliers/traders for the Air Festival with 93% agreeing that it brings a sense of local/civic pride to the area. 47% of businesses disagreed that the event caused unnecessary littering, traffic congestion and pollution to the town and 70% agreed that the event was of great importance to their business.
- The large majority of businesses showed support for the festival with 93% agreeing that it was of great importance to the local economy and 97% agreeing that it was of great importance to the overall image of the local area.
- Overall, satisfaction levels were relatively good amongst respondents with 74% very satisfied or satisfied with the level of business they received, 93% very satisfied or satisfied with their involvement with the festival and 90% very satisfied or satisfied with the way the festival was run.
- 97% of suppliers/traders responding to the survey undertook carbon neutral initiatives for the Air Festival. The largest proportion recycled waste where possible (83%).
- Staff working at the event and staying in Bournemouth as a result generated approximately £10,000 of additional spend.
- Additional local staff employed for the event generated approximately £24,000 in local wages.

Bournemouth Air Festival Evaluation 2021

Introduction

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Introduction

The Bournemouth Air Festival is the town's premier visitor event and one of the largest free Air Festivals in Europe. It has been run by the Council since 2008. The festival is principally located on the seafront between Bournemouth and Boscombe Piers. This year the Festival took place over four days between Thursday 2nd and Sunday 5th September 2021.

Bournemouth, Christchurch and Poole (BCP Council) were once again keen to evaluate and understand the net economic and environmental benefits/impacts of the festival during 2021. The main objective of the research was to mirror the 2019 evaluation and establish the economic impact of the Air Festival to Bournemouth during 2021 and to understand the additional impact that the festival brings over and above the regular visitor economy. The research once again included local residents, day visitors, holiday visitors, businesses and other stakeholders involved with the festival.

BCP Council appointed The South West Research Company Ltd. to undertake the economic evaluation of the 2021 festival including an on-site face to face survey with attendees to the festival over the four day period, a post event online survey amongst local businesses based in and around Bournemouth as well as an online survey amongst suppliers/traders directly involved with the festival.

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The specific objectives of the 2021 research were:

- To estimate, through a programme of visitor counts and the use of secondary data sources where available, the number of visitors by different categories to the Bournemouth Air Festival 2021 over the four days of the event.
- To calculate, through a programme of visitor interviews, the expenditure per visitor and the additionality effect (i.e. the proportion of trips to Bournemouth generated specifically by the event which otherwise would not have taken place).
- To produce, through simple modelling, the overall volume and value generated by the festival and an estimate of direct, indirect and induced spend leading to overall GVA and employment impact.
- To provide, through visitor interviews, profiles of both the type of visitor and the nature of the trip, plus satisfaction levels with the event.
- To ascertain, through an online questionnaire with local businesses in Bournemouth, the impact that the Air Festival has on the turnover and operation of retail, tourism and other commercial businesses.

Methodology

The methodology for the evaluation comprised of the following key components:

1. Face to face attendee surveys

A face to face survey amongst a sample of 405 attendees to the festival was undertaken over the four days of the event along the seafront between Bournemouth and Boscombe piers, including the promenade and beach, and in the East Overcliff area. Interviews were conducted by fully experienced fieldworkers operating under MRS guidelines with attendees approached on a random basis as they moved through the area allocated to the interviewer.

The survey explored visitor and visit characteristics, whether the festival was the main reason for their visit to Bournemouth and their spending patterns. The survey also explored attendees’ views and opinions of the festival.

A total of 400 interviews was chosen as the most robust option achievable within the project and event timescales and budget. The minimum recommended sample calculated for the project was 383.

All sample surveys are subject to statistical error. The size of this error varies with the sample size and also with the order of magnitude of the research findings being considered. The figures shown below are at the 95% confidence limits. Thus, for example, we can be 95% certain that, for all visitors, with a result of 50%, the true percentage is the range 45.1% to 54.9%.

Research findings	All visitors
Sample size:	405
10% or 90%	+/- 2.9
20% or 80%	+/- 3.9
30% or 70%	+/- 4.5
40% or 60%	+/- 4.8
50%	+/- 4.9

Methodology

2. Local Business Survey

In addition to the face to face attendee surveys, an online business survey amongst local businesses in Bournemouth and the surrounding area was also conducted. The questionnaire focused on their trading patterns and the impact of the festival upon their staffing and turnover. The link was distributed through the key business sector groups that are co-ordinated by BCP council during September/October 2021 with reminder emails sent to all non-respondents on a weekly basis until the survey was closed on the 29th October. Unfortunately, only 10 responses to the survey were received resulting in the sample being too small for meaningful analysis within this report and as a result 2019 data has been applied in the modelling process.

3. Supplier/Trader Survey

An online survey amongst traders/suppliers at the Bournemouth Air Festival 2021 was also conducted to explore areas such as the impact of the festival on business turnover, staffing levels and any suggested improvements to the event. Data was captured using an online survey, the link to which was circulated via email by BCP Council to all the suppliers/traders who had attended the festival. 30 businesses took part in the survey by the closing date of the 29th October.

4. Daily visitor counts

A programme of daily visitor counts were conducted over the full four days of the event to provide the basis to calculate an estimate of the total number of people in attendance each day.

5. Economic impact modelling

Using data derived from each of the previously mentioned components to estimate the overall economic impact of the Bournemouth Air Festival 2021 on the local and wider economy. It should be noted that whilst the data from the visitor surveys has been used in the economic impact modelling in some cases it has been necessary to segment and analyse the data differently than the overall approach displayed in the visitor survey results. This has been necessary to enable a daily picture of the event to be built, look at unique visits to the event and to separate out the different impacts of the attendee types for the event to get a more robust level of outputs.

Bournemouth Air Festival Evaluation 2021

Attendance and Economic Impact

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How was the festival attendance calculated?

The Bournemouth Air Festival attendance estimates contained within this section are based upon a series of actual counts conducted across key areas of the festival site between Bournemouth and Boscombe Piers (zones 1,2 and 3 in the map below), Pier Approach and Lower Gardens (zone 4) and East Overcliff Drive (zone 6). These areas represent the key viewing areas for the festival and whilst people will have also viewed the event from further afield, as detailed later in this section, attendance at other areas has been estimated based upon historical information and local knowledge of the festival.



From the outset it should be acknowledged that obtaining a fully accurate count at any festival or event is extremely difficult unless it is a ticketed one with restricted entry and exit points. The size and very open nature of the Bournemouth Air Festival site means that whilst every effort has been made to make attendance estimates as robust as possible, they should be viewed as informed estimates of the likely attendance.

Full visitor counts were undertaken across the key areas earlier identified for the first two days of the festival including counts pre-display, during display and at peak display times (2.30 – 3.30pm). For days three and four of the festival, sample counts of the zones 1 to 3 were undertaken which consisted of 48% of the beach and promenade area with counts undertaken in previously identified busiest sections. Full actual counts of zones 4 and 6 were also undertaken on the final two days. Final figures are adjusted to represent attendance at the peak time of day plus an estimate of the post peak period including any evening attendance.

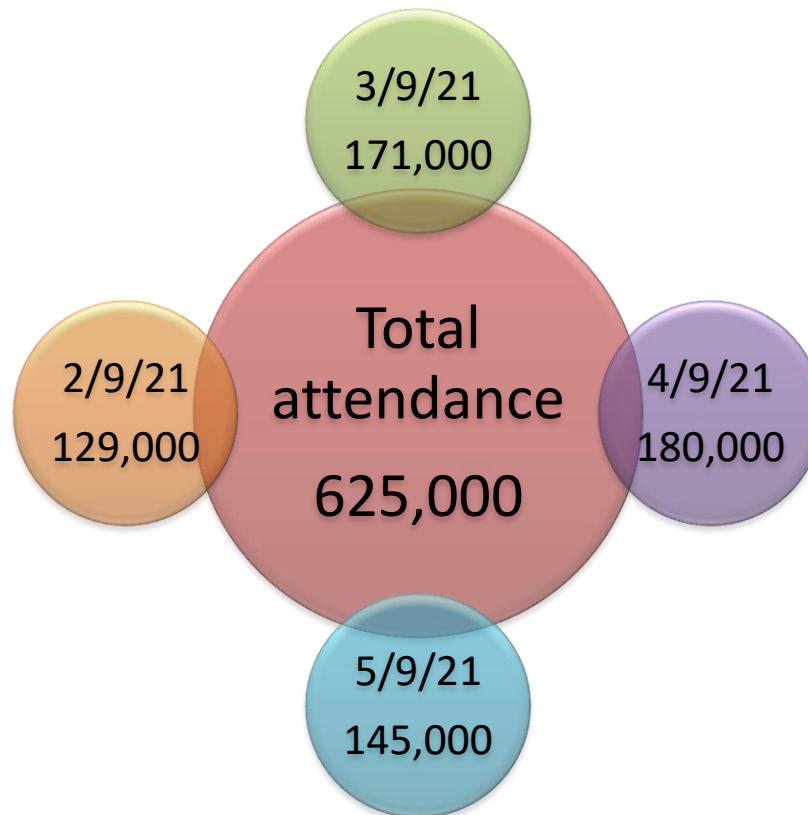
The count methodology mirrors that used for the 2019 festival evaluation.

How many people attended the festival?

The breakdown of the Bournemouth Air Festival 2021 attendance is shown below for each day of the festival and the four day period combined.

The figures represent all attendance at the festival at the peak time of the day (2.30 – 3.30pm) plus post peak period estimates which include any evening attendance for all areas. A total of 625,000 visitor days were spent at the festival representing an 18% increase on the last festival attendance in 2019 (531,000).

In addition to the 625,000 visitor days spent at the festival, staying visitors stayed in the local area for a longer period generating a further 285,000 visitor days. In total this equates to 910,000 visitor days spent in the local area by those attending the air festival (625,000 + 285,000). The total visitor days associated with the 2021 festival represents a 28% increase on 2019 volumes (711,000).



How many people attended on each day of the festival?

The breakdown of the Bournemouth Air Festival 2021 attendance is shown below for each day of the festival and the four day period combined and compared to the same festival days in 2019.

The figures represent all attendance at the festival at the peak time of the day (2.30 – 3.30pm) plus post peak period estimates which include any evening attendance for all areas. The proportions of visitors per day across the period align closely with BCP footfall counters in the area which whilst they are unable to count unique visitors do provide a reliable estimate of visitor flows over a set period of days.

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Thursday 2/9/21

91,000 peak
38,000 post peak
129,000 total
21% of all
+33% on 2019

Friday 3/9/21

123,000 peak
48,000 post peak
171,000 total
27% of all
+33% on 2019

Saturday 4/9/19

130,000 peak
50,000 post peak
180,000 total
29% of all
+5% on 2019

Sunday 5/9/19

125,000 peak
19,000 post peak
145,000 total
23% of all
+8% on 2019

Whole festival

469,000 peak
156,000 post peak
625,000 total
+18% on 2019

Thursday 29/8/19

68,000 peak
29,000 post peak
97,000 total
18% of all

Friday 30/8/19

92,000 peak
36,000 post peak
129,000 total
24% of all

Saturday 31/8/19

125,000 peak
47,000 post peak
171,000 total
32% of all

Sunday 1/9/19

119,000 peak
15,000 post peak
134,000 total
25% of all

Whole festival

404,000 peak
127,000 post peak
531,000 total

How was the spend generated by the festival calculated?

Using visitor spend data gathered through the face to face survey alongside count estimates and data from the face to face, local business and supplier/trader surveys the following process s followed to reach the new spend figure which is the amount of expenditure that would not have occurred without the festival taking place. Where insufficient data or samples for 2021 were present the similar surveys conducted for the 2019 festival evaluation have been used to sense check and inform the 2021 calculations.

1. Calculate gross spend

All spend generated by those attending the festival both at the event and away from the event regardless of whether the festival was the reason for their visit and including all staying visitor spend for their entire stay.

2. Calculate additional spend (subset of 1)

All spend generated by staying visitors for whom the festival was the main reason for their entire stay (whole stay included) or for visitors for whom the festival was their reason for visiting on the day of their visit (all day spend included).

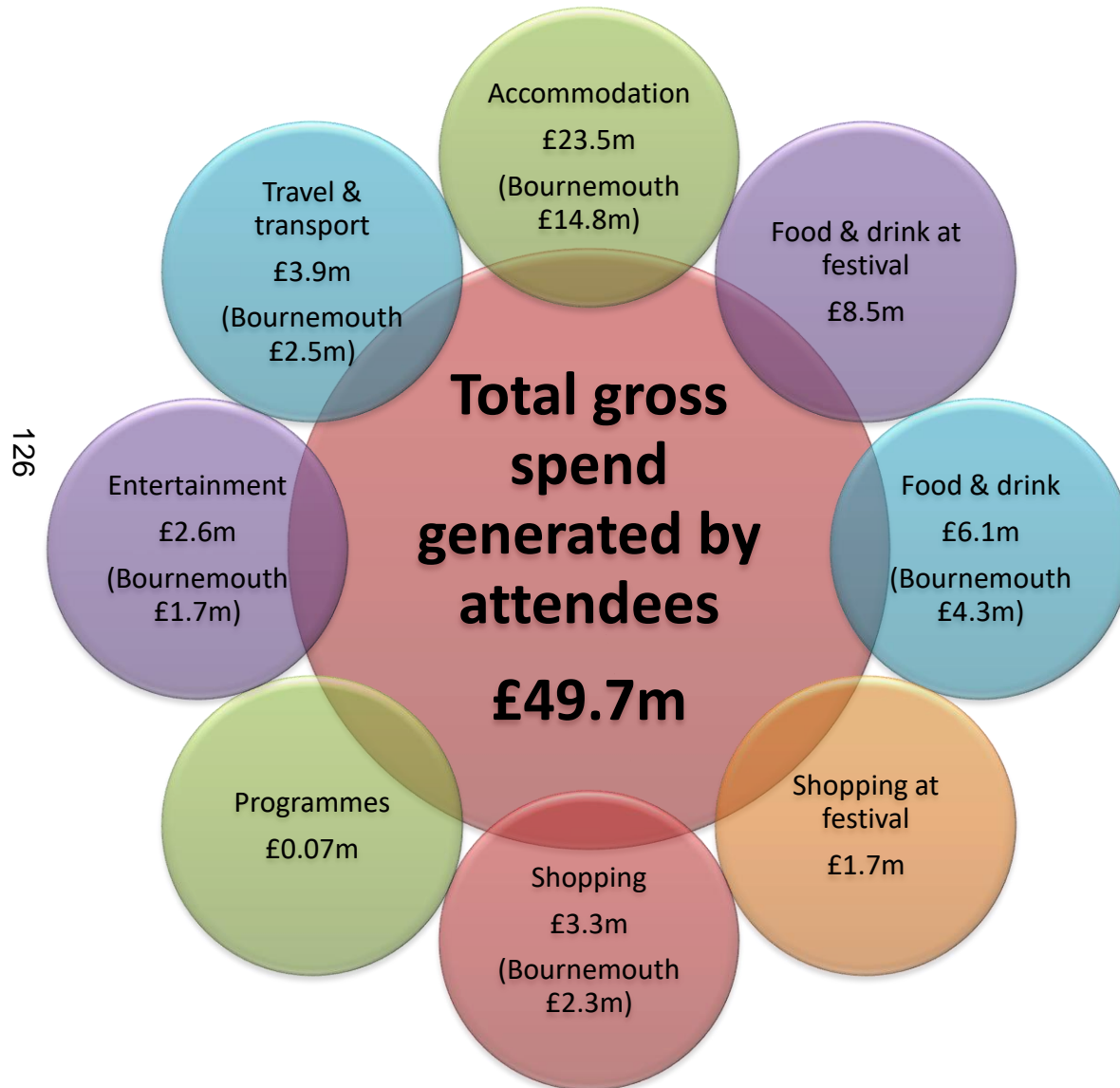
3. Removing what would have happened anyway and leakage

Reductions made to remove those that would have been spending money in Bournemouth anyway, reduction of residential spend to account for normal residential spend, reduction of Bournemouth staying visitor spend to account for just those visitors over and above a normal August period, reduction in spend at the festival to account for origin of traders and leakage out of area.

4. Calculate new spend (subset of 2)

Following the process above this is the amount of new expenditure that has occurred as a result of the festival taking place. New spend figures are entered into the Cambridge Model to estimate additional rounds of spending (indirect and induced), employment supported and GVA.

How much was spent in Bournemouth by those attending the Air Festival?



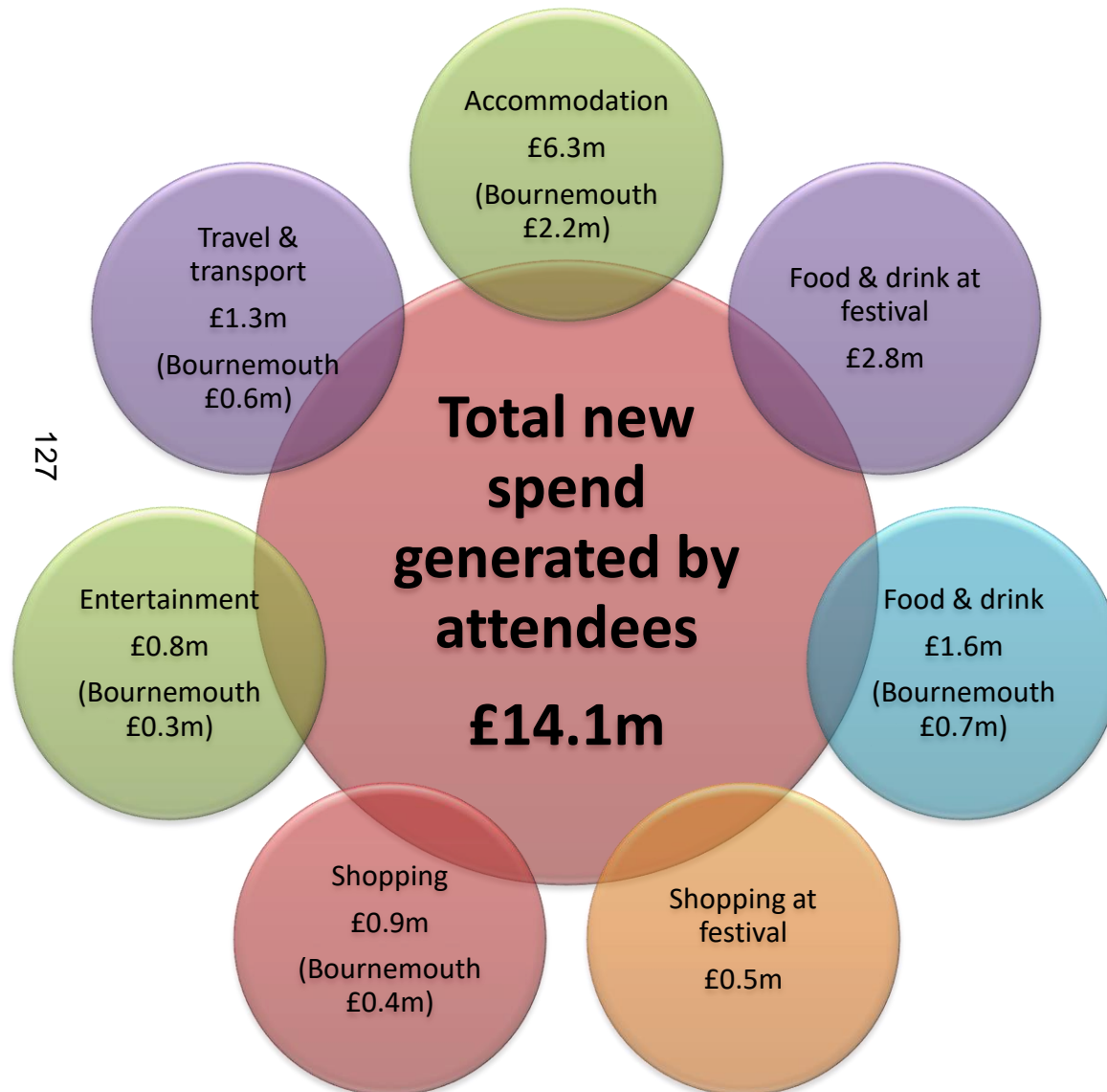
The diagram shows the total gross spend by all those attending the festival and includes all spend at the festival and in Bournemouth on the day of visit plus staying visitor spend in Bournemouth and other Dorset areas for the entire length of their stay.

In 2021 the total gross spend was £49.7m compared to £32.9m in 2019.

Of the £49.7m gross spend approximately 72% occurred in Bournemouth (£35.8m) and the local area with the other 28% occurring in the wider county area (£13.8m) and generated by staying visitors staying outside of Bournemouth. 71% of those staying outside of Bournemouth were still staying in Dorset.

The majority of gross spend associated with the Air Festival was generated by visitors staying in Bournemouth (54%), 32% by visitors staying elsewhere in Dorset, 8% by day visitors and 6% was generated by residents.

How much new spend was generated by Air Festival attendees?



The diagram shows the total of new spend generated by all those attending the festival after reductions have been made to account for deadweight, displacement and leakage. **This is the total direct visitor expenditure that would not have occurred without the Air Festival taking place.**

In 2021 the total new spend was £14.1m compared to £7.3m in 2019.

Of the £14.1m new spend approximately 52% occurred in Bournemouth (£7.3m) and the local area with the other 48% occurring in the wider county area (£6.8m) and generated by staying visitors staying outside of Bournemouth.

4% of new spend was generated by residents, 9% by day visitors, 35% by visitors staying in Bournemouth and 52% by visitors staying elsewhere in Dorset.

For details of the reductions made in calculating the amount of new spend see page 47 of this report.

Final adjustments made to spend and modelling terms used

The estimates of new visitor spending were then fed into the Cambridge Model which generates estimates of total spending in five business sectors (accommodation, retail, catering, attractions/entertainment and travel and transport). Visitor expenditure in each sector represents additional turnover for businesses in those sectors. However, evidence from national studies suggests that some minor adjustments are required to match visitor spend to business turnover. In particular, some expenditure on food and drink actually takes place in inns and hotels that fall into the accommodation sector and at attractions. The turnover for each business sector has therefore been adjusted to take account of these marginal changes. More significantly, expenditure on travel costs associated with individual trips is as likely to take place at the origin of the trip as it is at the actual destination. It is therefore assumed that only 60% of total travel expenditure accrues to the destination area.

Business turnover subsequently arises as a result of visitor spending at the event, from the purchase of supplies and services locally by businesses in receipt of visitor spending (indirect spending) and as a result of the spending of wages by employees whose jobs are directly or indirectly supported by tourism spending (induced spending).

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In addition to this further new spending took place in the local area through the awarding of contracts to local businesses to provide services that enabled the event to take place (approximate value of £212,000) and through out of area businesses working on the event sub-contracting to local businesses (approximate value £4,100). Further induced spending in the local area was also likely through the employment of additional local area staff for the festival which generated approximately £24,000 in local wages and through staff working at the event staying in the local area (approximate value £10,400).

Having identified the value of turnover generated by visitor spending in each business sector it is possible to estimate the employment associated with that spending using local wage data and an also to estimate the value of local GVA using the Cambridge Model.

The summary outputs for the final economic impacts calculated through the above method are shown overleaf and estimate that in total the new visitor spend generated a total of £20.8m in total business turnover in Bournemouth (£10.8m in 2019) and the wider county area, supporting 266 FTE jobs and providing an estimated £11.5m in GVA (£6m in 2019). These are impacts that would not have occurred had the Air Festival not taken place.

For more information on the Cambridge Model please see page 49.

What were the total impacts that came from the new spend?

Bournemouth and local area



Other Dorset county



Total impacts



Bournemouth Air Festival Evaluation 2021

Face to Face Survey Results

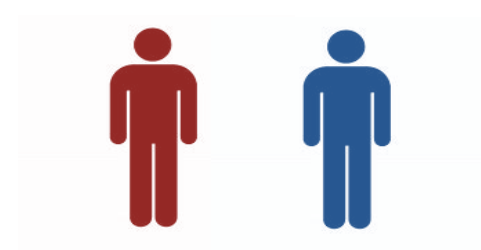
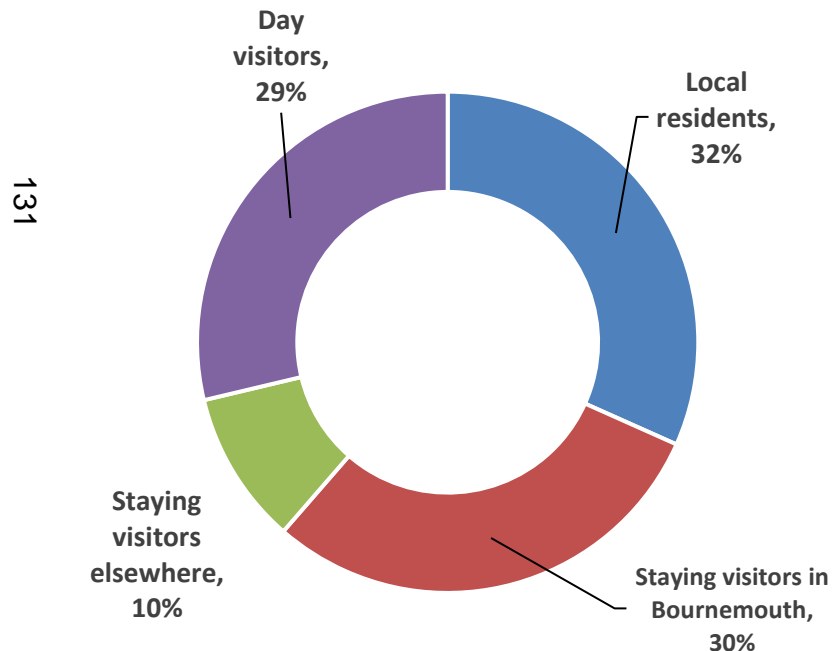


Who visited the festival?

40% of festival attendees were categorised as staying visitors (36% 2019), including 30% staying overnight in the town at the time of the event and 10% staying in nearby accommodation outside of Bournemouth (33% and 3% respectively during 2019). Local residents of Bournemouth accounted for 32% of all festival attendees (38% 2019) and day visitors 29% (27% 2019)

69% of festival attendees had visited in an adult only group (71% 2019), whilst 31% of groups contained children (29% 2019). Day visitors from home had the highest proportion of adults who had visited with children (41%, compared with 31% in 2019).

The average group size was 2.6 people (2.5 people 2019).



69% adult only groups
(71% 2019)



31% adults visiting with children
(29% 2019)

What was the group composition and age group profile of the attendees?

51% of attendees visited the festival in a family and/or friends group with or without children (same proportion as during 2019), 38% visited in a couple with their spouse/partner including 53% of those staying overnight in Bournemouth (31% and 37% respectively during 2019) and 11% attended the festival on their own including 23% of local residents (19% and 27% respectively during 2019).



51% family/friends group with or without children

(51% 2019)



38% spouse/partner

(31% 2019)

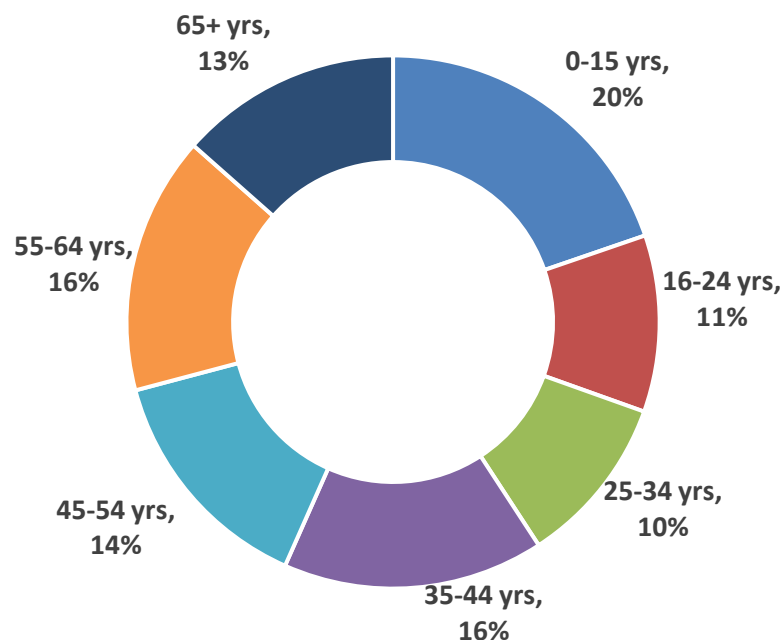


11% alone

(19% 2019)

20% of festival attendees were children aged 0-15 years (18% 2019). 37% of attendees were aged 44 years or under (29% 2019) including 11% aged 16-24 years, 10% aged 25-34 years and 16% aged 35-44 years. The largest proportion of attendees (43%) were aged 45+ years (52% 2019) including 14% aged 45-54 years, 16% aged 55-64 years and 13% aged 65+ years.

51% of attendees were male and 49% were female (49% and 51% respectively during 2019).

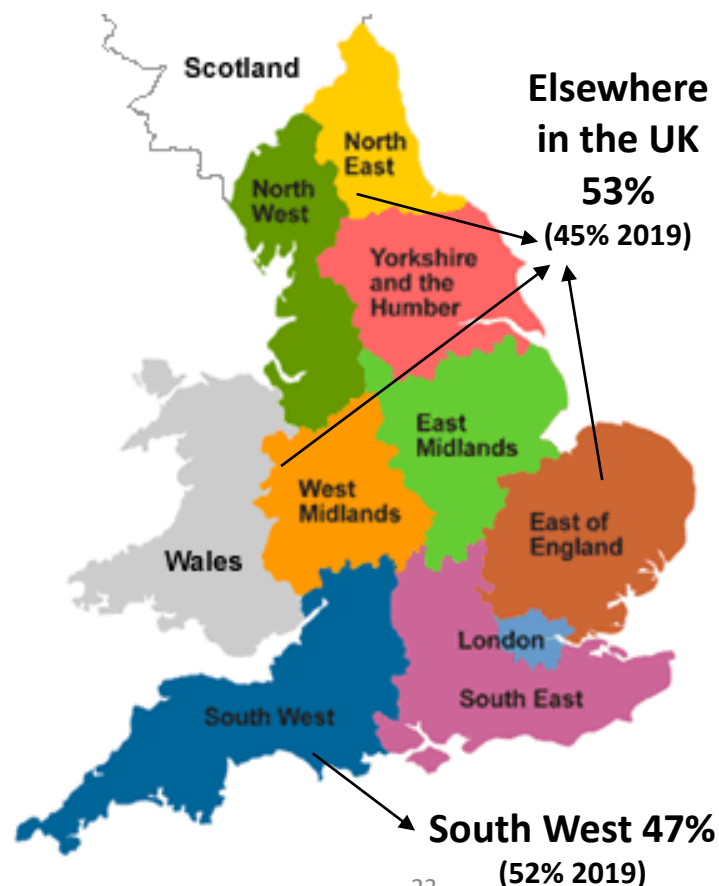


How far did the event reach?

Including Bournemouth residents, 38% of all festival attendees lived in Dorset (same proportion as during 2019). Outside of Bournemouth the other main Dorset towns generating visits were Poole and Christchurch. 13% of attendees lived in the neighbouring county of Hampshire (17% 2019). The remaining festival attendees came from a wide range of UK locations including 4% in each case from Kent and London and 3% in each case from Oxfordshire, Wiltshire and Warwickshire.

Top counties of residence	
Dorset	38%
Hampshire	13%
Kent	4%
London	4%
Oxfordshire	3%
Wiltshire	3%
Warwickshire	3%
Somerset	2%
Surrey	2%
Yorkshire	2%
Berkshire	2%
Buckinghamshire	2%
East Sussex	2%
Nottinghamshire	2%
West Midlands	2%

47% of all attendees (who provided their postcode details) were South West residents (52% 2019) including 32% who lived in the Bournemouth (BH) postal code area BH (38% 2019). 53% of festival attendees lived elsewhere in the UK (45% 2019) including 7% who lived in postal area 'SO' Southampton (9% 2019) and 6% in 'PO' Portsmouth (3% 2019). There were no overseas visitors captured through the 2021 survey (3% 2019).



Postal code area		
BH	Bournemouth	32.08%
SO	Southampton	6.94%
PO	Portsmouth	5.78%
DT	Dorchester	3.76%
SP	Salisbury	3.47%
CV	Coventry	2.89%
OX	Oxford	2.89%
BA	Bath	2.31%
HP	Hemel Hempstead	2.02%
B	Birmingham	1.73%
BN	Brighton	1.73%
GU	Guildford	1.73%
RG	Reading	1.73%
SL	Slough	1.73%
LE	Leicester	1.45%
MK	Milton Keynes	1.45%
NG	Nottingham	1.45%
TA	Taunton	1.45%
DE	Derby	1.16%
EN	Enfield	1.16%
S	Sheffield	1.16%
SN	Swindon	1.16%
Other UK postcode areas (<1% each)		18.79%

What was the drive-time catchment for the festival?

The map below displays the main concentrations of visitor origins for the Bournemouth Air Festival 2021 including 30 minutes' drive-time bands of the event up to 2 hours. The map clearly shows the high concentration of visitors to the event from within Dorset itself



How big a draw was the festival for staying visitors and what were the characteristics of their overnight visit to Bournemouth?

56% of all staying visitors said the Air Festival had been the main reason for their choosing to stay in the area (63% 2019) with this proportion varying between 59% of those staying overnight in accommodation in the town and 47% of those staying outside of Bournemouth (66% and 25% respectively during 2019).



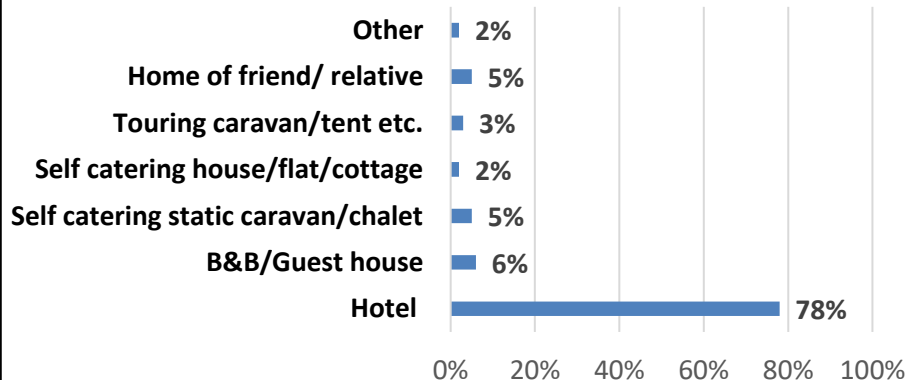
56% main reason for choosing to stay overnight the area
(63% 2019)



44% not main reason for choosing to stay overnight in the area
(37% 2019)

135

What type of accommodation are you staying in?



For those festival attendees staying overnight in accommodation in Bournemouth (accounting for 30% of all attendees) the average length of stay was of 3.37 nights (4.3 nights 2019).

Their average spend per person per night on their accommodation was £50.83 (£39.83 2019).



Average length of stay 3.37 nights
(4.3 nights 2019)



Average spend per person per night £50.83
(£39.83 2019)

For those festival attendees staying overnight in accommodation in Bournemouth 84% had used serviced accommodation (75% 2019) including 78% staying in a hotel and 6% a B&B/guesthouse (67% and 8% respectively during 2019). 7% had stayed in self catering accommodation (house/flat/cottage or static caravan/chalet) (6% 2019) whilst 3% had stayed in a touring caravan/tent etc (6% 2019). 5% had stayed in the home of a friend/relative (10% 2019).

84% of those staying outside of Bournemouth were staying in other locations in Dorset (75% 2019) and 5% in the neighbouring county of Hampshire (25% 2019).

How did staying visitors travel to Bournemouth?



82% car/van/motorcycle
(73% 2019)

82% of all staying visitors had travelled to Bournemouth by car/van/motorcycle (73% 2019) including 77% staying overnight in the town and 97% of those staying overnight in accommodation outside of Bournemouth (70% and 100% respectively during 2019).



12% train
(13% 2019)

The next most popular mode of transport amongst staying visitors was the train (12%, compared with 13% during 2019), followed by 5% who had used a public bus/coach service (3%) or tour/excursion bus (2%) (7% and 1% respectively during 2019). 1% arrived by bicycle.



**5% public bus/coach (3%) or
tour/excursion bus (2%)**
(7% & 1% 2019)



1% bicycle
(- 2019)

54% petrol
(55% 2019)



Staying visitors who had arrived in Bournemouth by car/van/motorcycle were asked what type of fuel their vehicle used.

54% of vehicles used petrol (55% 2019), 38% diesel (41% 2019) and 8% electric (3% 2019).

38% diesel
(41% 2019)



8% electric
(3% 2019)



**Average miles travelled
(all modes of transport)**
130.5
(193.19 2019)

The average number of miles travelled to get to Bournemouth for all modes of transport combined was 130.5 miles (193.19 2019).

How big a draw was the festival on the day of visit?

Excluding staying visitors for whom the festival was the main reason for them choosing to stay overnight in the area, 70% of all other attendees said the Air Festival had been the main reason for their visit on the day they were interviewed including 84% of local residents (82% 2019), 81% of day visitors (83% 2019), 15% of those staying overnight in accommodation in the town (16% 2019) and 45% of those staying outside of Bournemouth (56% 2019).

**70% main reason for visit on the
day of interview
(72% 2019)**



**30% not main reason for visit on
the day of interview**



How did attendees travel to the Air Festival?



54% car/van/motorcycle
(34% 2019)

54% of all attendees had travelled to the Air Festival by car/van/motorcycle on the day of their interview (34% 2019) including 42% of local residents (33% 2019), 75% of day visitors (59% 2019), 36% of those staying overnight in accommodation in the town (14% 2019) and 82% of those staying outside of Bournemouth (42% 2019).



24% on foot
(33% 2019)



16% public bus/coach or tour/excursion bus
(23% 2019)

Around a quarter of attendees had walked to the festival (24%) on the day of their interview (33% 2019) including 22% of local residents (21% 2019) and 54% of those staying overnight in accommodation in the town (74% 2019). At 16%, the next most popular mode of transport was a public bus/coach service (23% 2019). 4% of attendees arrived by train (6% 2019) and 1% in each case by bicycle, land train or by an other mode of transport including a campervan and taxi. (2%, 1% and 1% each during 2019).

63% petrol
(52% 2019)



Staying visitors who had travelled to the festival site on the day of their interview by car/van/motorcycle were asked what type of fuel their vehicle used.

63% of vehicles used petrol (52% 2019), 33% diesel (46% 2019) and 4% electric (1% 2019).

33% diesel
(46% 2019)



4% electric
(1% 2019)

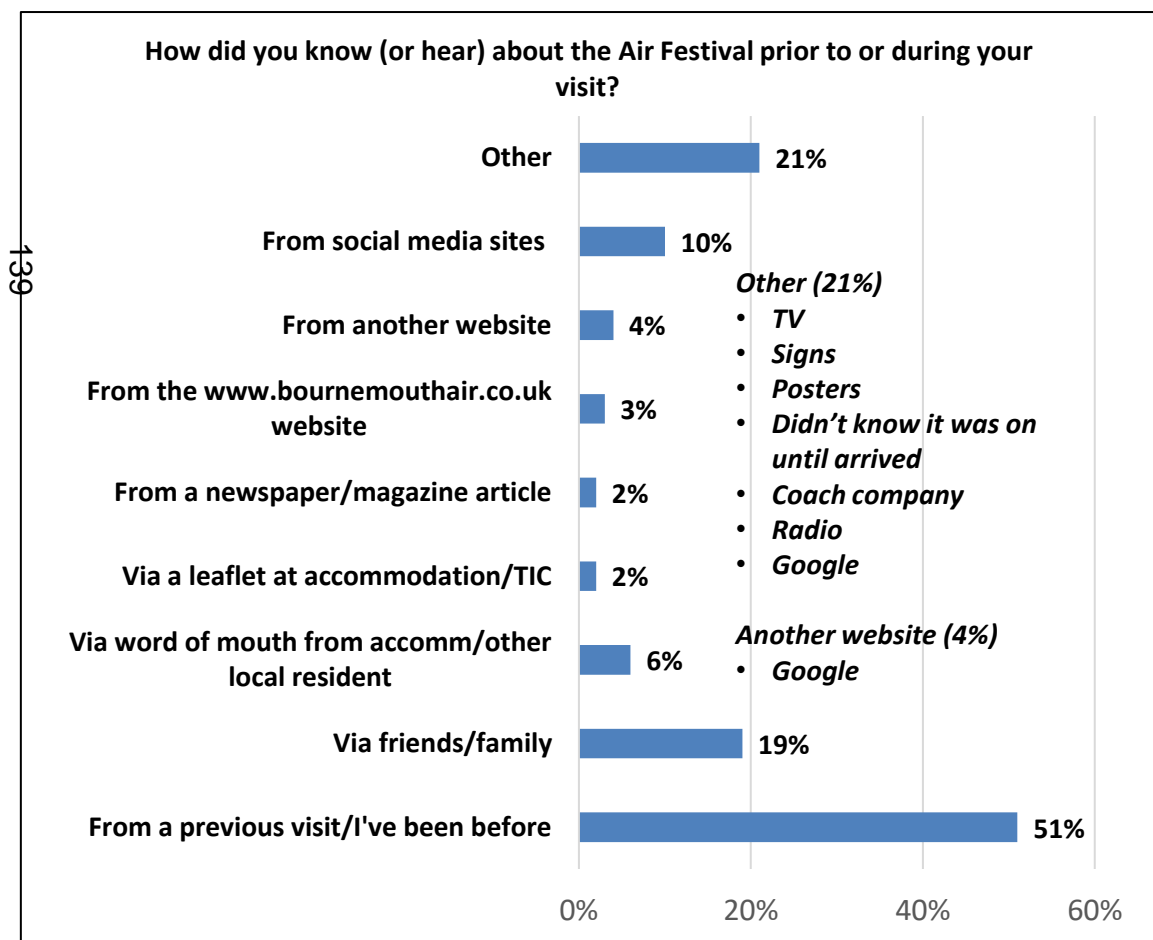


Average miles travelled to the festival site on the day of visit
18.68

The average number of miles travelled to the festival site on the day of visit was 22.48 miles (18.68 2019).

How did attendees find out about the Air Festival, how many days did they attend and how long did they spend on site?

Festival attendees were asked how they knew (or heard) about the Air Festival prior to or during their visit. By far the largest proportion (51%) were repeat visitors and had been before (65% 2019) including 70% of local residents (79% 2019), 53% of day visitors (65%), 36% of those staying overnight in accommodation in the town and 24% of those staying outside of Bournemouth (50% in each case during 2019). 19% of attendees had found out/heard about the festival from their friends/family (15% 2019).



Average number of festival days attended
1.65
(same as 2019)

Average hours spent at the festival 6.35
(5.84 2019)

How was attendees' experience of the festival?

The feedback from festival attendees reported a very positive experience with high levels of enjoyment.



82% very satisfied
11% satisfied
(71% and 22% 2019)

6% neutral
(6% 2019)

1% dissatisfied
(1% 2019)

Overall 82% of visitors stated that they were 'very satisfied' with their visit to the Bournemouth Air Festival and 11% that they were 'satisfied' (71% and 22% respectively during 2019). 6% were 'neither satisfied nor dissatisfied' with their visit (same proportion as 2019) and just 1% were 'dissatisfied' with their visit (same proportion as 2019)).

There was little variation in levels of satisfaction amongst the different visitor types.

High levels of satisfaction with the event are further supported by the 89% of festival attendees who stated that it was 'very likely' (78%) or 'likely' (11%) that they would visit the Air Festival again, around 9 out of 10 attendees (75% and 17% respectively during 2019).



9 in 10 would visit again

Only 2% said it was 'unlikely' they would visit the Air Festival again including 3% of staying visitors (4% and 8% respectively during 2019).

How do local residents feel about the festival?

The 2021 Air Festival research once again obtained local resident attendees' agreement levels with a number of statements regarding various aspects of the festival. Each factor, or indicator, was rated on a scale of '1' to '5' scale where '1' = 'Strongly agree', '2' = 'agree', '3' = 'neutral', '4' = 'disagree' and '5' = 'disagree strongly'.

Overall, there was overwhelming support amongst local residents for the Air Festival with 86% in each case agreeing that it brings a sense of local/civic pride to the area and is of great importance to the local economy (93% and 95% respectively during 2019). Just over two fifths of local residents disagreed that the event caused unnecessary littering, traffic congestion and pollution to the town (42% compared with 51% during 2019).

"This event brings about a sense of local/civic pride in the area"



86% strongly agree/agree
(93% 2019)

3% neutral
(3% 2019)

11% disagree/
strongly disagree
(4% 2019)

"This event causes unnecessary littering, traffic congestion and pollution"



34% strongly agree/agree
(33% 2019)

23% neutral
(17% 2019)

42% disagree/
strongly disagree
(51% 2019)

"This event is of great importance to the local economy"



86% strongly agree/agree
(95% 2019)

3% neutral
(3% 2019)

11% disagree/
strongly disagree
(2% 2019)

What are the impacts of the festival?

Attendees were asked if they had purchased or used any single use items during the festival such as drinks bottles, cutlery or food trays.

Over half of attendees (58%) indicated that they had purchased single use items (35% 2019), 41% hadn't and 1% didn't know/were unsure (60% and 6% respectively during 2019). There was little variation in the results amongst the different visitor types.



58% had purchased single-use items
(35% 2019)

41% hadn't purchased single-use items
(60% 2019)

BCP Council wants to reduce the environmental impact of Bournemouth Air Festival.

During the festival attendees were asked to think about whether they had taken any actions to help reduce the environmental impact of the festival during their visit. The results for all attendees are shown below. At least 65% or more had or intended to take part in each of the environmental actions explored.

Use public transport, cycle or walk to the Air Festival

Yes/intend to – 80%

No – 20%

Unsure – 1%

Use reusable drink containers, plates and utensils

Yes/intend to – 65%

No – 31%

Unsure – 3%

Use recycling bins at the Festival and/or take your own rubbish home to recycle

Yes/intend to – 93%

No – 6%

Unsure – 1%

Give preference to purchasing sustainable products with recyclable packaging

Yes/intend to – 80%

No – 13%

Unsure – 6%

How much did festival attendees spend?

Attendees were asked how much they had spent on a number of different categories during their visit to the festival/Bournemouth and an average spend per person per day figure was calculated. Average spend was highest on food & drink at the actual festival/seafront, followed by spending on shopping at the festival/Bournemouth.



£ **13.61**
(£10.24 2019)

Ave. spend per person on
Food & drink
AT EVENT/SEAFRONT



£ **4.31**
(£3.85 2019)

Ave. spend per person on
Food & drink
ELSEWHERE IN BOURNEMOUTH

Spending on shopping at the festival and in Bournemouth were the next two highest spend categories.



£ **2.69**
(£1.92 2019)

Ave. spend per person on
Shopping
AT EVENT/SEAFRONT



£ **2.18**
(£2.44 2019)

Ave. spend per person on
Shopping
ELSEWHERE IN BOURNEMOUTH

How much did festival attendees spend?



£ 1.45

Other entertainment/activities
Ave. spend per person

144



£ 2.11

Travel & transport in Bournemouth incl. parking
Ave. spend per person

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Bournemouth Air Festival Evaluation 2021

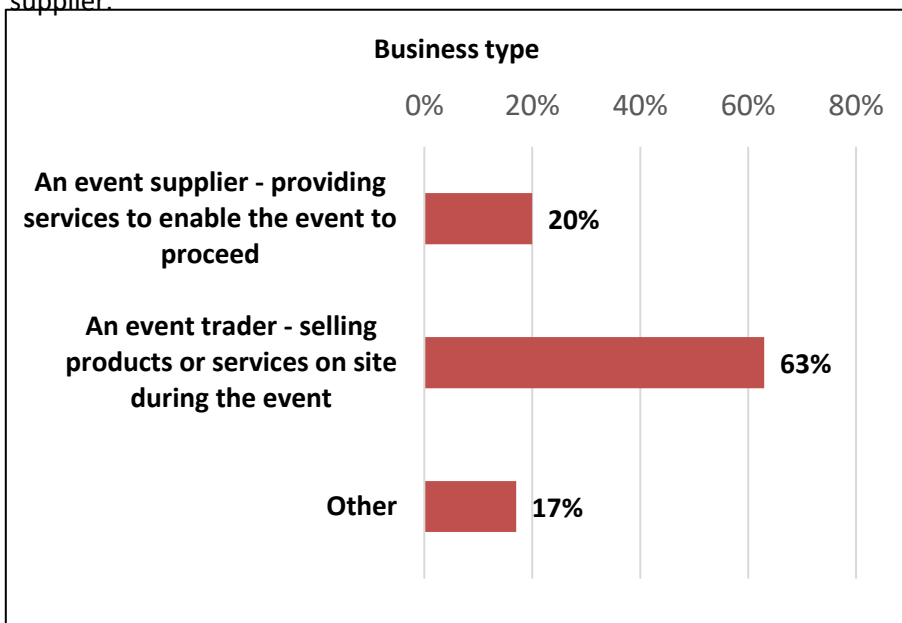
Supplier/Trader Survey Results



What was the type and location of suppliers/traders responding?

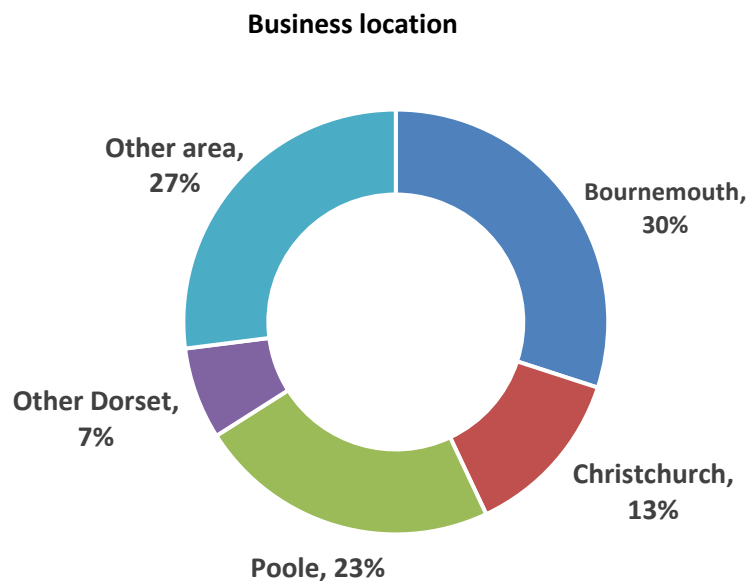
An online survey was distributed to suppliers to the festival who provided services which enabled the event to go ahead and traders who were licensed to sell goods onsite at the festival. A total of 30 completed responses were received by the closing date of the 29th October. 67% were independent businesses (64% 2019), 27% were part of a national chain (32% 2019) and 7% part of a regional or county wide chain (5% 2019).

63% of respondents were businesses trading at the event (68% 2019) and 20% (6 businesses) were an event supplier providing services which enabled the event to proceed (5% 2019). 17% (5 businesses) categorised themselves as 'other' (27% 2019) and included groups connected to the STEM project, a charity, rotary club and safety boat supplier.



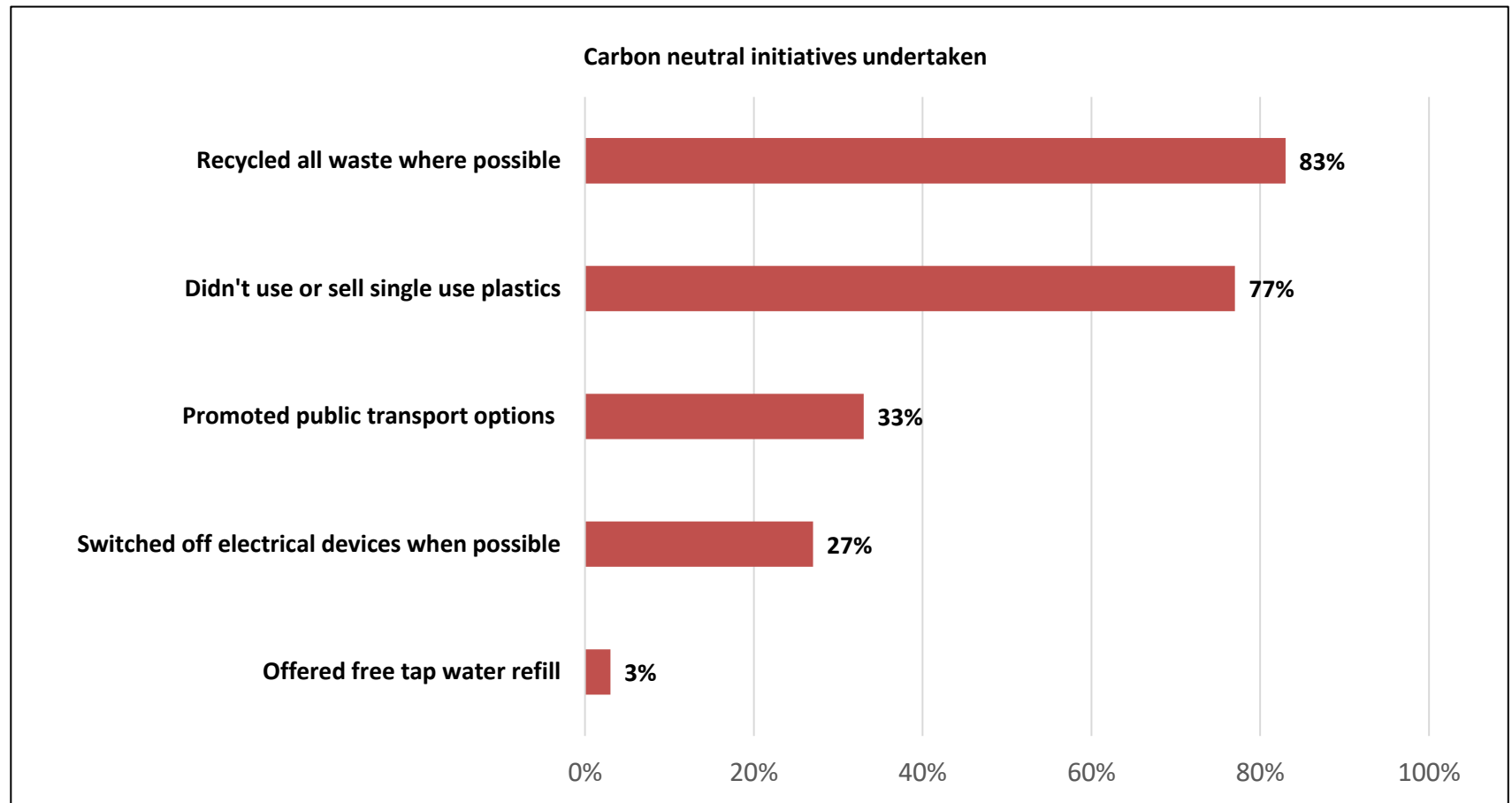
30% of businesses were based in Bournemouth (23% 2019), 23% in Poole (14% 2019) and 13% in Christchurch (9% 2019). 7% of businesses were from other areas of Dorset outside of the BCP Council area (9% 2019) and 27%, the largest proportion, were from other areas (45% 2019).

Considering the sample size, type and location of respondents the results in this section should be viewed as indicative and do not allow for more detailed breakdowns below the overall sample.



What carbon neutral initiatives were undertaken?

97% of suppliers/traders responding to the survey undertook carbon neutral initiatives for the Air Festival (95% 2019). The largest proportion, 83%, recycled waste where possible (82% 2019), 77% didn't use or sell single use plastics (59% 2019), 33% promoted public transport (32% 2019), 27% switched off electrics where possible (27% 2019) and 3% offered free tap water refills (5% 2019).



Did staff stay in the local area?



20%
(50% 2019)

Suppliers/traders had staff stay in the local area generating
139 visitor nights
(573 2019)

148



83%
(82% 2019)

Stayed in serviced accommodation
(55% during 2019)



10,414
(£36,830 2019)

Additional value associated with overnight stays

How did suppliers/traders change?



17%
(41% 2019)

Increased staff levels



Local

100%
(67% 2019)

Employed additional staff from the local area generating
322 additional staff days
(203 2019)



23,674
(£14,939 2019)

Value of local earnings from additional staff days

How do suppliers/traders feel about the festival?

Overall, there was overwhelming support amongst suppliers/traders for the Air Festival with 93% agreeing that it brings a sense of local/civic pride to the area (91% 2019). 47% of businesses (55% 2019) disagreed that the event caused unnecessary littering, traffic congestion and pollution to the town and 70% agreed that the event was of great importance to their business (54% 2019). 47% said it equated to 10% or less of their annual turnover (63% 2019), 10% said it equated to between 11% and 20% of their annual turnover (15% 2019) and for 6% said it equated to 21% or more of their annual turnover (23% 2019).

"This event brings about a sense of local/civic pride in the area"



93% strongly agree/agree
(91% 2019)



7% neutral
(9% 2019)



0% disagree/
strongly disagree
0% 2019)

"This event causes unnecessary littering, traffic congestion and pollution"



13% strongly agree/agree
(9% 2019)



40% neutral
(36% 2019)



47% disagree/
strongly disagree
(55% 2019)

"This event is of great importance to my business"



70% strongly agree/agree
(54% 2019)



23% neutral
(41% 2019)



7% disagree/
strongly disagree
(5% 2019)

How do suppliers/traders feel about the festival?

The large majority of businesses showed support for the festival with 93% agreeing that it was of great importance to the local economy (82% 2019) and 97% agreeing that it was of great importance to the overall image of the local area (86% 2019).

"This event is of great importance to the local economy"



93% strongly agree/agree
(82% 2019)

7% neutral
(18% 2019)

0% disagree/
strongly disagree
(0% 2019)

"This event is of great importance to the overall image of the local area"



97% strongly agree/agree
(86% 2019)

3% neutral
(14% 2019)

0% disagree/
strongly disagree
(0% 2019)

How satisfied were suppliers/traders with their involvement with the festival?

Overall, satisfaction levels were relatively good amongst respondents with 74% very satisfied or satisfied with the level of business they received (60% 2019), 93% very satisfied or satisfied with their involvement with the festival (64% 2019) and 90% very satisfied or satisfied with the way the festival was run (63% 2019).

How would you rate your overall satisfaction with the level of business you received at this years Air Festival?



37% very satisfied
/37% satisfied
(20% & 40% 2019)

11% neutral
(20% 2019)

5% dissatisfied/
11% very dissatisfied
(13% & 7% 2019)

How would you rate your overall satisfaction with your businesses involvement with this years Air Festival?



43% very satisfied
/50% satisfied
(23% & 41% 2019)

3% neutral
(18% 2019)

3% dissatisfied/
0% very dissatisfied
(14% & 5% 2019)

As a festival supplier/trader how satisfied were you with the way this years Air Festival was run?



50% very satisfied
/40% satisfied
(27% & 36% 2019)

3% neutral
(27% 2019)

3% dissatisfied/
3% very dissatisfied
(5% in each case 2019)

What could be done to improve the Air Festival for those supplying the event or trading at the event in the future?

A selection of responses is provided below and overleaf (for the full list of responses please see the appendices which accompany the report).

A place to refill water bottles would be extremely helpful. There were people complaining about not being to access clean drinking water for their families and in some cases their dogs. Also as Exhibitors it would be nice as a few of the days were very warm... We had cold drinks in a Fridge so were quite well prepared but others less so.

Catering traders that paid for platinum pitches were too far away from main footfall areas. Commercial pitches and fair ground rides were closer than food pitches and pitch fees far too high for return. Too many non local companies whilst at other air shows preference and preferred pricing given to local businesses to reduce carbon footprint and support local businesses

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As this was our first time exhibiting at the festival, there were a few things we could have done to prepare ourselves more. However, now we have done it once, if we were to do it again, we would be more prepared! The Council were great with sending information, it would have been helpful to have our passes and vehicle passes earlier as a lot of our staff work from home and we struggled to distribute these in time. Two members of staff couldn't bring their vehicles on site as we couldn't get a pass to them in time, even though we informed the Council of their details. Thank you for having us! It was a really successful event and we thoroughly enjoyed being apart of it!

Provide generators for traders

In our opinion, electricity supply would be an added bonus.

Increased toilet facilities, urinals for traders and the public on the East cliff trading, STEM area.

Our team provided the water volunteer duties to keep the display area clear. We had a great working relationship with the team from PHC.

Reducing the costs to trade would enable me to make profit. Other than that I thought you guys did a great job for traders - parking was allocated and park and ride enabled easy access. This was way better than Boardmasters this year where traders were pretty much ignored. And they didn't ask for feedback like you have.

What could be done to improve the Air Festival for those supplying the event or trading at the event in the future?

This survey is only relevant to businesses not local authority participation. Support officers designated to our stand area did not visit us once or introduce themselves, their mobile numbers were changed therefore we were unable to contact them urgently when required. I picked up an email after the Air Festival which had been sent too late for me to pick-up and update their details on my records with the change in numbers, these details should have been given to each stand in this area once the festival had started when the representatives introduced themselves or during the event. Having said that, when I finally found them they were polite and supportive although as it happens it was too late to assist us due to the time it took to find them standing against a wall behind the stands and not visible on the prom.

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This was my first year attending the festival so I am still learning but we had many compliments about our food.

From the point of view of a Fellowship/ Charitable organisation I feel that there is a need to gather opinions from like organisations as to the better presentation and locations.

Maybe the airshow could start earlier in the mid week

Traders parking, shuttle bus from Boscombe, better internet connection, traders that have hygiene importance, litter pickers, better waste and water disposal.

We found that the times we were allowed on to the site to restock etc. quite inconvenient. The earlier slot around 6pm was quite unhelpful as there was still time to trade. The later slot too late, neither myself or my staff had an adequate amount of sleep during the festival before we had to be back on site in the morning. On the first day we were held at the gates and couldn't get on site to remove valuables we didn't want to leave overnight. This was despite the area being very quiet with the public. If the public were the problem and the council wanted to clear the site then the earlier time of around 6 that we could access was very busy?!

Any other comments about the festival?

A selection of responses is provided below (for the full list of responses please see the appendices which accompany the report).

A massive thank you for all the organisation that was done behind the scenes. Hopefully we can take part again next year.

For on the water based attendees, it would help to have a floating mark near to the shore that clearly defines Northern edge of the no anchoring zone.

Great event to be involved with! We would like to have more involvement going forward.

We had a few unsociable jet ski people that whilst not breaking any law, were causing an annoyance to the anchored craft on the water by performing stunts within the anchored boats.

In what was a very difficult year the organising team who adapted in very difficult circumstances and still delivered a world class event. The flying display obviously lacked international participation and was maybe a little repetitive and thin on the ground over the 4 days but that could be excused for a COVID Pandemic year. The festival is a credit to every one who participates and is up there with some of the best events in the world. Cant wait until 2022!!!

*It was brilliant but relentless !!
Such was the popularity of the STEM tent most of Saturday and Sunday I didn't stop...*

Very friendly and helpful when booking this event. Great service

Shame about the food wastage at the end of the festival. The organisers should arrange for charities to come and collect any food that is to be thrown away, as many food traders throwing away good food like bread rolls etc.

Thank you for letting us to your show. It's was a great show. Everyone enjoyed it very much.

The success of the airshow is a testament to the team who were involved in the planning and organisation of the event. The RAF Association is extremely grateful for the help and assistance that we get from the Tourism Marketing & Events department leading up to and during the airshow - well done and thank you to all.

We felt that the BCP staffing and assistance was excellent and always helpful. Great overall atmosphere.

Run very well

Bournemouth Air Festival Evaluation 2021

Calculating New Spend

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What adjustments were made to calculate the amount of new spend?

Whilst approximately £50m was spent by those attending the Air Festival both at the event and in Bournemouth and the wider Dorset area a large proportion of this did not occur as a direct result of the event itself and would have happened anyway or was expenditure which is likely to have leaked out of the local area after the event. Listed below are the adjustments made to the gross spend figure to reach the amount of new spend generated by the event.

Details of spend removed are as shown below;

- The festival was not the main reason for the stay for 41% of those staying in Bournemouth and 53% of those staying outside of Bournemouth.
- Staying visitors not influenced to stay by the festival were asked if it was the main reason for their visit on the day of attending, 84% of those staying in Bournemouth said it wasn't as did 53% of those staying outside of Bournemouth.
- Those influenced to visit by the festival on the day of visit were asked if they would have been enjoying a leisure day out in Bournemouth if the festival wasn't on, those that would have been out anyway were removed from the data (ranging from 43% of Bournemouth staying visitors to 67% of visitors staying elsewhere in Dorset).
- Residential spend was reduced by 50% across all categories to account for normal everyday spend likely to have occurred anyway.
- The remaining Bournemouth staying visitor spend was reduced to 25% across all sectors away from the Air Festival. 75% of influenced staying visitors are assumed to be the usual Bournemouth August level of staying visitors based upon business data, occupancy data from the England Occupancy Survey and accommodation supply.
- Spend at the festival was reduced by 30% to reflect the proportion of traders originating from outside of the Bournemouth/Dorset area. The remaining 70% of festival spend was estimated to have largely remained in the Bournemouth local area (78%) with the remaining 22% being in the wider county area. All spend on programmes was removed as this is held by the council to invest in future events.

Bournemouth Air Festival Evaluation 2021

Cambridge Model

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Cambridge Model

Overview of the model and multipliers

The Cambridge Model is a computer-based model developed to calculate estimates of the volume, value and economic impact of tourism on a County or District basis. It draws on the combined experience of PA Cambridge Economic Consultants Ltd, Geoff Broom Associates and the Regional Tourist Boards and utilises a standard methodology capable of application throughout the UK. It therefore offers the potential for direct comparisons with similar destinations throughout the country. The approach was the subject of independent validation (R.Vaughan, Bournemouth University) in December 1994. The Model was judged robust and the margins of error acceptable and in line with other modelling techniques.

The multipliers used for this economic evaluation are the same as those used to calculate Bournemouth and Dorset data in the Value of Tourism report produced annually by The South West Research Company.

159 The economic impact is based on the estimates of spending by staying and day visitors. The Model uses these estimates of expenditure by the different visitor groups as the basis for estimating the level of employment supported by that spending. This includes an internal business database that uses data on the structure of business expenditure, local linkages and multiplier ratios drawn from a wide range of business and economic studies carried out by Geoff Broom Associates, PA Cambridge Economic Consultants and others.

The Model in its basic form relies on using information from a range of sources. The methodology and accuracy of these sources varies, and therefore the estimates can only be regarded as indicative of the scale and importance of visitor activity in the local area. As with all models, the outputs need to be viewed in the context of local information and knowledge. Because of the data sources and modelling process, there is potential for larger margins of error associated with some individual figures, with small numbers being particularly prone to such errors. Therefore the outputs should be taken as indicative rather than definitive.

Bournemouth Air Festival 2021 Evaluation

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Equality Impact Assessment: Report and EIA Action Plan

Purpose

What is being reviewed?	Options for the future of Bournemouth Air Festival beyond 2023 including whether it is to take place or be replaced with an alternative festival/event. Cabinet report will be considered on 22 November 2023
Service Lead and Service Unit:	Commercial Operations
People involved in EIA process:	Jon Weaver, Head of Events, Stephanie Sainsbury, Events Development Co-ordinator, Amanda Barrie – Head of Commercial Operations,
Date/s EIA started and reviewed:	January 2023 onwards

The Council is legally required by the Equality Act 2010 to evidence how it has considered its equality duties in its decision-making process.

The Council must have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to -

- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

A link to the full text of [s149 of the Equality Act 2010](#) which must be considered when making decisions.

Background

1. The Bournemouth Air Festival

The concept for Bournemouth Air Festival was developed in 2008 by the then Director of Tourism for a free attractor event that would attract people to Bournemouth and build on the vision at the time for Bournemouth to become an 'event full' destination. Air Shows were and still are considered some of the biggest spectator events in the calendar with the capability of attracting hundreds of thousands of people.

Bournemouth Air Festival is a prime example of an event that since 2008 has made a significant contribution to the local tourism economy, attracting several million visitors & residents and raising the profile of Bournemouth and the surrounding area. A key outcome was to help support the tourism industry, in particular the accommodation and hospitality sectors in Bournemouth by extending the shoulder season.

Unlike most other Air Shows, Bournemouth Air Festival is a free 'Festival' which runs over 4 days (Thurs – Sunday) from 10am to 10pm (6pm on Sunday) and welcomes visitors of all ages from 0 – 99 years.

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Whilst visitor numbers peaked at over 1 million in the early years, they are now stabilised at around half a million – still making it one of the biggest spectator events in the region.

2. What is being proposed and why?

It is proposed that BCP Council deliver a three-day Air Festival in 2024 with a budgeted contribution from the Council of £200,000, reduced from £397,000 in 2023, with work undertaken to shape the Festival in line with the budget available. The Council acknowledges the financial risk of achieving additional commercial income of £95,000.

A number of different options have been considered and this option has been chosen as it provides a substantial saving to the Council in 2024 whilst still enabling the Air Festival to continue as work is carried out to seek an external organisation or partner to deliver the Air Festival from 2025 onwards, with no net cost to the Council. If this cannot be achieved the Air Festival would cease after 2024.

A three-day Festival is considered to be a more viable option than a two-day event as it provides less risk in relation to the impact unfavourable weather conditions can have on the Festival. Three days also presents a more positive message to visitors and residents, than reducing from 4 days down to 2 days.

The three days would be Thursday, Friday and Saturday in order to capitalise on the business to business and extended hospitality opportunities which have been identified to help fund the Festival. This also provides for the opportunity for Bournemouth Town Centre Bid to work with communities and community event organisers to run a Community Fun Day on the Sunday encouraging visitors to stay the extra night, benefitting the Accommodation sector. This would also draw visitors away from the main Air Festival site (Seafront and Overcliff) on the Sunday into the wider Town centre, benefitting town centre businesses and hospitality.

3. Who is likely to be impacted?

Tourism industry and local businesses.

Residents and visitors who attend the Air Festival are from across a wide age and social spectrum. An economic assessment in 2021 showed that local residents of Bournemouth accounted for 32% of all festival attendees and day visitors accounted for 29%. Overnight stay visitors in Bournemouth accounted for 30% and staying visitors elsewhere for 10% of attendees. Adult only groups made up 69% of attendees with 11% attending alone. Adults visiting with children made up 31%. Age ranges were broken down into 7 groups from 0 – 15yrs up to 65+ yrs with a fairly even spread across all ages.

Total gross spend generated by attendees in 2021 was £49.7m including accommodation, food and drink, shopping, programmes, entertainment and travel.

4. How are they likely to be impacted?

No known equality impacts have been identified based on age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex, sexual orientation, military veterans, children in care or care leavers.

However, as the Air Festival is a free event, were it to be stopped and not replaced with an alternative free event then this could impact on the health, wellbeing and enjoyment of those families on low incomes who would not be able to afford to pay to go to an alternative event elsewhere. According to the English Indices of Multiple Deprivation (2019) and matched to the 2021 Census population 45,200 people live in an area that is amongst the 20% most deprived in England, including 10,600 0-19 year olds and 6,000 over 65 year olds. BCP area has nine areas (2011 LSOAs) in the most deprived 10% in England where 15,900 residents live. (Source – State of BCP Report 2023)

The biggest sectors in employment terms in the BCP area are the 'Retail, Hospitality and Leisure' sectors and the 'Health' sector. (Source – State of BCP Report 2023). The loss of the Air Festival in economic terms would be felt most heavily by the Accommodation and Hospitality sectors which rely on it to extend the shoulder season in preparation for a long winter ahead. The decision to continue to run an Air Festival in 2024 and beyond will mitigate against the negative impacts that would be felt were it to cease.

5. BCP Council Staff

Depending on the decision taken a review of the events team structure may be required once the delivery mechanism for any future event is known. This is likely to require a review of functions and roles to ensure we can deliver on the income generating requirements.

6. Consultation and Results

In order to look at how the challenges facing delivery of the Air Festival could be addressed and consider what a future Air Festival or replacement event might look like, a Task & Finish (T&F) Group was set up including Members, Council Officers and representatives from local businesses and organisations.

This group has been meeting since July 2023 and has focused on understanding the options available and exploring interest from external businesses to deliver some form of Festival in 2024 and beyond.

The group is made up of a mix of Council Members, Council Officers (including Events, Communications, Finance, Economic Development and Resort Development) and representatives from the industry, including the Bournemouth BID companies and the Accommodation, Hospitality & Events sectors.

In addition to the main T&F group two smaller subgroups have been established with some additional external input;

- a. Finance & Commercial Income Sub Group
- b. Events & Festival Content Development Sub Group.

There has been no official consultation with the general public outside of the T&F group but their views and opinions have been openly encouraged.

An ePetition was lodged on the BCP Council website on 4 September 2023 asking for support to ensure that the Council 'keep the Bournemouth Air Festival for the foreseeable future' and 'pursue other avenues of funding'. This petition is due to close on 30 November 2023. The petition has currently received 90 signatures. (12/10/23). This level of response requires an acknowledgement from the relevant portfolio holder. For Council to debate an e-petition it would need to reach 2000 signatures. There is also a second online petition to *Save Bournemouth Air Festival*, supported by the Bournemouth Air Festival Patrons Club but this has not been registered with the Council.

Findings

7. Positive impacts of the Air Festival on protected groups in current format

The Air Festival is a free event so if the decision is taken to continue with it either as a 4, 3 or 2 day free event there would be a positive impact for families on low incomes as it is accessible and can be enjoyed by all. This contributes to the EHRC Equality Framework by encouraging participation in local and community events.

There would also be a positive impact for local businesses and the local tourism industry if the decision is taken to continue with the festival as either a 4, 3 or 2 day event or replace it with something of similar value. This contributes to the work domain of the EHRC Framework.

8. Negative impacts of the Air Festival on protected groups in current format

Health domain of EHRC – emissions from increased parking in the area can impact on health and those with breathing issues. Mitigating actions are already in place to encourage sustainable travel, healthier travel options through the 1-in-3 campaign aimed at encouraging all Festival Goers to consider alternative more sustainable ways to travel to the event and through expansion of the Leave only Footprints campaign and the Refill Dorset Scheme, among others.

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These were developed alongside the Air Festival Environmental Action Plan and the BCP Sustainable Events Management Policy

9. Positive impacts of altering the current provision of the Air Festival

Reducing from a four-day to a three-day Air Festival allowing for the provision of a Community Fun Day on the Sunday would have a positive impact on Town Centre businesses and hospitality who do not derive any direct benefit from the four-day Air Festival as it draws visitors and residents to the Seafront, Lower Gardens and Overcliff areas, away from the Town Centre. Retaining an Air Festival will help to ensure that Bournemouth holds its position as one of the top coastal destinations in the UK and maintains its international reputation thus bringing economic benefit to the area making it a desirable place to 'live, work and play'.

10. Negative impacts of altering the current provision of the Air Festival

No negative impacts have been identified by reducing from a four-day to a three-day Air Festival

EHRC Equality Framework Impacts

As a free event the Air Festival is accessible to absolutely anyone offering **participation** (a key element of the EHRC Equality Framework) opportunities in a number of areas – military, STEM, entertainment. These opportunities would be lost were there to be no festival or similar free event. The benefits of being able to attend a free, outdoor event of this type extend beyond the simple enjoyment value, to a positive impact on health and well-being.

Loss of the Air Festival would also impact on pride of place and bringing specific groups together to foster good relationships between them.

The 2021 economic assessment identified the Air Festival as a high profile event which generated £14.1 total new spend to Bournemouth and the surrounding area. If it is stopped and no alternative event of a similar economic benefit to the area replaces it then there would be a negative impact on local businesses, especially hotels who benefit by higher room rates and occupancy over 4 days. This impacts on the work and living standards element of the EHRC Equality Framework.

There were no additional negative impacts identified for the following groups:

- **People's human rights**
- **Different Ages**
- **Current/Previous members of the Armed Forces**
- **Those with caring responsibilities**
- **Those with physical disabilities**
- **Those with mental disabilities**
- **Different ages (young and old)**
- **Different genders**
- **Those who identify as trans**
- **Those who are pregnant/on maternity**
- **Those who are married/in a civil partnership**
- **People from different ethnic groups**
- **People with different religions or beliefs**
- **People with different sexual orientations**

11. Mitigating Actions

A 2 or 3 day Air Festival or an alternative free attraction event would mitigate the negative impacts that would be felt were the festival to be cancelled completely, on both local business and those of low socio economic status who attend the festival. Work has already been undertaken to look at how a 2 or 3 day Air Festival could be delivered in 2024 with a substantially reduced budget or at no net cost to the Council.

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Conceptual work has also already begun to look at what a replacement event could look like with the Council acting as the key enabler.

Conclusion

12. Summary of Equality Implications

A decision to reduce the Air Festival from a four day down to a three day free event, provides a similar economic impact and profile for the area continuing to offer a free attraction for low income families and continuing to support local business and the tourism industry economically.

If the decision is taken to cancel the Air Festival completely then there will be an impact on local businesses, particularly the hospitality and hotel industries who rely on the Air Festival to extend the season into the shoulder period. The impact would also be felt by low socio economic groups who would no longer have a free event, open to all, to attend and participate in.

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[This action plan provides a summary of any negative impacts and relevant mitigating actions]

Equality Impact Assessment Action Plan

Please complete this Action Plan for any negative or unknown impacts identified above. Use the table from the Capturing Evidence form to assist.

Issue identified	Action required to reduce impact	Timescale	Responsible officer
Reducing from a four-day to a three-day Air Festival in 2024			
Seeking an external organisation or partner to deliver the Air Festival from 2025 onwards, with no net cost to the Council.			

CABINET FORWARD PLAN – 1 NOVEMBER 2023 TO 29 FEBRUARY 2024

(PUBLICATION DATE – 14 November 2023)



What is the subject?	What is the purpose of the issue?	Is this a Key Decision?	Decision Maker and Due Date	Wards	Who are the key stakeholders to be consulted before the decision is made?	What is the consultation process and period	Officer writing the report	Is the report likely to be considered in private (i.e., it contains confidential or exempt information)?
Medium Term Financial Plan (MTFP) Update	Provide update on the MTFP	No	Cabinet 22 Nov 2023 Council 9 Jan 2024	All Wards	N/a	N/a	Adam Richens	Open
Budget Monitoring 2023-24 at Quarter Two	To provide the updated budget monitoring position	No	Cabinet 22 Nov 2023 Council 9 Jan 2024	All Wards	n/a	n/a	Adam Richens	Open

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Future Options - Bournemouth Air Festival	To make a decision on the future of Bournemouth Air Festival beyond 2023	Yes	Cabinet 22 Nov 2023				Jon Weaver, Amanda Barrie, Stephanie Sainsbury, Sarah Culwick, Chris Shephard, Graham Farrant	Open
Medium Term Financial Plan (MTFP) Update	Provide update on the councils MTFP	No	Cabinet 13 Dec 2023 Council 9 Jan 2024	All Wards	N/a	N/a	Matthew Filmer, Adam Richens, Nicola Webb	Open
Corporate Strategy Summary 2023/24 - 2026/27		Yes	Cabinet 13 Dec 2023	All Wards			Isla Reynolds	

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Consultation on the draft Bournemouth, Christchurch and Poole Local Plan	To seek agreement to publish the draft (Pre submission) version of the Bournemouth, Christchurch and Poole Local Plan for consultation prior to the submission of the plan for examination.	Yes	Cabinet 13 Dec 2023 Council 9 Jan 2024	All Wards			Steve Dring, Paul Feehily	Open
Housing and Property Compliance Update (Housing Revenue Account)	To provide an update on meeting legal requirements to ensure that council properties are safe to occupy.	No	Cabinet 13 Dec 2023	All Wards			Simon Percival	Open
CNHAS for 2023 -2028 inc Project Approvals	To present to the three town council members a review of the last 2 years of CNHAS, recommendations for next major housing led projects, Homes England strategic considerations and investment focus towards addressing a diverse set of needs.	No	Cabinet 13 Dec 2023 Council 9 Jan 2024	All Wards			Nigel Ingram	Open

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Building Stronger Foundations - Children's Services Transformation Business Case	In July 2023 Children's Services when they presented the original transformation Business Case were requested to come back to cabinet and report on progress made .	No	Children's Services Overview and Scrutiny Committee 21 Nov 2023 Cabinet 13 Dec 2023	All Wards			Cathi Hadley, Shirley McGillick	Open
Electric Vehicle Charging Infrastructure (EVCI) Strategy and Local Electric Vehicle Infrastructure (LEVI) Grant	To seek Council approval to accept and invest the capital grant, subject to final confirmation, and to recommend to Council the adoption of the Electric Vehicle Charging Infrastructure (EVCI) Strategy to 2030.	Yes	Cabinet 13 Dec 2023 Council 9 Jan 2024	All Wards	Public consultation on draft Electric Vehicle Infrastructure Strategy	Public consultation complete (closed 01.10.2023)	John McVey, Richard Pincroft	Open

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Albert Road (Bournemouth) Loading Bay Proposal - P41 2023	To consider the recommendation to install a new loading bay in Albert Road, Bournemouth to enable safe deliveries to local businesses and residential properties. To enable this the current disabled bay will be moved to a new location.	No	Cabinet 13 Dec 2023	Bournemouth Central		Legal TRO 21 day notice period has taken place with comments received.	Andy Brown, Rob Walter	Open

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Traffic Order Proposals, Canford Paddock Development Waiting Restriction Proposals P38 2023	The report seeks approval to implement TROs for no waiting at any time restrictions throughout the development. The scheme is linked to Section 106 Agreement as part of the Planning Process.	No	Cabinet 13 Dec 2023	Bearwood & Merley	Notification emails were sent to all councillors and all statutory consultees (including emergency services, disability groups, local public transport providers, national transport associations and various council departments).	The statutory consultation process set out in The Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996 has been carried out by undertaking a 21-day public consultation opened on Friday 2 June 2023 where a notice was placed in the Bournemouth Echo, notification emails were sent to all councillors statutory consultees and Street Notices with consultation details were displayed in relevant locations. The Deposited Documents (consultation documents) were also published on the council's website.	Julian McLaughlin	Open

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20mph Scheme Options Appraisal	To Review Options Around 20mph schemes and agree the Council's position	Yes	Cabinet 10 Jan 2024	All Wards	All residents, businesses and visitors to BCP. Dorset Police and other statutory stakeholders for Traffic Regulation Orders.	No consultation has been carried out however the options all include conducting consultation.	Richard Pearson, Richard Pincroft	Open
Tenancy Strategy	To set out the approach for a revised Tenancy Strategy.	No	Cabinet 10 Jan 2024	All Wards	Council tenants and registered providers of social housing.	Consultation with key stakeholders has been completed.	Seamus Doran	Open

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BCP Seafront Strategy progress review and refresh	The BCP Seafront Strategy was adopted by Cabinet in April 2022. This report will update Cabinet on progress against this strategy and provide recommendations to refresh it in line with the new Corporate Strategy.	No	Cabinet 10 Jan 2024				Amanda Barrie, Andrew Emery	Open
Library Strategy	To agree the scope and timeline for the development of a Library Strategy	Yes	Cabinet 10 Jan 2024	All Wards			Lynda Anderson	Open

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The Royal Arcade, Boscombe CPO	To seek approval for the making of an order for the Council to compulsory purchase the Royal Arcade, Boscombe.	Yes	Cabinet 10 Jan 2024 Council 20 Feb 2024	Boscombe West	Landowners and occupiers of the Royal Arcade, adjacent land owners, people who live and work in Boscombe, businesses, visitors from the wider area, the Portfolio Holder for Dynamic Places and Ward Councillors.	Ongoing on project since 2020	Julian McLaughlin	Open

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Traffic Order Proposal, TCF Darby's Lane C.5.2 P40 2023	To seek approval to make and seal the Traffic Regulation Orders after the statutory consultation with the public.	No	Cabinet 10 Jan 2024	Oakdale	Within the statutory consultation process, notification emails were sent to all councillors and all statutory consultees (including emergency services, disability groups, local public transport providers, national transport associations and various council departments).	The statutory consultation process set out in The Local Authorities' (Procedure) (England and Wales) Regulations 1996 has been carried out as detailed below. A 21-day public consultation opened on Friday 20 June 2023 where: A Notice was placed in the Bournemouth Echo, notification emails were sent to all councillors and all statutory consultees and Street Notices with consultation details were displayed in	Julian McLaughlin	Open

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Accelerating Gigabit Fibre (Award Contract)	In July 2022 Cabinet approved 'Accelerating Gigabit Fibre' and asked the team to return to Cabinet to award the contract. The purpose of this report is contract award.	No	Cabinet 10 Jan 2024	All Wards			Ruth Spencer	Open
Street Naming and Numbering Policy	To seek Council approval to amend the existing policy and to review current charges	Yes	Cabinet 10 Jan 2024 Council 20 Feb 2024		Full Council & Leader of the Council Advertisement in local newspaper	2 week advertisement in newspaper, prior to being put in place.	Adam Fancy, Sara Johnson, Jane Potter	Fully exempt
Budget 2024/25 and Medium Term Financial Plan	The council is required to set an annual balanced budget presenting how its financial resources, both income and expenditure, are to be allocated and utilised.	No	Cabinet 7 Feb 2024 Council 20 Feb 2024	All Wards	N/a	N/a	Matthew Filmer, Adam Richens, Nicola Webb	Open

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Creekmoor Community Land Trust Affordable Housing Develoepment	To seek agreement of the proposed HoT for Creekmoor CLT for the development of a BCP site in Creekmoor and delegate approval of agreements to the Head of Legal Services, Head of Estates and Head of Housing Delivery	No	Cabinet 7 Feb 2024	Creekmoor			Kerry-Marie Ruff	Open
Biodiversity Net Gain	To update Cabinet on the implementation of government's proposed Biodiversity Net Gain and our strategy for achieving net gain from new development	No	Cabinet 7 Feb 2024	All Wards			Steve Dring, Martin Whitchurch	Open
Housing Revenue Account (HRA) Budget Setting 2024/25	To seek Cabinet approval for the proposed expenditure on council properties within the HRA	No	Cabinet 7 Feb 2024 Council 20 Feb 2024	All Wards			Seamus Doran	Open

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Housing Strategy - Annual Summary Review		No	Cabinet 7 Feb 2024				Kerry-Marie Ruff	
Hurn Neighbourhood Plan	To report the findings of a formal public examination by independent examiner and to consider whether any proposed modification to any draft Neighbourhood Plan should be accepted.	No	Cabinet 6 Mar 2024	Commons			Rebecca Landman	Open
Sandbanks Peninsula Neighbourhood Plan	Following a formal public examination and independent examiner's report whether any proposed modification to the draft Neighbourhood Plan should be accepted;	No	Cabinet 6 Mar 2024	Canford Cliffs			Rebecca Landman	Open

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Christchurch Bay and Harbour FCERM Strategy	Bournemouth, Christchurch and Poole Council (BCP) and New Forest District Council (NFDC) are working together with the Environment Agency to produce a new strategy to protect coastal communities from tidal flooding and erosion risk. It will guide how the frontage from Hengistbury Head to Hurst Spit, encompassing Christchurch Harbour, will be sustainably managed for the next 100 years.	No	Cabinet 10 Apr 2024	Christchurch Town; East Southbourn e & Tuckton; Highcliffe & Walkford; Mudeford, Stanpit & West Highcliffe	Landowners, BCP residents, businesses, organisations, BCP services	Several levels of public enegagement and consultation throughout the development of the Strategy between 2021 and 2023.	Catherine Corbin, Alan Frampton, Matt Hosey	Open

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DfE SEND review next steps	To consider the DfE review next steps	No	Cabinet Date to be confirmed				Rachel Gravett, Shirley McGillick, Sharon Muldoon	Fully exempt
Street Naming and Numbering Policy	To secure Cabinet approval for a single BCP policy relating to street naming and numbering decisions.	No	Cabinet Date to be confirmed	All Wards			Matti Raudsepp	Open
Bournemouth Development Company LLP Business Plan	To seek approval for the Bournemouth Development Company Business Plan, extend some contractual "Option Execution Dates" in relation to specific sites and provide an update in relation to the independent Local Partnerships Review.	No	Cabinet Date to be confirmed	Bournemouth Central			Sarah Longthorpe	Open

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Children's Services Early Help Offer	Summary of findings and recommendations from an ongoing review of our current Early Help services	No	Cabinet Date to be confirmed	All Wards			Zafer Yilkan	Open
Pay & Reward - New Terms and Conditions of Employment	To seek approval for the Council's new terms and conditions of employment, including new pay and grading arrangements.	No	Cabinet Date to be confirmed		Proposals have been developed through a process of collective bargaining with recognised Trade Unions. CMB, directorate leadership teams and employees have also been consulted at various stages during the project and informed the development of proposals		Lucy Eldred, Jon Burrows	Fully exempt

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Poole Regeneration Update	To update Cabinet and the public on projects and activities in Poole Town Centre	No	Cabinet Date to be confirmed	Poole Town	relevant stakeholders to the Poole Regeneration Programme		Chris Shephard	Open

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