

Notice of Overview and Scrutiny Board

Date: Monday, 13 January 2025 at 6.00 pm

Venue: HMS Phoebe, BCP Civic Centre, Bournemouth BH2 6DY



Membership:

Chairman:

Cllr S Bartlett

Vice Chairman:

Cllr S Aitkenhead

Cllr P Broadhead
Cllr J Beesley
Cllr L Dedman
Cllr C Goodall

Cllr S Mackrow
Cllr L Northover
Cllr Dr F Rice
Cllr K Salmon

Cllr T Trent
Cllr O Walters
Cllr C Weight

All Members of the Overview and Scrutiny Board 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?CId=609&MId=6317&Ver=4>

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

Press enquiries should be directed to the Press Office: Tel: 01202 454668 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

3 January 2025

**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
(janie.berry@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. Substitute Members

To receive information on any changes in the membership of the Committee.

Note – When a member of a Committee is unable to attend a meeting of a Committee or Sub-Committee, the relevant Political Group Leader (or their nominated representative) may, by notice to the Monitoring Officer (or their nominated representative) prior to the meeting, appoint a substitute member from within the same Political Group. The contact details on the front of this agenda should be used for notifications.

3. 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.

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

The deadline for the submission of public questions is midday 3 clear working days before the meeting – 7 January 2025.

The deadline for the submission of a statement is midday the working day before the meeting – 10 January 2025.

The deadline for the submission of a petition is 10 working days before the meeting – 30 December 2024.

ITEMS OF BUSINESS

5. Transformation Programme Completion

5 - 32

This report provides a summary of the Council's Transformation Programme and achievement against its original aims and objectives.

6. Regeneration Progress Report

33 - 50

In September 2023, Cabinet approved the establishment of an Investment and Development Directorate which would be responsible for the delivery of the priority programmes for regeneration, Council Newbuild and Acquisition

delivery and Smart Places.

This report provides an update on the establishment process and progress against the Council's approved regeneration priorities. The four priorities approved by Cabinet in September 2023 are the former Holes Bay power station site, redevelopment of the Dolphin Leisure Centre, proposals for the Bournemouth International Centre (BIC) and the Winter Gardens development.

7. The Centralisation of Complaints across BCP Council - Update

51 - 56

Why are we centralising complaints? The centralisation decision was made in 2022, initially as a national Ombudsman recommendation to improve consistency, quality and efficiency in all local authorities' complaints services, with a deadline of April 2026.

What will centralisation achieve? Within BCP the centralised service will ensure complaints are dealt with consistently across all departments, reduce costs and enhance accountability and transparency. The centralised complaints service aims to streamline processes, utilising a user-friendly system, along with artificial intelligence technology and staff training to enhance efficiency, facilitate learning and improve customer experience.

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.

CABINET



Report subject	Transformation Programme Completion
Meeting date	15 January 2025
Status	Public Report
Executive summary	<p>This report:</p> <p>Provides a summary of the Council's Transformation Programme and achievement against its original aims and objectives.</p>
Recommendations	<p>It is RECOMMENDED that Cabinet:</p> <ul style="list-style-type: none"> a) Acknowledges that the Council has significantly transformed its ways of working and successfully consolidated and modernised its infrastructure since the beginning of its transformation journey in 2019 b) Notes the achievements of the Transformation Programme, and the outstanding objectives in relation to the implementation of pay and reward and a new housing management system c) Notes the ongoing operational delivery of the People Strategy and Estates & Accommodation Programme beyond completion of the Transformation Programme d) Approves completion of the Transformation Programme by the end of March 2025, with future governance of transformation, innovation and improvement initiatives to be undertaken by the Corporate Strategy Delivery Board
Reason for recommendations	To enable the programme to be closed in line with its original business case and funding arrangements.

Portfolio Holder(s):	Councillor Jeff Hanna, Portfolio Holder for Resources
Corporate Director	Graham Farrant, Chief Executive
Report Authors	Sarah Chamberlain – Director of IT & Programmes Jon Burrows – Programme Manager
Wards	Council-wide
Classification	For Decision

Background

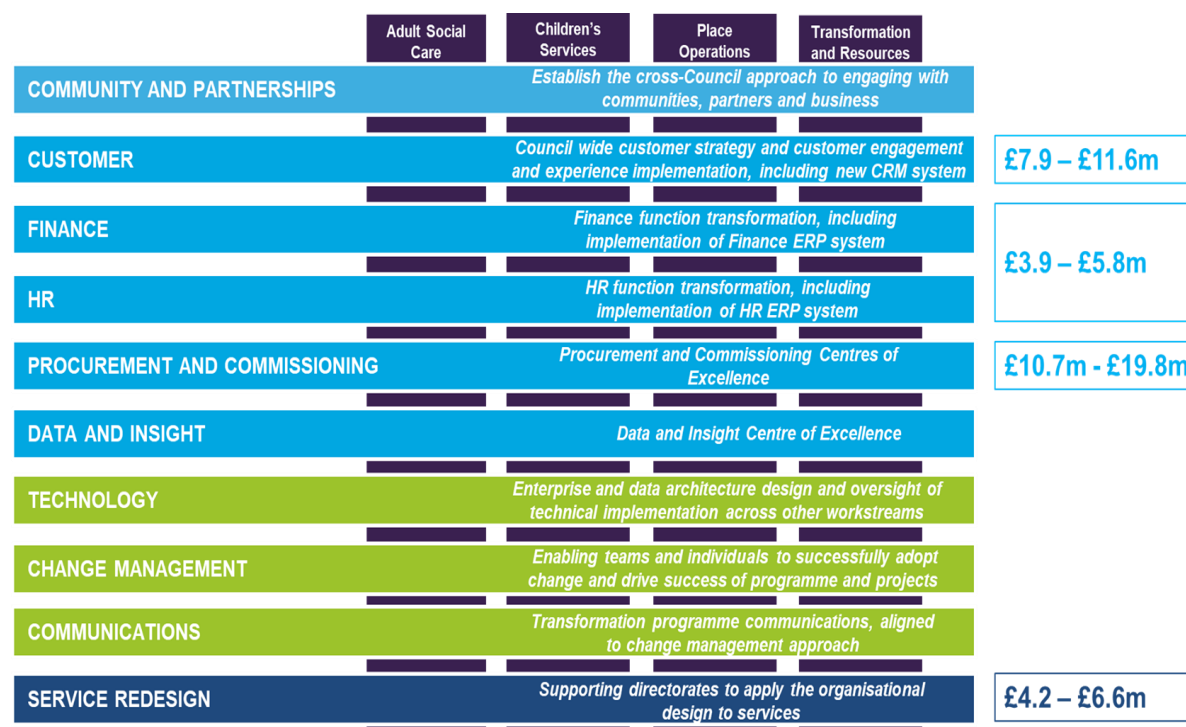
1. The Council's transformation programme was established and mobilised between April 2019 and June 2021 with the aim of integrating and modernising former council arrangements under a single operating model, a single technology and data architecture, a single set of office accommodation arrangements, and a single employment offer. This followed local government reorganisation across Dorset, whereby BCP Council was formed from Borough of Poole (unitary authority), Bournemouth Borough Council (unitary authority), Christchurch District Council (district council) and that part of Dorset County Council which covered the Christchurch area. Through that process, we amalgamated three versions of every service into the single service to be provided by BCP Council, serving as the unitary authority across the BCP area.
2. In doing so, the programme would deliver sufficient financial savings to cover its own costs, reduce the Council's carbon footprint, and lay the foundations for ongoing improvement to the delivery of Council services.
3. The programme was structured around three themes:
 - a) **Our New Organisational Design** – the design and implementation of a new organisational design and operating model, as set out and approved by Cabinet in November 2019 and June 2020.
 - b) **Where and How we Work** – the design and implementation of an Estates and Accommodation Strategy as set out and approved by Cabinet in February 2020 and November 2020.
 - c) **Supporting Our Colleagues** – the design and implementation of a People strategy, including the introduction of a new pay & grading structure and employment terms and conditions, as set out and approved by Cabinet in September 2019.
4. Progress updates have been provided to Cabinet throughout the programme's lifecycle, as well as to members of the Transformation Working Group. In addition, the Transformation Working Group have received detailed briefings on specific areas of the programme's work. This has been a long and complex process of change, encompassing the entire council, all of our services and all of our colleagues in changing how they work and how we deliver services.

5. This report provides a summary of achievements against the programme's original business cases, the aims and objectives of each of the transformation programme's core themes and makes recommendations for its completion.

Business Case – Savings

6. The estimated savings from the programme were categorised against individual workstreams with the total original business case estimate being in the range of £26.7m to £43.8m. The workstreams, and the savings they were assumed to deliver, can be articulated as follows:

Figure 4: Transformation savings workstreams



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7. To enable the delivery of those savings, the Council has made a one-off investment of £41.4m in its main transformation programme. A full breakdown of investments and savings is provided in appendix 1, paragraph 5, figure 2, with the key messages being:
 - As at the 31 March 2024, the programme had delivered £25.7m of ongoing (gross) revenue savings.
 - As at the 31 March 2025, the programme is forecast to deliver a further £24.5m of ongoing (gross) revenue savings.
 - The total (gross) revenue savings forecast to be delivered by the programme at the point of completion is therefore £50.2m
 - The total (net) revenue savings forecast to be delivered by the programme at the point of completion is £34.7m taking into account ongoing revenue licencing and financing costs of £15.5m

- **This total (net) revenue savings forecast of £34.7m is in line with the original business case estimate being in the range of £26.7m to £43.8m, set out in para. 6, above.**
8. Through previous engagement with councillors, a standard document has been developed setting out the costs and savings associated with the Council's overall transformation agenda. Traditionally this has been included within the Council's annual budget and financial outturn reports and an updated version is attached as Appendix 1 for further detail. It should be noted that this version now includes the costs and savings associated with the service-specific transformation programmes in Adult Social Care and Children's Social Care which are outside the scope of this report. A full schedule of the savings categorised against the transformation programme is attached as Appendix 2.
 9. It should also be noted that there remain elements of transformation activity which will lead to further expenditure over the next 12 to 18 months in closing down the main programme – this is primarily provision for redundancy costs associated with ongoing headcount reduction, as well as the service-specific programmes in Adults and Children's Services over the period to March 2028.

Business Case – Carbon Reduction

10. The Transformation Programme has contributed to the Council's target to be a carbon neutral organisation by 2030. The Council's greenhouse gas emissions in 2023/24 were 45,082 tCO₂e (Carbon Dioxide Equivalent) – a reduction of 4,281 tCO₂e from 2019/20 (8.7%). Transformation activities that have contributed to this reduction include:
 - Disposal of Council assets, no longer requiring heating or lighting
 - Increased use of e-conferencing, reducing business travel
 - Increased incidence of homeworking, reducing the need for staff to commute
 - Upgrading building energy efficiency, including £2m Government funding
 - More energy-efficient office equipment and reduced need to photocopy

Our New Organisational Design

11. In November 2019, Cabinet approved a new operating model as the basis for the Council's Transformation Programme. The operating model was a direct response to several issues resulting from the local government reorganisation (LGR) process, and a need to deal with the operational realities of disaggregating and reaggregating the preceding local authorities into BCP Council. These included:
 - the inheritance of multiple and complex legacy ways of working (e.g. assets, IT systems, processes and practices) from the preceding authorities, many of which were either at, or approaching, end-of-life
 - a significant amount of duplication of effort in completing common tasks and processes across each of (what were then) five Directorates
 - no consistent approach to the management and use of data to drive decision-making and organisational improvement
12. Over the past three and half years, we have been working in partnership with KPMG as our Strategic Implementation Partner to introduce the new operating model across the Council and become a model for local authorities on how to deliver modern

efficient and effective public services. From a structural perspective, we have made a series of changes to align organisational structures with the operating model – this includes senior leadership restructures, the Smarter Structures project, and several smaller, incremental changes. We have created brand new teams (Centres of Expertise) for Business Support, Programmes & Project Management, Data & Analytics and Workforce Development, by bringing together similar roles from across the organisation. We have also consolidated other functions into our central Centres of Expertise, including customer services, marketing and communications, legal services and financial services. This has provided greater resilience within our corporate support teams, and focussed our professional services in these areas, as well as providing access to new technologies, skills and career progression for colleagues. In addition, a significant amount of work has been undertaken with existing Centres of Expertise to introduce new service structures and modernise ways of working, including People & Culture, Finance and Customer Services.

13. The operating model has been underpinned by investment in three core technology platforms – Data, Enterprise Resource Planning (ERP) and Customer Relationship Management (CRM). These platforms were procured, designed, built, tested and implemented at various stages during the programme, as follows:
 - **Data Platform** (Microsoft Azure Data Lake & Semarchy Master Data Management) – launched in December 2022
 - **ERP** (Microsoft Dynamics Finance & Operations (including HR)) – launched in April 2023
 - **CRM** (Microsoft Dynamics Citizen Experience) – launched in January 2024
14. **Data Platform:** The new Data Platform is now being used across the organisation to automate the collation, processing and presentation of information, connect disparate and previously siloed data sets together, and provide new insight to support decision-making. This is helping us to break down the barriers that have previously constrained our ability to make optimal use of our data, unlocking its potential and providing a platform to drive further innovation in the use of analytics. We are already seeing some encouraging results from the new approach to data and our ability to use data to make predictions about future service demands and prevention approaches that we might take, for example in homelessness and social care.
15. **Enterprise Resource Planning (ERP) System:** The new ERP system has replaced legacy HR and finance systems, bringing together information about our establishment and finances into a single platform for the first time. The ability for managers to access real-time information about their teams and drill-down into their budgets has been a huge benefit, and colleagues are now able to conduct many more transactions digitally and/or via self-service. This has also helped to generate a shift in accountability from the finance team supplying budget information, to the preferred position where managers are able to monitor their budgets in real time and therefore Finance officers provide more professional support to the budget management process. The new ERP system has also enabled a new suite of dashboards to be developed, providing information on organisational structures, reporting lines, headcount, turnover, absence levels and protected characteristics.
16. **Customer Relationship Management (CRM) System:** The new CRM system has replaced multiple legacy systems and provides a single platform for managing customer contact and digital service-delivery. This has been a great step forward, but there is still a huge amount of work required to fully transition to this new platform

and make best use of the capabilities that it provides, including deeper integration with back-office systems to streamline processes and enhance service delivery. This is a complex area of work with many moving parts, and requires careful planning, design and implementation using an agile mindset. There are approximately 130 existing customer journeys that need to be migrated to this new platform (estimated to complete in August 2025) and a further 480 customer journeys that have been identified for development through high-level design work with service areas across the Council.

17. In addition to the investment we have made in Data, ERP and CRM, we have needed to address the issue of disparate, complex and siloed technology architecture inherited from legacy councils. This has included the consolidation of our wide-area network, consolidation of physical data centres and backup solutions, the creation of a new virtual data centre to enable the onboarding of new IT systems within a more secure and resilient 'cloud' environment, and consolidation of our major back-office IT systems, including:
- Mosaic (Adults & Children's) – launched in January 2023
 - SkillGate (People & Culture, Learning Management) – launched in April 2023
 - iCaseWork (Legal) – launched in July 2023
 - OurTalent (People & Culture, Recruitment) – launched in October 2023
 - Alloy (Environment) – launched October 2024
 - Capita (Revenues & Benefits) – launched November 2024
 - NetFM (Beach Huts/Lodges) – launched December 2024
 - MasterGov (Planning) – going live March 2025
18. By consolidating, modernising and integrating our technology architecture, we have been able to reduce our operating costs, simplify our support model and establish a set of IT services that are fit-for-purpose for a modern organisation. The consolidation of back-office IT systems, has enabled those service areas to reduce their own operating costs, work more efficiently, and laid the foundations for further improvements in service delivery and analytics.
19. It should be noted that there is still a key systems consolidation objective outstanding from the transformation programme – this is the procurement and implementation of a new housing management system which is estimated to go-live in April 2027.

Where and How We Work

20. In February 2020, Cabinet endorsed the recommendation to refurbish the current Bournemouth Town Hall complex as the preferred approach to delivering a single BCP Council Civic Centre. This followed the outcome of the organisational design process reported to Cabinet in November 2019, and the recognition that BCP Council would require a single main office location and civic centre to support its future service delivery. Refurbishment works were undertaken between January 2021 and July 2023. This has transformed the Council's office space and created a working environment that is fit-for-purpose for a modern organisation, including the creation of team zones, and numerous meeting areas to facilitate collaboration across service areas.
21. Together with the roll-out of over 5000 new devices (laptops, tablets) and the Microsoft 365 product suite (Teams, Word, Excel, PowerPoint etc.), colleagues are

now able to work flexibly at a time and location that suits them and the needs of their customers. They are actively supported by a Digital Champions Network of over 300 users, that supports the adoption of new technologies and helps colleagues make the most of the tools at their disposal. Along with the BCP Council Civic Centre refurbishment, operational hubs with touchdown spaces that any member of staff can use, have been created in Poole and Christchurch to provide further flexibility for the Council's workforce.

22. In November 2020, Cabinet received an update on the Estates & Accommodation Strategy including a 3-stage delivery plan that had been developed in response to the Covid-19 pandemic. Stage 3 of the delivery plan included the requirement to transfer legacy Christchurch and Poole customer services centres to local libraries, to completely vacate the surplus civic buildings in Christchurch and Poole. These transfers were completed by October 2021 and ensured that there was a seamless continuation of service to our customers. The transfer of the legacy Bournemouth customer services function to the central Bournemouth library was not required as continued provision from the new BCP Civic Centre has been possible.
23. The delivery of the Estates & Accommodation Strategy has enabled the Council to co-locate colleagues and begin to release corporate assets located across BCP communities that are considered surplus to requirements. Poole Civic Centre and Annex, and Christchurch Civic offices were initial priorities for vacation, but several other buildings, either owned or leased by the council, have since also been vacated. Some of the sites now vacated have been subject to feasibility work to consider them for SEND or Temporary Housing use, and where they have been deemed appropriate, they are now being taken forward rather than disposed of. Where such feasibility is not considered viable, buildings will typically be disposed of for capital receipt. Additionally, a wider piece of work looking at the corporate estate with a view to consolidating services in fewer buildings is taking place to ensure the council's estate is fit for purpose for our customers and represents good value for money to taxpayers. This may lead to some buildings acting as hubs for a number of services that need to remain in the community, but which do not need an exclusive building of their own.
24. Work is also continuing in association with the Civic Members Working Group to identify and agree the next phase of improvements necessary to support modern, comfortable and accessible civic spaces. This work is primarily focused on the Council Chamber and associated committee meeting rooms (those in the west wing of the Civic centre) and will include the wider introduction of hybrid meeting technology and improved online streaming capability, plus accessibility improvements to ensure access and participation in the democratic process is available to as many people as possible.

Supporting Our Colleagues

25. **Pay and Reward:** in September 2019, the Council approved the delivery of a new pay and reward strategy, with the aim of ensuring equal pay for equal work. In doing so, the Council would also modernise legacy terms and conditions to enhance its offer as an employer and provide a platform for further organisational development (e.g. recruitment and retention, succession planning, career pathways, induction, organisational design, performance management).
26. This process has involved lengthy negotiations (collective bargaining) with trade unions, and whilst we have been able to use many of the outputs from the pay and reward process to support other organisational development activities, the

introduction of a new pay structure and terms and conditions remains an outstanding objective of the programme as despite numerous attempts to reach a collective agreement, the trade union ballots have not been successful to date. Work will continue to explore options to implement these objectives that are critical for our organisation

27. **People Strategy:** The Council's original People Strategy was approved by Cabinet in September 2019 and covered the period from 2019 to 2023. A new People Strategy has subsequently been developed for the period 2023 to 2027 and is based around three themes:

- **Getting the basics right** – covering culture, values and behaviours; wellbeing; equality, diversity and inclusion; reward and recognition
- **Growth opportunities** – covering learning and development; career development; leadership and management; high performing teams
- **Future focused** – covering workforce shaping; talent acquisition and retention; employee engagement; people insights

28. This is a broad and diverse programme of work in its own right and will extend beyond the proposed completion of the transformation programme. Some elements of its delivery have also been slower due to other organisational priorities (such as voluntary redundancy), but some significant milestones have still been achieved:

- **Culture, values and behaviours:** behavioural framework introduced to demonstrate examples of effective and ineffective behaviours against the values, including the development of a leadership framework which has been informed by 360 feedback; the OurStars recognition platform has been amended to help those nominating others to best describe how staff have demonstrated the corporate values; value-based interview questions have been devised and learning packs developed to support individual and team discussions around the values and how they are shown in the workplace
- **Wellbeing:** TRiM (Trauma Risk Management) pilot has been rolled out in Adult Social Care; 150+ health checks have been completed for eligible colleagues; pre-retirement wellbeing offer has been developed; new mental health and stress for managers sessions have been developed; teams are being supported with resilience and stress sessions; mental health first aiders have been re-accredited
- **Equality, diversity and inclusion:** unconscious bias leadership session has been run by external professionals to develop awareness and action planning; EDI resource bank has been developed for leaders to cascade activities and learning content around unconscious bias; anonymous applications have been introduced as part of the recruitment process to reduce bias; neurodiversity awareness training has been successfully launched and delivered; Disability Confident pledge has been renewed; Armed Forces Covenant pledge has been renewed; approach to making reasonable adjustments has been refreshed; communication campaign has been launched to encourage employees to complete their own protected characteristic data

29. **Learning and development:** a new learning management system (LMS) has been procured and embedded; a new traffic light reporting system on mandatory training has been introduced which has increased completion rates by 26.4% (from 52.4% Aug 23 to 78.8% Aug 24); skills audit functionality on the LMS has been developed

30. **Career development:** a leadership career development framework has been developed and launched; apprenticeship guidance has been refreshed; a consistent set of career grade principles for those services who operate career grades has been developed; new career grades have been introduced where there are difficulties in retention and recruitment
31. **Leadership and management:** a new twelve-month executive leadership programme has been developed which includes 360 feedback based on the leadership framework; an external insight framework has been established to identify strengths and blind spots with executive one-to-one external coaching available based on these insights; externally facilitated sessions have been run to improve team and corporate strategic alignment; audit of financial management skills for Directors has been undertaken and learning interventions developed
- **High performing teams:** a new performance framework was introduced in April 2024 introducing ratings, and minimum performance criteria linked to incremental pay progression; managers now record personal objectives online, making this reportable across BCP Council; online one-to-one functionality has been introduced
 - **Workforce shaping:** we have introduced spans of control to ensure that organisational structures are aligned with best practice design principles; entry career pathways have been developed linking through to corporate ambitions; new pay structure introduced for apprenticeships
 - **Talent acquisition and retention:** Procured, designed new processes to embed a new automated recruitment system; developed automation in system to send out contracts; retention of early career talent by linking to career pathways and role profiles; developed a refer a friend scheme to reduce agency spend; reviewed off contract workers to manage spend more effectively; simplified the candidate experience by removing barriers to the application process
 - **Employee engagement:** organisational 'Pulse' survey has been designed and actioned
 - **People insights:** interactive real-time data dashboards have been developed for key establishment measures (e.g. headcount, turnover, absence) and to facilitate trend analysis; performance management reporting has been developed to provide assurance on completion of mandatory training, performance reviews and tracking of performance objectives

Programme Completion

32. In assessing the success of any change programme, it is important to recognise the relationship between the **outputs** of the programme (i.e. the tangible, measurable results achieved within the programme's timeframe) and the **outcomes** (i.e. the broader, longer-term impacts) brought about by those outputs.
33. The transformation programme is now in its fifth year and final year of funding and its outputs have established the foundations of a modern and accessible Council in line with its original ambition and the Corporate Strategy (A Shared Vision for Bournemouth, Christchurch & Poole 2024-2028). The original objectives of the Transformation Programme have mostly been met and the core services and culture have largely been achieved. However, there is still more to be done to continue to develop the Council in the way that we want, to be more responsive to our customers and faster to react.

34. We have built an organisation and established systems that can enable rapid adaptation and evolution, that is working with modern and innovative technologies to drive efficiency and productivity throughout its operations and has the tools and infrastructure it needs to improve the lives of our local communities.
35. We will continue to build on these foundations to drive further change, embed a culture of continuous improvement and introduce more efficient and effective ways of working. This includes ongoing work to improve our digital service-delivery, make effective use of data and insight, and exploit new and emerging technologies such as artificial intelligence (AI).
36. Ongoing governance has been established with the introduction of a Corporate Strategy Delivery Board which will oversee the delivery of the Council's vision and ambitions under the priorities outlined in the corporate strategy. This group consists of the Chief Executive, Corporate Directors and Resource Directors or their representatives, and is chaired by the Chief Executive and deputised by the Director of Marketing, Communications and Policy. The Board is supported by the Corporate Performance and Programme & Project Management teams and sits within the Council's established governance framework, reporting to Cabinet and working closely with Director's Strategy Group.

Summary of financial implications

37. The financial outcomes of the Transformation Programme have been clearly set out in the body of this report (paragraphs 6 to 9). There are no additional financial implications associated with the decision to complete the Programme in March 2025.

Summary of legal implications

38. There are no legal implications associated with this decision.

Summary of human resources implications

39. There are number of staff funded from the transformation budget across the Resources Directorate. Options for extending these arrangements to support ongoing improvement work are currently being reviewed.

Summary of sustainability impact

40. There are no sustainability implications associated with this decision.

Summary of public health implications

41. There are no public health implications associated with this decision.

Summary of equality implications

42. Equality impact assessments were undertaken for each of the programme's workstreams prior to changes being implemented. The decision to close the programme will not have any direct equality implications.

Summary of risk assessment

43. Robust risk management processes have been integral to the programme's approach, with risks and mitigation strategies reviewed regularly through the programme's governance arrangements. Risks to the successful delivery of the programme will be closed at the end of March subject to approval of this report.

There is a residual risk that the momentum for change and improvement that has been built up during our transformation journey is not maintained, and that the organisation does not maximise opportunities to build on the foundations that the programme has established.

Background papers

- Cabinet 11 September 2019: [Implementation of Pay & Reward Strategy](#)
- Cabinet 11 September 2019: [People Strategy 2019-2023](#)
- Cabinet 13 November 2019: [Organisational Development – Design Outcomes](#)
- Cabinet 12 February 2020: [Organisational Development - Estates & Accommodation Strategy](#)
- Cabinet 24 June 2020: [Organisational Design - Implementation & Budget](#)
- Cabinet 11 November 2020: [Estates & Accommodation Project](#)
- Cabinet 27 October 2021: [Organisational Design - Implementation Progress](#)
- Cabinet 25 October 2023 [Transformation Programme Update](#)
- Cabinet 10 April 2024: [Transformation Programme Update](#)
- Cabinet 17 July 2024: [Pay and Reward - Update on Progress in Introducing New Terms and Conditions of Employment](#)
- Cabinet 4 September 2024: [Pay and Reward - Final Position](#)

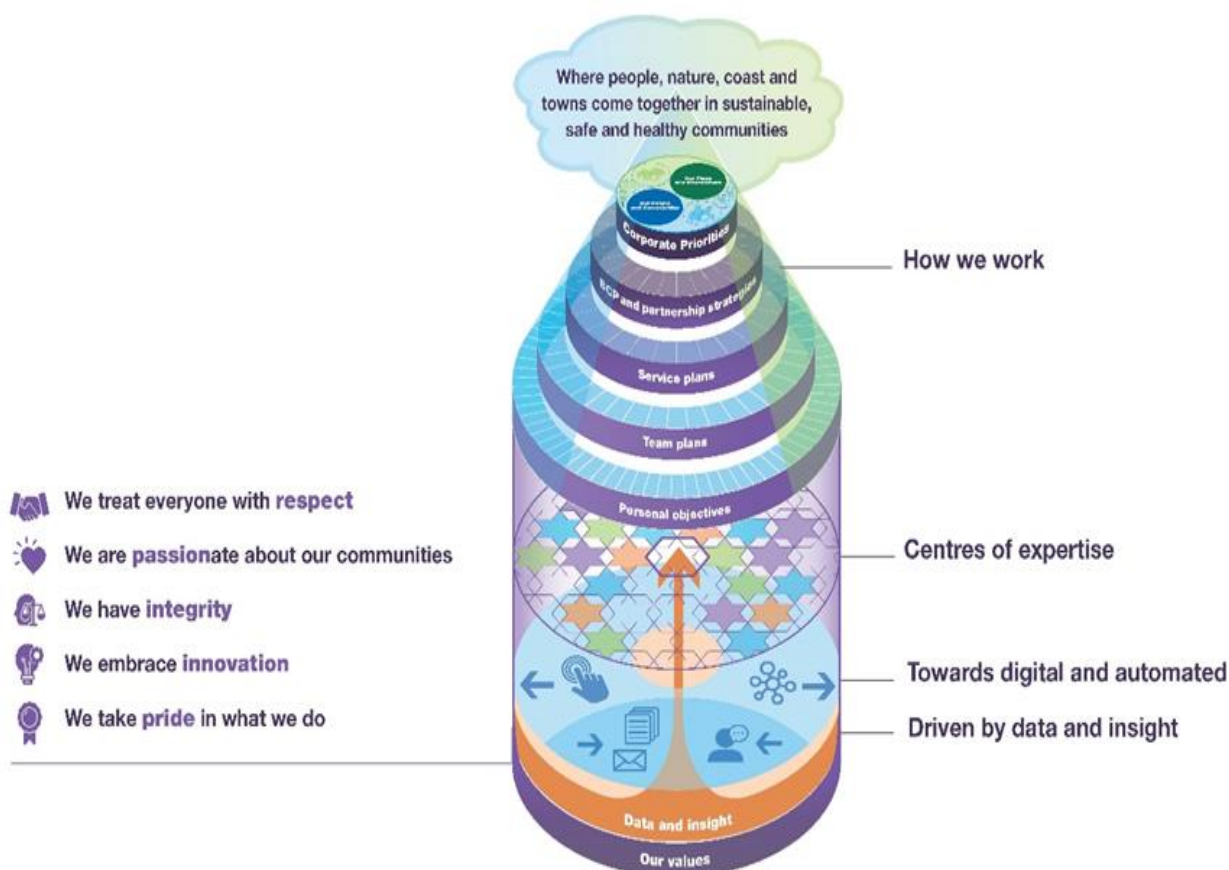
Appendices

Transformation Investment Programme

Including the Flexible Use of Capital Receipts

1. As might be expected the council inherited a range of legacy staffing arrangements, processes and systems and therefore had an opportunity to remove duplication, remove inefficiencies, and to leverage economies of scale whilst improving governance. Much of this formed the foundation of the argument for establishing the new council alongside the opportunity to fundamentally transform public services. Achievement of these benefits was delivered by the adoption of a radically different operating model and specifically via:
 - Investment in technology
 - Investment in data and insight
 - Investment in new ways of working
 - Engaging and empowering our communities
 - Leveraging our partnerships
 - Creating equity in pay & conditions
 - Investing and rationalising the civic estate
2. Investment in three core technologies, along with the rationalisation and effective integration of our core service technologies, was designed to enable the council to become the leading digital and insight driven local authority in the UK. Specifically, these were an investment in a Customer Relationship Management (CRM) system, investment in an Enterprise Resource Planning (ERP) systems (Finance and Human Resources), alongside establishing an appropriate data platform.
3. A high-level business case was presented to Cabinet in November 2019 which set out the original scope of the council's organisation design project, which was facilitated by KPMG, and identified that it could potentially deliver up to £43.9m of gross annual savings by year 4 based on an investment of £29.5m. The original profile of these savings was assumed to accumulate as £7.8m in year 1 growing to £16.5m in year 2, £36.9m in year 3 and £43.9m in year 4. It should be highlighted that these savings impact on the whole council including both General Fund and Housing Revenue Account (HRA) services.

Figure 1: Our Operating Model



4. Council on 7 July 2020 agreed to the extension of the project to a £38m programme referencing the accelerated leap forward in different ways of working because of the Covid-19 public health emergency and the need to accelerate the pace at which we generate savings and efficiencies. This report also approved the procurement of a strategic partner, approved oversight of the programme by a Cabinet Working Group as part of the governance arrangements and set out that the £43.9m was adopted as the minimum expectation of savings and efficiencies. Key milestones in the development of the Transformation Investment programme can therefore be set out as follows.
 - a) November 2019. First presented to Cabinet based on a report, costing £314,650, commission from KPMG.
 - b) June 2020 Cabinet (July Council). Establishment of a £37.62m budget for the implementation of the programme.

- c) February 2021 (part of the 2021/22 budget report). Increase in the budget to £44.52m to allow an additional £6.9m for redundancy costs.
 - d) February 2022 (part of the 2022/23 budget report). Further increase in the budget to £67.86m to reflect the following additional elements.
 - £20.09m Inclusion of internal base revenue budget staff costs, £6.7m for 3 years, where staff are not available to support day to day or statutory improvement duties, and will be apportioned and charged against the transformation investment programme.
 - £1.75m Investment in the data and insight capability
 - £1.5m Extra contingency
 - e) February 2023 (as part of the 2023/24 budget report). Reduced the transformation investment programme to £57.36m to reflect.
 - (£10.5m) Reduction in the annual recharge of internal base revenue costs to £3.2m for 3 years.
 - f) July 2023 (as part of this 2022/23 Financial Outturn report). Reduce the transformation investment programme to £56.87m to reflect.
 - (£0.5m) Reduction in the annual recharge of internal base revenue costs to £2.7m for 2022/23.
 - g) February 2024 (as part of the 2024/25 budget report). Reduced the transformation investment programme to £52.13m to reflect.
 - (£4.7m) Reduction in the annual recharge of internal base revenue costs to £0.8m for both 2023/24 and 2024/25.
 - h) July 2024 (as part of the 2023/24 financial outturn report). Reduced the transformation investment programme to **£50.48m** to reflect.
 - (£1.65m) Remove the annual recharge of internal base revenue costs both 2023/24 and 2024/25.
5. Figure 2 below provides a summary table of the return on investment for the transformation investment programme. This indicates that at the end of the 2024/25 financial year the council will have made net revenue savings of **£35m** (£50.2m - £15.46m) for a total one-off estimated investment of **£41m**. Thereafter there will be a minimum net annual revenue saving of **£21m** (£27.25m - £6.4m) with a further one-off investment of a maximum of £9m in 2025/26.

Figure 2: Summary of Return on Investment

Summary Table	2020/21 Actual £m	2021/22 Actual £m	2022/23 Actual £m	2023/24 Actual £m	Total Actuals £m	2024/25 Estimate £m	Overall Total £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m	Overall Total £m
One-Off Investment (Capital and Revenue)	1.50	5.93	16.37	11.36	35.16	6.27	41.43	9.05	0.00	0.00	50.48
Ongoing Revenue Savings (actual and budgeted)	0.00	(3.95)	(7.10)	(14.66)	(25.71)	(24.50)	(50.20)	(27.25)	(27.78)	(27.78)	(133.01)
Ongoing Revenue Licensing & Financing Costs	0.34	2.52	2.36	4.10	9.31	6.15	15.46	6.40	6.12	6.12	34.11

6. A more detailed consolidated position in respect of the transformation investment programme is set out in figure 3 below.

Figure 3: Consolidated Transformation Programme Table

Transformation Investment Programme One-off / time-limited budget provision for the delivery of the programme		2020/21 Actual £m	2021/22 Actual £m	2022/23 Actual £m	2023/24 Actual £m	Total Actuals £m	2024/25 Estimate £m	Overall Total £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m	Overall Total £m
Capital Spend	Expenditure											
	Capital expenditure	1.19	0.05	0.76	0.89	2.89	0.71	3.60				3.60
		1.19	0.05	0.76	0.89	2.89	0.71	3.60				3.60
	Funding											
Capital Spend	Prudential Borrowing (funded from General Fund MRP)	0.00	0.00	(0.56)	(0.89)	(1.45)	(0.71)	(2.16)				(2.16)
	Prudential Borrowing (funded from HRA land tfr)	(1.19)	(0.05)	(0.20)	0.00	(1.44)	0.00	(1.44)				(1.44)
		(1.19)	(0.05)	(0.76)	(0.89)	(2.89)	(0.71)	(3.60)				(3.60)
Revenue Spend	Expenditure											
	One-off costs - including data and insight and capability	0.31	5.32	12.90	7.21	25.74	3.46	29.20	1.28			30.48
	Redundancy costs	0.00	0.56	0.01	3.26	3.83	2.10	5.93	6.97			12.90
	Contingency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.80			0.80
	Staff costs apportioned to Transformation	0.00	0.00	2.70	0.00	2.70	0.00	2.70	0.00			2.70
		0.310	5.880	15.610	10.473	32.27	5.56	37.83	9.05			46.88
	Funding											
	Assumed fundable by Capital Receipts	(0.31)	(3.88)	(15.61)	(10.47)	(30.27)	(5.56)	(35.83)	(9.05)			(44.88)
	Contributions from outside of the General Fund	0.00	(2.00)	0.00	0.00	(2.00)	0.00	(2.00)	0.00			(2.00)
		(0.31)	(5.88)	(15.61)	(10.47)	(32.27)	(5.56)	(37.83)	(9.05)			(46.88)
Total	Total expenditure	1.50	5.93	16.37	11.36	35.16	6.27	41.43	9.05			50.48
	Total funding	(1.50)	(5.93)	(16.37)	(11.36)	(35.16)	(6.27)	(41.43)	(9.05)			(50.48)
Transformation Investment Programme Ongoing base revenue budget of the council		2020/21 Actual £m	2021/22 Actual £m	2022/23 Actual £m	2023/24 Actual £m	Total Actuals £m	2024/25 Estimate £m	Overall Total £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m	Overall Total £m
Revenue Budget	Expenditure											
	Licences and other revenue costs of the programme	0.34	2.24	2.08	2.75	7.41	4.50	11.91	4.50	4.50	4.50	25.41
		0.34	2.24	2.08	2.75	7.41	4.50	11.91	4.50	4.50	4.50	25.41
	Savings and efficiencies											
	Transformation Programme Savings	0.00	(3.95)			(3.95)		(3.95)				(3.95)
	Budgeted savings from 2022/23											
	2022/23 In year - Savings delivered			(7.10)	(7.10)	(14.20)	(7.10)	(21.30)	(7.10)	(7.10)	(7.10)	(42.60)
	Budgeted savings from 2023/24 excluding any previously unidentified savings											
	3rd Party savings - Included within budgeted savings proposals				(0.91)	(0.91)	(0.91)	(1.81)	(0.91)	(0.91)	(0.91)	(4.53)
	Staff savings - Included within budgeted 23/24 services savings proposals				(5.76)	(5.76)	(5.76)	(11.52)	(5.76)	(5.76)	(5.76)	(28.81)
	Additional 2023/24 in-year savings				(0.89)	(0.89)	(0.89)	(1.78)	(0.89)	(0.89)	(0.89)	(4.45)
	Budgeted savings from 2024/25 onwards											
	2024/25 Estimate: Identified transformation savings						(9.84)	(9.84)	(11.48)	(11.48)	(11.48)	(44.29)
	2025/26 Estimate: Identified transformation savings						0.00	0.00	(1.11)	(1.11)	(1.11)	(3.34)
	2026/27 Estimate: Identified transformation savings						0.00	0.00	(0.52)	(0.52)	(0.52)	(1.04)
		0.00	(3.95)	(7.10)	(14.66)	(25.71)	(24.50)	(50.20)	(27.25)	(27.78)	(27.78)	(133.01)
Funding Implications on the revenue budget		2020/21 Actual £m	2021/22 Actual £m	2022/23 Actual £m	2023/24 Actual £m	Total Actuals £m	2024/25 Estimate £m	Overall Total £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m	Overall Total £m
Revenue Budget	One-off Capital Investment											
	Minimum Revenue Provision and interest implications	0.00	0.28	0.28	0.47	1.03	0.69	1.72	0.87	0.59	0.59	3.77
		0.00	0.28	0.28	0.47	1.03	0.69	1.72	0.87	0.59	0.59	3.77
	One-off Revenue Investment											
	Revenue foregone on asset disposed off	0.00	0.00	0.00	0.88	0.88	0.96	1.83	1.04	1.04	1.04	4.94
		0.00	0.00	0.00	0.88	0.88	0.96	1.83	1.04	1.04	1.04	4.94

Transformation Expenditure

7. The £16.37m of expenditure incurred in **2022/23** can be analysed as follows.

£0.76m	Laptops
£11.03m	Strategic Investment Partner – work package costs
£1.65m	Internal direct staff costs
£0.09m	Agency staff costs
£0.01m	Redundancy costs
£0.14m	ICT costs
£2.70m	Apportioned staff costs
£16.38m	Total 2022/23 costs

The work packages costs of the strategic investment partner include those supporting the delivery of the new integrated Finance and Operations (Enterprise Resource Planning) system.

8. The £11.361m of expenditure incurred in **2023/24** can be analysed as follows

£0.822m	Laptops
£0.066m	Other Capital Expenditure
£4.815m	Strategic Investment Partner – work package costs
£3.262m	Redundancy costs
£1.709m	Internal direct staff costs *
£0.606m	ICT costs
£0.081m	Agency staff costs
£11.361m	Total 2023/24 costs

*	£0.51m	ICT Services
	£0.43m	Project Management Office and Communications
	£0.36m	People & Cultural Services
	£0.20m	Procurement and Commissioning
	£0.14m	Financial Services
	£0.06m	Other Services

9. In respect of the £6.27m of expenditure estimated in the current year **2024/25** financial year this can be analysed as principally.

£0.34m	Laptops
£0.37m	Other Capital Expenditure
£0.58m	Strategic Investment Partner – work package costs
£2.10m	Redundancy costs from reducing the headcount of the authority
£2.47m	Internal direct staff costs *
£0.41m	IT costs
£6.27m	Total remaining costs 2024/25

*	£0.70m	ICT Services
£0.41m		People & Cultural Services
	£0.74m	Financial Services

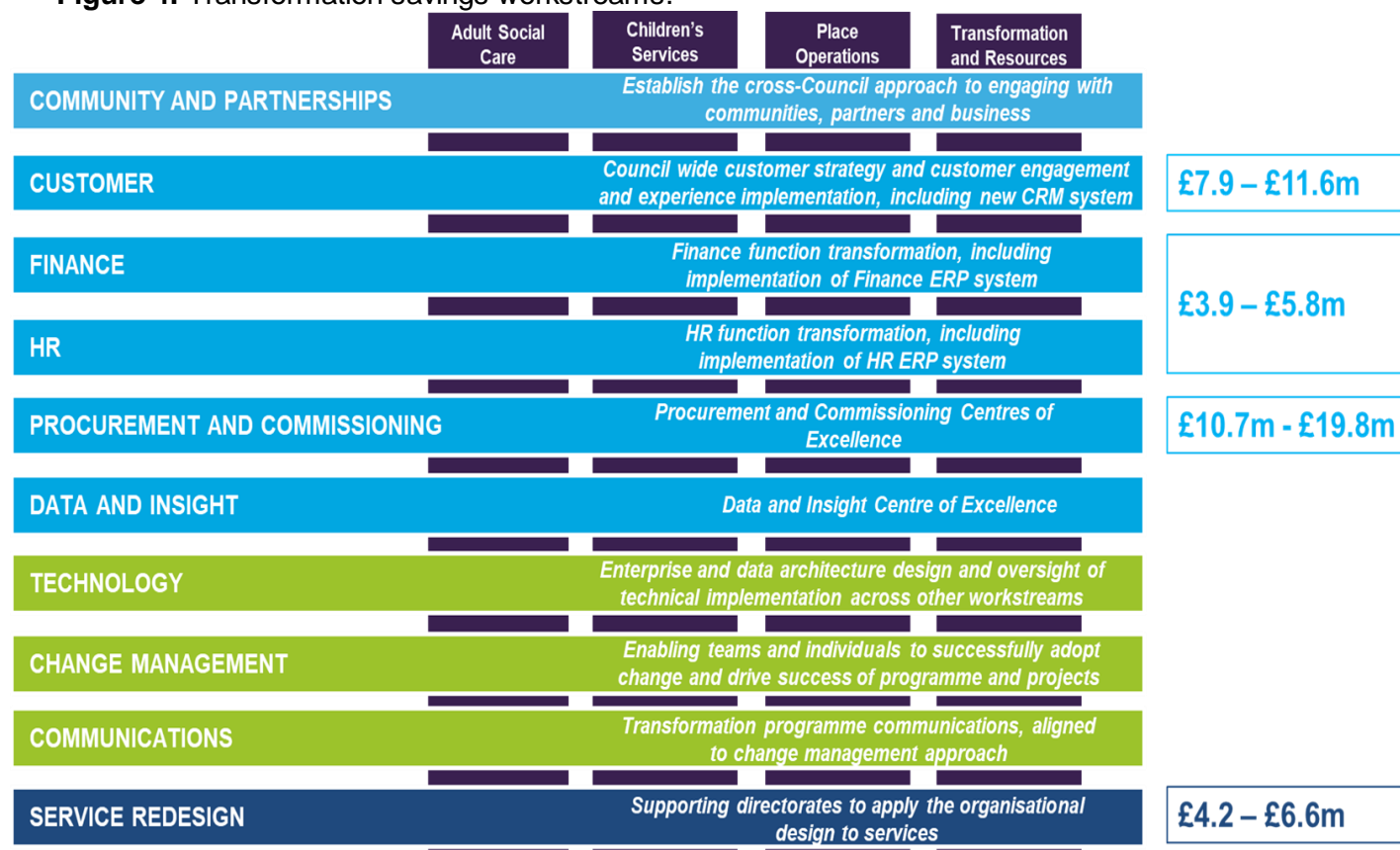
£0.21m Other Services
£0.01m Procurement and Commissioning
£0.40m Project Management Office and Communications

10. The main residual cost for 2025/26 is the remaining element of the amount set aside to cover redundancy costs associated with a head count reduction that as of yet has not been applied. An ongoing review will determine the extent to which these resources will need to be drawn down.

Transformation Savings

11. The savings from the programme can be broken down into 10 separate workstreams with the total original business case estimate being in the range £26.7m to £43.8m. These workstreams, and the savings they are assumed to deliver, can be articulated as follows.

Figure 4: Transformation savings workstreams.



5

12. Savings from the transformation investment programme are therefore specifically associated with.

- Reduction in employee headcount through the consolidation of common roles/work.
- Reduction in employee headcount through the consolidation of organisational layers/structures.

- (c) Reduction in third-party spend through more robust procurement and contract management. This will include smarter ways of working such as the digital mail and the reduction of spend throughout the council by the centralisation of spending on items such as stationery, photocopying and printing.
- (d) Review of the corporate structure to enable the council to continue to reflect and realign its management structure to ensure we are continuously improving towards being the organisation that we aspire to be and to ensure we deliver our priorities for our residents. This includes the integration of the library services with customer facing services and community hubs.
- (e) The Council's estate and accommodation project.

Transformation Savings

13. The (£7.1m) of ongoing savings delivered in **2022/23** can be analysed as follows.

(£3.327m)	Third Party expenditure reductions
(£1.726m)	Implement of new Smarter Staff Structures
(£1.141m)	Estate workstream - lease surrender, operating costs civic buildings
(£0.793m)	Business Support savings via vacancy management
(£0.111m)	Cost recovery – additional income
(£7.100m)	Total Savings 2022/23 onwards

14. The (£7.56m) of additional ongoing savings delivered in **2023/24** can be analysed as follows.

(£5.761m)	Staffing savings including £2.3m from increasing the vacancy drag.
(£1.171m)	Third party spend.
(£0.625m)	Utility (Electricity/Gas) savings from contract arrangements
(£7.557m)	Total additional savings from 2023/24 onwards

15. The (£10.15m) of further ongoing forecast savings for delivery in 2024/25 were set out in detail as part of the Quarter 2 Budget Monitoring report to Cabinet on the 10 December 2024. This can be compared to £13.533m assumed as part of the 2024/25 February 2024 budget report. In summary this can be analysed as follows.

(£2.168m)	Wellbeing Directorate (Budgeted £3.847m).
(£2.429m)	Children's Directorate (Budgeted £4.162m)
(£3.829m)	Operations Directorate (Budgeted £3.829m)
(£1.226m)	Resource Directorate (Budgeted £1.192m)
(£0.503m)	Authority-wide Transformation Savings (Budgeted £0,503m)
(£10.152m)	Total further forecast savings from 2024/25 onwards

16. Details of the Transformation savings being assumed for 2025/26 onwards are subject to confirmation at this time as part of the 2025/26 budget process and the 2025/26 budget report will provide and update of this statement.
17. Currently, the programme is focused on the final piece of work with the council's strategic investment partner, KPMG, in respect of the Customer Relationship Management technological platform. This investment will help move us to further forward with the implementation of the Target Operating Model and put us in a position to make further headway with service redesign and benefit realisation. The next step will be the ongoing support to services specific transformation investment programmes and to ensure the fulfilment of the programme's objectives.
18. Transformation Programme Managers have worked closely with heads of service and directors throughout the vision and validate activity. Care has been taken to ensure the correct categorisation of the 2025/26 savings and to avoid duplication or double counting.
19. Work at this point, having not yet completed all the system and process changes has not identified any further savings over and above everything already set out in the MTFP, indeed the transformation work already done to date helps to make those savings easier to achieve. The Voluntary Redundancy scheme headcount reductions have been made easier to translate into deliverable savings by the council making the most of the new systems for financial management, customer relationship management, data analysis and artificial intelligence.

Service Specific Transformation Programmes

20. Building on the success of the main Transformation Investment Programme Cabinet and Council have also agreed a number of service investment programmes within both Adult Social Care and Children's Services. As set out in Figure 5 below this highlights for a one-off investment of £5m the Council is aiming to lever annual savings of circa £11m per annum by 2027/28.

Figure 5: Service Specific Transformation Programme

Service Specific Investment Programmes		2020/21 Actual £m	2021/22 Actual £m	2022/23 Actual £m	2023/24 Actual £m	Total Actuals £m	2024/25 Estimate £m	Overall Total £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m	Overall Total £m
Revenue Spend	Expenditure											
	Children's Service Specific Investment Programme	0.00	0.00	0.00	0.66	0.66	0.35	1.01	0.70			1.71
	Adult Social Care -Assistive Technology	0.00	0.00	0.00	0.20	0.20	0.16	0.36	0.04			0.40
	Adult Social Care -Transfer of catering services to Tricuro	0.00	0.00	0.00	0.14	0.14	0.07	0.21	0.00			0.21
	Adult Social Care - July 2023 Business Case	0.00	0.00	0.00	0.09	0.09	1.53	1.61	1.12			2.73
		0.000	0.000	0.000	1.085	1.09	2.11	3.19	1.86			5.05
	Funding											
	Assumed fundable by Capital Receipts	0.00	0.00	0.00	(1.09)	(1.09)	(2.11)	(3.19)	(1.86)			(5.05)
		0.00	0.00	0.00	(1.09)	(1.09)	(2.11)	(3.19)	(1.86)			(5.05)
	Savings and efficiencies											
	Children's Service Specific Investment Programme	0.00	0.00	0.00	0.00	0.00	(0.22)	(0.22)	(0.56)	(1.46)	(3.06)	(5.30)
	Adult Social Care -Assistive Technology	0.00	0.00	0.00	0.00	0.00	(0.07)	(0.07)	(0.69)	(0.84)	(0.90)	(2.49)
	Adult Social Care -Transfer of catering services to Tricuro	0.00	0.00	0.00	0.00	0.00	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.09)
	Adult Social Care - July 2023 Business Case	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(1.21)	(2.17)	(3.23)	(6.61)
	Adult Social Care - UEC Transformation Net Savings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.10)	(1.10)	(3.60)	(4.80)
		0.00	0.00	0.00	0.00	0.00	(0.31)	(0.31)	(2.58)	(5.59)	(10.81)	(19.29)
Total	Net Position of Service Specific Transformation	0.00	0.00	0.00	1.09	1.09	1.79	3.50	(0.72)	(5.59)	(10.81)	(14.24)

21. Once the main and the service specific Transformation Programmes are combined, they indicate that at the end of the 2024/25 financial year the council will have made net revenue savings of **£35m** (£50.5m - £15.5m) for a total one-off estimated investment of **£45m**. Thereafter there will be a minimum net annual revenue saving of **£23m** (£29.83m - £6.4m) with a further one-off investment of a maximum of £11m in 2025/26. This minimum annual revenue saving is forecast to grow to **£32m** per annum from 2027/28 onwards.

Figure 6: Combined Transformation Investment & Service Specific programmes

Summary Table	2020/21 Actual £m	2021/22 Actual £m	2022/23 Actual £m	2023/24 Actual £m	Total Actuals £m	2024/25 Estimate £m	Overall Total £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m	Overall Total £m
One-Off Investment (Capital and Revenue)	1.50	5.93	16.37	12.45	36.25	8.38	44.62	10.91	0.00	0.00	55.53
Ongoing Revenue Savings (actual and budgeted)	0.00	(3.95)	(7.10)	(14.66)	(25.71)	(24.81)	(50.52)	(29.83)	(33.36)	(38.58)	(152.30)
Ongoing Revenue Licensing & Financing Costs	0.34	2.52	2.36	4.10	9.31	6.15	15.46	6.40	6.12	6.12	34.11

Flexible Use of Capital Receipts (FUCR)

22. As part of 2015 Spending Review (SR15), the government announced that to support local authorities to deliver more efficient and sustainable services it would allow local authorities to spend up to 100% of their fixed asset receipts on the revenue costs of service reform and transformation. Guidance on the use of this flexibility stipulated that it applied to the three financial years to end March 2019. However, this was extended for a further three years to 31 March 2022 as part of the 2018/19 local government finance settlement, for a further three years to 31 March 2025 in April 2022, and for a further 5 years to 31 March 2030 as part of the 2024/25 local government finance settlement.
23. The current guidance makes it clear that local authorities cannot borrow to finance the revenue costs of service reforms or improvements. In addition, local authorities can only use capital receipts from the disposal of property, plant and equipment assets received in the years the flexibility is offered. Local authorities may not use any existing stock (pre-2016) of capital receipts to finance the revenue costs of reforming their services. Set up and implementation costs of any new processes or arrangements that will generate future ongoing savings and/or transform service delivery to reduce or improve the quality-of-service delivery in future years can be classified as qualifying expenditure. Costs associated with business-as-usual activity and the council's statutory duty to improve cannot be classified as qualifying expenditure. The ongoing revenue costs of any new processes or arrangements can also not be classified as qualifying expenditure. In addition, the guidance issued by the Secretary of State under section 15(1)(a) of the Local Government Act 2003 specifies that.
- The key determining criteria to use when deciding whether expenditure can be funded by the new capital receipts flexibility is that it is forecast to generate ongoing savings to an authority's net service expenditure.
 - In using the flexibility, the council will have due regard to the requirements of the Prudential Code, the CIPFA Local Authority Accounting Code of Practice and the current edition of the Treasury Management in Public Services Code of Practice
24. Council has previously engaged with both CIPFA Consultancy and the External Auditor to provide assurance that any such costs which it wishes to fund from the FUCR accords with the statutory guidance.
25. For 2022/23 the Council has funded the £15.61m of revenue expenditure on its transformation programme via the FUCR set out as follows.

(£5.069m)	31.3.22 Brought Forward Capital Receipts
(£19.039m)	In-year capital receipts (excluding those from vehicle sales)
£0.136m	Costs of disposal
£15.610m	Transformation Investment Programme expenditure
(£8.362m)	31.3.23 Capital Receipts carried forward.

Capital receipts delivered included £12.6m for the Wessex Trade Industrial Centre in Poole, and £5.642m for most of the units the council owned at Airfield Industrial Estate, Christchurch.

26. For 2023/24 the Council has funded £11.558m of revenue expenditure on its transformation programme via the FUCR set out as follows.

(£8.362m)	31.3.23 Brought Forward Capital Receipts
(£4.545m)	In-year capital receipts.
£0.029m	Costs of disposal
£10.473m	Transformation Investment Programme expenditure
£0.656m	Children's Services service specific transformation expenditure
£0.429m	Adult Social Care service specific transformation programme
(£1.320m)	31.3.24 Capital Receipts carried forward.

Capital receipts delivered included the councils share of the Bargates site, 35 Willis Way Fleet Industrial Park Poole and 3 of the remaining units previously owned by the council on the Airfield Industrial Park in Christchurch.

27. In relation to 2024/25 the Council is planning to spend £7.666m of revenue expenditure on its transformation programme funded via the FUCR as follows.

(£1.320m)	31.3.24 Forecast Brought Forward Capital Receipts
(£9.451m)	Forecast in-year capital receipts.
£0.057m	Costs of disposal
£5.560m	Transformation Investment Programme expenditure
£0.350m	Children's Services service specific transformation expenditure
£1.756m	Adult Social Care service specific transformation programme
(£3.048m)	31.3.25 potential capital receipts to be carried forward

Capital receipts currently forecast in 2024/25 include those from Southbourne Crossroads, the Christchurch By-pass car park, and the land at Wessex Fields.

28. In relation to 2025/26 the Council is planning to spend £10.906m of revenue expenditure on its transformation programme funded via the FUCR as follows.

(£3.048m)	31.3.25 Forecast Brought Forward Capital Receipts
(£7.550m)	Forecast in-year capital receipts.
£0.048m	Costs of disposal
£9.050m	Transformation Investment Programme expenditure
£0.700m	Children's Services service specific transformation expenditure
£1.156m	Adult Social Care service specific transformation programme
£0.356m	31.3.26 potential shortfall in capital receipts

Capital receipts currently forecast in 2025/26 include those from the south part of Beach Road Car Park, Christchurch Civic Centre, site of the previous Westbourne Plus day centre, and the former deport site in Cambridge Road. Proposals to

generate a healthy pipeline of capital receipts to support the council's future financial health and sustainability continues and any asset no longer identified as suitable for either its current, or a potentially alternative, service delivery.

Appendix 2: Schedule of Transformation Savings

	2021/22 £000's	2022/23 £000's	2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's
Third Party Spend - Stationery	(100)	(100)	(100)	(100)	(100)	(100)	(100)
ASC - Third Party Spend - Adult Social Care front door	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)
Estates Workstream - Surrender Newfield's Lease	(121)	(121)	(121)	(121)	(121)	(121)	(121)
Economic Development - Third Party Spend	(53)	(53)	(53)	(53)	(53)	(53)	(53)
Financial Services - Cost Recovery - charge to Charter Trustees	(11)	(11)	(11)	(11)	(11)	(11)	(11)
Financial Services - Employee Budget saving - Revenue and Benefits (Bmth element)	(127)	(127)	(127)	(127)	(127)	(127)	(127)
Financial Services - Employee / Operation savings - Revenue & Benefits (SVPP & Bmth)	(187)	(187)	(187)	(187)	(187)	(187)	(187)
Financial Services - Established resources deal with higher workload	(40)	(40)	(40)	(40)	(40)	(40)	(40)
Third Party Spend - PPE Spend	(300)						
Third Party Spend - Mobile Data	(82)	(140)	(140)	(140)	(140)	(140)	(140)
Executive - Smarter Structure Saving	(131)	(131)	(131)	(131)	(131)	(131)	(131)
Third Party Spend - Civica Regulatory Services	(9)	(18)	(18)	(18)	(18)	(18)	(18)
ASC - Third Party Spend - Adult Social Care front door		(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Financial Services - Third Party Spend - Oyster Bay System		(41)	(41)	(41)	(41)	(41)	(41)
Financial Services - Third Party Spend - Cash Receipting Systems Consolidation		(1)	(1)	(1)	(1)	(1)	(1)
Estates Workstream - Surrender Newfield's Lease		(40)	(40)	(40)	(40)	(40)	(40)
Estates Workstream - Poole/Christchurch Civic Centre		(980)	(980)	(980)	(980)	(980)	(980)
Communications & Marketing - Third Party Spend - Advertising		(30)	(30)	(30)	(30)	(30)	(30)
Destination & Culture - Third Party Spend - Small Sundry		(3)	(3)	(3)	(3)	(3)	(3)
Libraries - Third Party Spend - Books		(90)	(90)	(90)	(90)	(90)	(90)
Stationery	(130)	(46)	(46)	(46)	(46)	(46)	(46)
Printing and photocopying	(90)	(30)	(30)	(30)	(30)	(30)	(30)
Telephone Costs	(80)	(25)	(25)	(25)	(25)	(25)	(25)
Seafront Income		(100)	(100)	(100)	(100)	(100)	(100)
Adult Social Care Commissioning & Improvement	(138)	(138)	(138)	(138)	(138)	(138)	(138)
Environment	(220)	(220)	(220)	(220)	(220)	(220)	(220)
Facilities	(71)	(71)	(71)	(71)	(71)	(71)	(71)
Housing	(87)	(87)	(87)	(87)	(87)	(87)	(87)
Communications & Marketing	(51)	(51)	(51)	(51)	(51)	(51)	(51)
Transport	(180)	(180)	(180)	(180)	(180)	(180)	(180)
Environment	(34)	(34)	(34)	(34)	(34)	(34)	(34)
Leisure	(60)	(60)	(60)	(60)	(60)	(60)	(60)
Destination & Culture - Senior Staff Review	(72)	(72)	(72)	(72)	(72)	(72)	(72)
Legal and Governance	(54)	(54)	(54)	(54)	(54)	(54)	(54)
IT, Data and Analytics	(12)	(12)	(12)	(12)	(12)	(12)	(12)
Leadership Team	(79)	(79)	(79)	(79)	(79)	(79)	(79)
Customer	(55)	(55)	(55)	(55)	(55)	(55)	(55)
Libraries	(128)	(128)	(128)	(128)	(128)	(128)	(128)
Business Support Vacancy Management Savings		(793)	(793)	(793)	(793)	(793)	(793)
ASC Alternative Meals provision			(250)	(250)	(250)	(250)	(250)
Children's Services - Quality Performance Information & Gov.			(250)	(250)	(250)	(250)	(250)
Children's Services - Education Revised Delivery Models			(200)	(200)	(200)	(200)	(200)
Children's Services - Corporate Parenting			(143)	(143)	(143)	(143)	(143)
Children's Services - Safeguarding & Early Help			(106)	(106)	(106)	(106)	(106)
Communities - Individual savings proposals less than £100k			(138)	(138)	(138)	(138)	(138)
Communities - Explore shared Trading Standards Service			(28)	(28)	(28)	(28)	(28)
Communities - Reshape Out of Hours Noise & Nuisance Svs			(49)	(49)	(49)	(49)	(49)
D&C - Reshape Cultural Compact Activity with Partners			(100)	(100)	(100)	(100)	(100)
D&C - Reshape Leisure Team			(20)	(20)	(20)	(20)	(20)
D&C - Efficiencies Bmth Tourist Information Service			(10)	(10)	(10)	(10)	(10)
Environment - Reshape Parks Operations			(170)	(170)	(170)	(170)	(170)
Environment - Strategic Greenspace - Delete vacant posts			(121)	(121)	(121)	(121)	(121)
Environment - Household Waste Recycling Centre			(100)	(100)	(100)	(100)	(100)
Housing - Delete Vacant Posts			(48)	(48)	(48)	(48)	(48)
T&E - School Crossing Patrols capital investment			(15)	(15)	(15)	(15)	(15)
Planning - Reshape non-statutory elements service			(100)	(100)	(100)	(100)	(100)
Marketing - Delete vacancies, reduce marketing, PR & Web support			(238)	(238)	(238)	(238)	(238)
Finance - Target Operating Model Savings - part 1			(108)	(108)	(108)	(108)	(108)
Finance - Staff Savings in Audit & Management Assurance			(97)	(97)	(97)	(97)	(97)
Finance - Revenue & Benefits Service - insource from SVPP			(65)	(65)	(65)	(65)	(65)
Corporate - Reduction in Regeneration Resources			(56)	(56)	(56)	(56)	(56)

Corporate - Restructure of the Corporate Management Board			(244)	(244)	(244)	(244)	(244)
Communities - Community Development			(400)	(400)	(400)	(400)	(400)
Planning - Additional Reshaping of the non-statutory plan service			(100)	(100)	(100)	(100)	(100)
Economic Development - Smart Places Budget			(134)	(134)	(134)	(134)	(134)
Corporate Areas - Regeneration Resources			(129)	(129)	(129)	(129)	(129)
Commissioning Centre of Excellence - Vacancy Drag			(68)	(68)	(68)	(68)	(68)
Children's Services - Vacancy Drag			(307)	(307)	(307)	(307)	(307)
Resources - Vacancy Drag			(1,124)	(1,124)	(1,124)	(1,124)	(1,124)
Operations - Vacancy Drag			(843)	(843)	(843)	(843)	(843)
ASC Work in Partnership with Tricuro to reduce contract value			(400)	(400)	(400)	(400)	(400)
ASC Reduce Social Workers mileage budget to current use			(59)	(59)	(59)	(59)	(59)
Children's Services - P Card Spend			(70)	(70)	(70)	(70)	(70)
Children's Services - Subscription Research in Practice			(12)	(12)	(12)	(12)	(12)
Operations DC - Reduction of Seafront Operational Budget			(50)	(50)	(50)	(50)	(50)
Operations DC - Remove Blue Flag & Seaside Awards			(10)	(10)	(10)	(10)	(10)
Operations DC - Staff Mileage, premises costs etc.			(156)	(156)	(156)	(156)	(156)
Operations DC - Poole Quay and Brmth Summer Fireworks			(2)	(2)	(2)	(2)	(2)
Economic Development - Reduce non staffing budget			(147)	(147)	(147)	(147)	(147)
iLearn (Replaced by Skills Gate)			(33)	(33)	(33)	(33)	(33)
Legal Norwell system (Replaced by Civica)			(10)	(10)	(10)	(10)	(10)
Environment Asset Management System			(41)	(41)	(41)	(41)	(41)
Telephones, mobiles, printing and photocopying			(181)	(181)	(181)	(181)	(181)
Utility (Electricity/Gas) savings from contract arrangements			(625)	(625)	(625)	(625)	(625)
Reconfiguration of Care Home Beds Purchasing Structure				(1,000)	(2,000)	(2,000)	(2,000)
Additional income - client contributions (budget rebase)				(300)	(300)	(300)	(300)
Recoup costs not within Section 22 of the Care Act (rebase)				(200)	(200)	(200)	(200)
Social Care running costs (budget rebase)				(20)	(20)	(20)	(20)
No Recourse to Public Funds (budget rebase)				(20)	(20)	(20)	(20)
Commissioning running costs (rebase)				(60)	(60)	(60)	(60)
Third Party Spend - Stationery				(70)	(70)	(70)	(70)
Public Protection – Reconfiguration of tier 5 and 6 management/senior posts				(187)	(296)	(296)	(296)
Reduce by one Head of Service, including reduction in non essential expenditure				(139)	(139)	(139)	(139)
Community Safety and Engagement - Community grants rebase budget				(93)	(93)	(93)	(93)
Reduce budget for Housing Related Support in relation to a small scheme that has moved from supported housing to general needs				(55)	(55)	(55)	(55)
Early Help Delivery Model				(1,060)	(1,060)	(1,060)	(1,060)
Transformation - Commissioning				(994)	(994)	(994)	(994)
Transformation - Health leverage health spend				0	(500)	(500)	(500)
Transformation - Other smaller third party spend efficiencies				(130)	(130)	(130)	(130)
Unused conditions survey budget				(23)	(23)	(23)	(23)
Upton Country Park - Move to full cost recovery - Transitional funding provided to cover 2025/26 impact				(171)	(171)	(171)	(171)
Highcliffe Castle - Move to full cost recovery over a 4 year period - transitional funding provided to cover 2025/26 impact				(162)	(162)	(162)	(162)
Destination and Culture - Leisure Centres				(100)	(100)	(100)	(100)
Queens Park Golf course - Full Cost Recovery				(47)	(47)	(47)	(47)
Bring car parking staff into operational buildings				(10)	(10)	(10)	(10)
Efficiencies against short term vehicles hire contract spend				(100)	(100)	(100)	(100)
Reduction in head of service post				(95)	(95)	(95)	(95)
Efficiencies from move to perennial plants and flowers				(50)	(50)	(50)	(50)
Amalgamate Environment & Planning Arboricultural Teams				(30)	(30)	(30)	(30)
Kingfisher barn move to Full Cost Recovery				(14)	(14)	(14)	(14)
Economic Development - Move service to full cost recovery - Transitional funding provided to cover 2025/26 impact				(655)	(655)	(655)	(655)
Destination Team move to full cost recovery				(142)	(142)	(142)	(142)
Smart Places - Move service to full cost recovery - Transitional funding provided to cover 2025/26 impact				(104)	(104)	(104)	(104)
Change all subway lighting to LED				(64)	(64)	(64)	(64)
Capital investment in alternative to School Crossing Patrols at specific locations				(12)	(12)	(12)	(12)
FCERM - Service Efficiency				(3)	(3)	(3)	(3)
Externalisation of Russell Cotes Museum with transitional funding provided for the period to 1 October 2025.				(626)	(626)	(626)	(626)
Externalisation of Russell Cotes Museum - Reduction in corporate maintenance funding with transitional funding provided for the period to 1 October 2025				(50)	(50)	(50)	(50)
Operational Savings in Libraries in 2024/25				(500)	(500)	(500)	(500)
Reduce business support staff				(250)	(250)	(250)	(250)
Remove PA functions below Service Directors				(240)	(240)	(240)	(240)

Reduce Customer service staff provision				(100)	(100)	(100)	(100)
Further reduce Business Support				(100)	(100)	(100)	(100)
Delete Sales and Marketing post				(55)	(55)	(55)	(55)
Capitalise Telecare Equipment				(149)	(149)	(149)	(149)
Democratic Services Budget - Rebase in line with 2022/23 Outturn				(63)	(63)	(63)	(63)
Consolidating Advertising Opportunities across services				(80)	(80)	(80)	(80)
Centralise marketing purchasing 2023/24				(50)	(50)	(50)	(50)
Centralise marketing purchasing 2024/25				(20)	(20)	(20)	(20)
Payroll System -- Budget rebase				(49)	(49)	(49)	(49)
Disclosure & Barring Service - Budget Rebase in line 2022/23 Actuals				(12)	(12)	(12)	(12)
Procured framework for future executive recruitment				(8)	(8)	(8)	(8)
Accountancy - 10% Net Budget Savings - Fast track delivery of Target Operating Model savings via a voluntary redundancy process - Vision & Valid savings				(139)	(175)	(175)	(175)
Accountancy - replacement of the old Oracle Fusion				(59)	(59)	(59)	(59)
Accountancy - Cash collection contract (1 supplier instead of 3)				(60)	(60)	(60)	(60)
Estates - Third Party Spend saving - Accounts valuation				(50)	(50)	(50)	(50)
Health & Safety Team reduced budget to reflect operational efficiencies				(46)	(46)	(46)	(46)
Audit & Management Assurance - Third Party Spend savings - Rebase budget				(35)	(35)	(35)	(35)
Service Director Budget Rebase				(21)	(21)	(21)	(21)
Estates - Rebase recharges in line with levels achieved				(5)	(5)	(5)	(5)
Revenue and Benefits System - Target Operating Model - Vision and Valid savings				(44)	(44)	(44)	(44)
Contract Management - Vodafone				(234)	(234)	(234)	(234)
Microsoft Enterprise Licencing Agreement				(100)	(100)	(100)	(100)
Contract Management - Centralise IT contracts and challenge vendors				(50)	(50)	(50)	(50)
Move from PAYG Azure Instances to Reserved Instances				(27)	(27)	(27)	(27)
Reduce the number of virtual machines supporting Process Automation				(4)	(4)	(4)	(4)
Across authority savings inline with 2022/23 actuals e.g. Subscriptions, Staff mileage and volunteer expenses				(503)	(503)	(503)	(503)
Public Protection -- Reconfiguration of tier 5 and 6 management/senior posts					(186)	(186)	(186)
Transformation - Commissioning					(249)	(249)	(249)
Beech House lease not renewed in June 2025					(125)	(125)	(125)
Beech House apportionment to the Housing Revenue Account					107	107	107
Reduce Customer service staff provision					(100)	(100)	(100)
Revenue and Benefits System - Target Operating Model - Vision and Valid savings					(400)	(400)	(400)
Revenue and Benefits - System rationalisation					(159)	(159)	(159)
Transformation - Commissioning						(497)	(497)
Capital investment in alternative to School Crossing Patrols at specific locations						(21)	(21)
Beech House lease not renewed in June 2025						(25)	(25)
Beech House apportionment to the Housing Revenue Account						21	21
Total Itemised Savings	(3,951)	(7,098)	(14,655)	(24,494)	(27,251)	(27,773)	(27,773)
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	£000's	£000's	£000's	£000's	£000's	£000's	£000's

Service Specific Transformation Savings							
Transformation - New delivery models				(222)	(560)	(1,455)	(3,061)
Investment in care technology				(69)	(685)	(842)	(896)
Vision & Validation savings linked to business case under preparation				0	(1,211)	(2,170)	(3,230)
Catering Services - Transfer to Tricuro (budget rebase)				(22)	(22)	(22)	(22)
UEC Transformation - January 2026 Onwards				0	(100)	(1,100)	(3,600)
Total Itemised Savings	0	0	0	(313)	(2,578)	(5,589)	(10,809)
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	£000's	£000's	£000's	£000's	£000's	£000's	£000's

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OVERVIEW AND SCRUTINY BOARD



Report subject	Regeneration Progress Report
Meeting date	13 January 2025
Status	Public Report
Executive summary	<p>In September 2023, Cabinet approved the establishment of an Investment and Development Directorate which would be responsible for the delivery of the priority programmes for regeneration, Council Newbuild and Acquisition delivery and Smart Places.</p> <p>This report provides an update on the establishment process and progress against the Council's approved regeneration priorities. The four priorities approved by Cabinet in September 2023 are the former Holes Bay power station site, redevelopment of the Dolphin Leisure Centre, proposals for the Bournemouth International Centre (BIC) and the Winter Gardens development.</p>
Recommendations	<p>It is RECOMMENDED that :</p> <ol style="list-style-type: none"> 1. The Board supports the strategic direction and progress made on the regeneration priorities 2. The Board notes the pressures in the housing market and the solutions being explored to unlock delivery, including proactive partnerships with Homes England and developers.
Reason for recommendations	To enable the Investment and Development Directorate to deliver the priorities set by the Administration and in accordance with proposals set out in the emerging Local Plan and the renewed emphasis by the new Government increasing housing targets

Portfolio Holder(s):	Cllr Millie Earl, Leader and Portfolio Holder for Dynamic Places Cllr Kieron Wilson, Portfolio Holder for Housing and Regulatory Services Cllr Richard Herrett, Portfolio Holder for Commercial Operations
Corporate Director	Glynn Barton (Chief Operations Officer)
Report Authors	Amena Matin, Director, Investment and Development
Wards	All
Classification	Public

Background

1. Following the decision by Cabinet in September 2023 to bring back into house the regeneration activity, the Investment and Development Directorate was established to deliver the priority programme. This internalised and integrated the regeneration projects within the Council, bringing together our current in-house Housing Delivery function, the Towns Fund programme and the Smart Place digital connectivity activity. This created a renewed focus on investment and delivery of place-based regeneration and transforming lives; with the priority being to establish a market facing service with investable propositions for a range of private and public bodies. Alongside the four council officers in the Regeneration team, the establishment has been supported by the appointment of the Chief Operating Officer and Director for Investment and Development, who have been in post since June and July respectively.
2. The Investment and Development function is integral to delivering the priorities set by the Administration and to reset the Council's expertise and control of regeneration, following the closure of Future Places. A review of the transferred assets and projects concluded that the Council would prioritise four key regeneration projects for delivery: the Former Power Station, Holes Bay, Poole Dolphin Leisure Centre, former Winter Gardens site and the Bournemouth International Centre.
3. The priority opportunities were assessed based on the work concluded by Future Places and the sites/projects which had potential for a significant regeneration impact. The total net cost of establishing and closing BCP Future Places Ltd amounted to £5.3 million. In addition, the Council incurred further expenses of £546,000 for work procured from the company, along with some minor legal and financial administration costs. The value (time and financial) gained is that significant technical surveys were undertaken on several sites which provide relevant information to inform the delivery strategies for the sites. The work Future Places undertook was preparatory in relation to the sites they were focused on, not delivery. Much of the learning has been incorporated by transferring staff into the Investment and Development directorate, where we continue to benefit from their experience and expertise

4. The council's renewed focus on regeneration comes at a time when housebuilding is at its lowest in the UK. Supply of new homes has fallen short of government targets and other assessments of need, while being highly cyclical due to funding programmes. Across England affordable housing delivery fell to 29% of completions in 2022, with delivery at a local level falling short of the housing requirements.
5. The Council's own housing delivery team, working with CWT and other contractors, have delivered several sites with a pipeline of over 400 homes, currently 135 homes are on site due to be handed over in the next 18 months. The Council is exploring options with different delivery partners to inform it's broader strategic investment opportunities in the BCP area.
6. The regeneration priorities set out by the Administration were to support and catalyse delivery of the strategic regeneration sites and work towards the ambition to unlock housing supply in the conurbation. However, over the past five years the market has significantly changed for regeneration, which by its nature is complex, multi-faceted and involves sites which present significant viability challenges. The priority for all programmes is to maintain a balanced budget which influences how regeneration projects are taken forward.
7. Progress made by the Council is in better understanding the individual sites and market and utilising a multidisciplinary approach to develop a delivery model which is market facing. This has involved feedback from the industry and development sector about the need to be flexible through planning, to bring a partner on early with the expertise and experience of taking complex sites through the planning process and establishing stronger links with funders and investors such as Homes England and institutional investors to finance the remediation needed across the regeneration portfolio.
8. Therefore, the Council has designed a regeneration programme which creates the right conditions through providing clarity of vision and outcomes to attract partnership expertise and investment to support delivery. By taking this approach, this will limit the need to seek additional borrowing. All projects are currently being delivered within approved capital and revenue budgets set by Cabinet.
9. This report updates on progress and the steps to move the priority projects into delivery with priorities underpinned by our approach to be open, transparent and accountable, putting residents at the heart of our services, with a set of clear guiding principles by which we work. The regeneration programme is prioritised around our place and environment and our people and communities. A report will be submitted to Cabinet to consider the steps being taken towards delivery and will seek decisions on the proposals.
10. To ensure synergy across regeneration and housing delivery, projects are structured with the following principles:

- a. Develop a delivery model which optimises the right conditions for delivery and mitigates further pressure on the Council's budgets
 - b. Deliver place-based regeneration which create environments that promote social integration, economic growth and sustainable living.
 - c. Through a programme of active investment in affordable housing delivery, capitalise on the urban environment and tackle underutilised or surplus assets
 - d. Exploration of a range of delivery models and investors, from direct delivery to partnerships, to contribute to meeting the wider housing needs and unlock the regeneration of Council owned land for predominantly residential use.
 - e. To steward non-residential uses to improve the leisure and commercial offer in the BCP area.
 - f. Establish strategic and bold partnerships with internal stakeholders, Homes England, MHCLG and public and private investors to position BCP as a place with ambition and ability to deliver inclusive growth.
11. The government has been actively promoting regeneration particularly in economically struggling regions. However, regeneration is dependent on a range of factors including public and private sector investment, government policy, broader macroeconomic conditions such as the planning system, and locally how well it functions alongside natural constraints. In BCP, the constraints are coastal and flood zones, two main rivers and other water courses and international and national level water and land environmental designations.
12. Since the Council has taken control of regeneration, we have been able to identify the factors affecting the delivery of sites locally which in turn has enabled us to make good progress to establishing a delivery model. Significant progress has been made over the past year to better understand the opportunities including designing planning strategies, assessment of the cost of development which is in excess of approved budgets, the individual site constraints and market intelligence to support the delivery model.
13. Many regeneration projects are being led or funded by private developers, in collaboration with local authorities. However, the market feedback has also identified external drivers and the macroeconomic issues which are affecting regeneration programmes. This is relevant to the way the regeneration priorities are evaluated and delivered and requires careful planning by the Council to ensure we take a balanced approach as landowner, enabler and strategic planning authority. The key viability constraints identified are:
- a) Funding issues and accommodating new legal and planning requirements
 - b) Build cost inflation
 - c) Interest rates
 - d) Labour shortages and construction skills
 - e) Affordable housing grant rates and funding landscape
- a) Funding issues and accommodating new Legal and Planning Requirements

Despite governmental support, financing regeneration projects remains a significant hurdle. Additionally, the legal framework has been changing over recent years with new planning and building legislation being enacted. The Levelling Up and

Regeneration Act is responsible for current and planned changes to development management, planning performance and timescales, plan making and methods for measuring and setting housing targets. The Building Safety Act 2022 (BSA) has dramatically changed the framework for building control nationally particularly around tall buildings and with the introduction of a new building safety regulator.

The BSA has raised standards of fire safety in tall buildings. Recommendations for additional means of escape via a 2nd staircase has meant a major review of new buildings over 18m (6+ storeys) in height. This has led to redesign, delays, and cost impacts for major developments and an uncertainty in the housebuilding and contracting market to take up new opportunities.

The forum of the nation's largest Registered Providers, known as the G15, estimate that overall spend of members on building safety, including fire remediation works, will reach c.£3.6 billion by 2036. Consolidating so much funding into this remediation work will significantly reduce financial capacity for other activities, including new development or further delivery of S106 Affordable Housing provision.

Feedback from developers and Homes England is that a proactive approach to tall building planning policy is needed in areas which are economically disadvantaged to improve the cost to value for schemes. However, the scale and massing will vary by site in BCP due to sites requiring elevation to offset flood risks. Officers are working collaboratively across the Council to assess suitable density and heights to create the right conditions for regeneration.

b) Build Cost Inflation

There has been a significant spike in build cost inflation attributable to some global factors leading to the disruption of both energy and material markets. The All-In Tender Price Index (TPI) for construction costs has increased by c.16.4% in the last 4 years.

The rate of cost of inflation has now slowed. However, industry forecasts are suggesting that build costs will continue to increase by 15% over the next 5 years, and tender prices will rise by 17% over the same time period.

c) Interest Rates

Despite low interest rates, in recent decades rates have increased significantly over late 2022 and 2023 to the current figure 4.75% (Dec 2024), which has increased both development finance and mortgage costs. The Council predominantly borrows from the Public Works Loan Board and these rates have increased in line with inflation. As a result, the Council's cost of borrowing is now significantly higher, and cost of delivery of schemes has risen compared to what was previously assumed in initial viability testing. Regeneration schemes by their nature involve demolition, re-provision and infrastructure and therefore have higher costs than a traditional housing scheme. The combination of interest costs and build costs will impact on developer appetite for sites, particularly where the cost to value is high.

d) Labour Shortages & Construction Skills

Economic fluctuations especially post Brexit have made regeneration projects more challenging. The cost of construction materials, labour shortages and rising interest have contributed to delays or scaling down of planned developments.

A recent industry report revealed that across the UK 937,000 new workers will be needed in the construction and trade industries by 2032. The four biggest shortages of construction labour in are: Roofers, Groundworkers, Bricklayers, Plant Operatives, Dry liners. The cost of trades, supply chains and materials are often passed on to the client through preliminary or contract sums which has seen an increase overall on total scheme costs.

e) Affordable Housing Grant Levels & Funding Landscape.

The national agency, Homes England's grant programme for affordable rented grant rates under the 2021-2026 Affordable Homes Programme are up to £130k per new social rented home for Local Authorities. However, that covers only 25% of total scheme costs, versus grant rates for around 50% development costs under the 2008/11 programme. This is a significant reduction in grant rates which has not maintained with the pace of increase in build and interest costs. Grant funding will often be subject to delivery milestones and be time limited. Good financial planning demands that this is factored into project plans and that there is good communication between funders and the Council, but this is not always conducive to the peaks and troughs of a regeneration cycle. A new programme is due to be launched in April 2025. The Council is preparing a "place" bid to position BCP and secure investment on a longer-term basis and aligned to realistic regeneration programme milestones.

14. The in-house Regeneration team are making good progress to overcome these hurdles and build on the market intelligence and technical information to develop investible opportunities. Therefore, the regeneration programme is dynamic and responsive to navigating the local planning policies and the quantum of developable land, with careful consideration of the community and infrastructure improvements needed. To address this, the Investment and Regeneration programme can be broadly categorised into three priority delivery routes to unlock the sites partnership, direct delivery and investor-based which ensures a balanced approach to risk and reward.

Key lines of enquiry

15. The purpose of this enquiry is provided in Appendix 1 and this paper responds to the Scrutiny Topic:

"the regeneration programme was taken in house when Future Places Ltd was shut down over a year ago. In broad terms the objective of scrutiny is to understand the priorities of the Regeneration programme, what progress the in-house regeneration team has made toward progressing the priority projects, what costs have been incurred to date and forecast for the future, and how projects are to be financed "
16. The Future of BCP Future Places and Investment and Development Cabinet report (27 September 2023) set out the priorities for delivery. The report noted that sites *would continue under the development delivery model to be agreed by Cabinet*. It is intended to present an update to Cabinet in March 2025 to agree the way forward for

the four main priorities. A range of delivery partners and proposals are being engaged to test options which includes planning strategies, conditional sale to a development partner (housebuilders, housing associations and SME regional contractors), contractual partnership with Homes England (funding or as enabling partner) and maximising existing joint ventures such as the Bournemouth Development Company to attract investment.

17. The regeneration programme approval follows the council's existing governance and organisational arrangements. This includes Cabinet, Cabinet Briefing Board and CMB and additionally has regular reporting through the non-decision-making Investment and Development Strategic programme and Portfolio Holder members advisory groups. The priority is to establish pathways for all sites and for the approved strategies to be implemented from March 2025 onwards.
18. The four regeneration priorities identified are Holes Bay, Dolphin Leisure Centre Poole and the land at Winter Gardens. The September 2023 Cabinet decision also disaggregated the Bournemouth International Centre (BIC) from Winter Gardens, to enable Muse (development partner of Bournemouth Development Company) to progress the residential scheme.
19. The aims and timescales are set out below as well as the current financing of the projects:

Project	Priority Aim and outcomes	Decision timescale for Cabinet and Council	Cabinet Budget approved	Forecast for additional budget required
Holes Bay (former Power Station site)	To secure a development partner to deliver the aspirations of the Council for a mixed-use residential-led scheme of 900+ homes, non-resi spaces and diverse tenure choice Contractual Partnership route to secure a master developer, forward funder with conditions for delivery	March 2025	£401,700 (GF borrowing)	Zero - the proposals are being prepared within the approved budgets
Dolphin leisure centre	To deliver a viable option for the ongoing leisure offer in Poole Preferred leisure option agreed and financial strategy put in place	March 2025	£661,500 (GF reserves)	Dependent on the preferred option
Winter Gardens	Bring forward development through Bournemouth Development Company Existing LLP to be revitalised under the Development Agreement with BDC	March 2025 (Business Plan) Cabinet report to follow in 2025/2026	£0	To be confirmed as per Development Agreement

BIC	To explore and define any redevelopment of the land and conference venue for a landmark scheme Exploring options including a full regeneration	March 2025	£0	0
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Former Power Station site Holes Bay

20. The former Power Station (Holes Bay) site was acquired in 2020 following years of market failure which had seen the site condition worsen. The Council secured funding from the Dorset LEP to acquire the site and bring forward much needed housing. The priority for the project is to deliver a mixed-use residential led regeneration which connects the site to Hamworthy, Old Town and raises the profile of Poole as a new vibrant community for existing residents.
21. The site is the largest brownfield development opportunity in the South West of England and extends to 40 acres (16 hectares) and sits within the designated Twin Sails Regeneration Area of Poole Town Centre. The Council acquired the site to ensure the long-term stewardship of the regeneration given its catalyst for wider placemaking and ecology benefits.
22. Over the past year, consultation and engagement with the community and stakeholders has been undertaken to shape the development and longer-term vision for placemaking. To take this to the next stage, the Council is preparing a Development Brief to release to the regeneration sector. This helps to secure the vision, guiding principles for the future regeneration and ensure a place-based approach. This route to market creates confidence and certainty within the development sector as they can influence the proposals more effectively than if the Council prepared a planning application.
23. A Development Brief enables the Council to influence the design of a development from the outset and control how a site opportunity comes forward. It sets the parameters to guide the planning application whilst limiting the Council's exposure to a lengthy and costly design and planning process, i.e. if it was the applicant. This also recognises the expertise for design and build sits within the private sector but allows the Council to steward who and how is involved. By bringing a partner on earlier we can optimise the experience of regeneration housebuilders to lead design and build a mixed-tenure waterfront scheme. This method also enables the Council to retain control of how the site comes forward in any partnership through an agreed set of Heads of Terms.
24. Significant technical due diligence regarding site conditions has been progressed since the council acquired the site. This ongoing work is informing a better understanding of the issues, risks and opportunities relating to the site's development potential. There is an ongoing programme of work to prepare the site for development and maintain the vegetation and natural environment.
25. Given the market failure, the Council's acquisition of the site was a necessary intervention. However, substantial private and public sector funding and financing will be needed to unlock timely delivery. The proposed strategy is to establish a

partnership approach for the development. This can be in the form of a contractual arrangement to manage the risk and cost of preparing a planning application and funding of the construction of homes. Given the nature of the site, the preferred route is a conditional agreement which sets how the site will be built out.

26. To support this strategy, the Council is working closely with Homes England, to develop a plan for the site. Since the election of the new Government, Homes England have been tasked to explore large scale (500+) regeneration sites where the market has failed due to viability or site constraints. Homes England shares the Council's aspirations for bringing forward a mixed-use development which responds to the needs of the community and are willing to act as a key delivery partner.
27. They have expressed an interest in facilitating the regeneration given the site has been derelict and vacant for many years. This could take the form of investment to remediate the site and prepare it for a developer with conditions for how the site will be delivered.
28. By procuring a partner or progressing a sale under an agreement for lease, this would enable risks to be assigned to the party best equipped to secure funding, private investment partner as well as Government support. Whether via Homes England or a separate procurement process, a partnership will leverage additional investment, skills, resources and expertise to realise the site's full potential.
29. Recognising the complexity of the site and the extensive remediation work required, we believe our collaborative approach with Homes England can help deliver a landmark housing-led, mixed-use development that aligns with both local and national objectives.
30. To demonstrate their commitment, Homes England have secured significant financial and technical resources to undertake the due diligence exercise and have already begun engaging consultants with a view to appointing them. This work will lay the foundation for developing a clear memorandum of understanding (MoU) between Homes England and the Council, outlining the next steps and potential delivery structures, such as a joint venture, land acquisition, or transfer arrangement.
31. We anticipate completing this critical phase by Spring 2025, at which point Homes England will be in a stronger position to discuss a way forward in a collaborative and transparent manner. Homes England is fully committed to working in partnership with BCP Council to explore and unlock the regeneration potential of the significant landholding at Holes Bay. We are confident that by pooling our respective strengths—BCP Council's local vision and stewardship, and Homes England's technical and financial expertise—we can deliver an exemplar development that sets a new benchmark for regeneration.
32. It is proposed that officers continue the dialogue with Homes England to establish a route to market. If the Council is unable to progress to the next stage with Homes England then it will proceed to market the site formally in 2025/2026 and this will likely be conditional via a development agreement for lease.

Poole Dolphin Leisure Centre

33. The reprovision of the Dolphin Leisure Centre was designated a priority project as having been constructed in the early 1970's it requires significant investment. It is a resource-intensive facility with high running costs and poor carbon footprint and approximately £3m needed to maintain and keep it open. In October 2024, the Council bought back into ownership leisure centre, including staff, under the BCP Leisure vehicle. This has identified additional considerations for the regeneration proposals which will need further time to explore.
34. Initially it was considered that the leisure centre could be funded from the release of surplus land for residential use. However, there is limited land capacity, and the planning policy sets conditions for height which means the scale of housing needed to offset the cost of a new leisure centre may not be achievable. A capacity of c300 homes would need to be delivered to generate surplus to build a leisure centre which current costs indicate would be in excess of £22m for a new facility.
35. Feasibility studies have indicated a high level capacity for 120 homes only. Initial costs provided independently show the cost of a full mixed-use leisure-led development and rebuild would be c£93.7m. A specialist leisure consultant was appointed to assess the optimal offer for the location and to evaluate what level of income could be generated from a new leisure centre. The income is critical to service debt required if the Council proceeds with a full redevelopment option. To enable the construction of the leisure centre, the Council would need to borrow or increase base budget with the income from the newly built facilities required to cover running costs and repayment of debt.
36. Having concluded the cost assessment, viability appraisals and planning options the Council is exploring a range of options. As any newbuild option will need significant technical surveys to support design development alongside the cost of preparing a planning application, it is proposed any new scheme is taken forward with private sector engagement. The programme for preparing a planning application is likely to take over 9 months plus the determination period and the opportune time to do this is when the build cost and leisure market has improved.
37. The recommendation is for the council to conclude due diligence of the options supported by structural surveys to define a leisure scope and preferred option. This will help to establish a near term option for improving the facility and viability of a longer-term redevelopment option.

Winter Gardens/Bournemouth Development Company (BDC)

38. The Bournemouth Development Company was set up in 2011. Muse Development Investments Limited were appointed as Development Manager as partners in the joint venture. Delivery was delayed under the Future Places time as options were explored outside of the BDC model. However, the partnership has positively been reset and Winter Gardens is a key priority for both parties with the remaining option sites under consideration for future release and regeneration.
39. Work was conducted to examine whether a multi-site approach could be taken to bring forward a comprehensive redevelopment of the Bournemouth International Centre with Winter Gardens site as a high priority regeneration opportunity in

Bournemouth town centre. As the Winter Garden's site is currently subject of an option held by the Bournemouth Development Company it was decoupled from the BIC option explored by Future Places.

40. The planning consent for a large-scale, mixed-use scheme has lapsed and Muse are working towards a new planning proposal for the site. However, the scheme viability is challenged due to planning and market conditions. To support this the Council Transport team have assessed the parking capacity across all sites in the Town Centre to establish need and whether public parking could be consolidated. This would improve the viability of several sites within the BDC Development Agreement and unlock Winter Gardens. The technical parking study is subject to the Local Plan process as it forms key evidence base for improving deliverability and in turn if adopted, will be material weight for future applications. Additionally the Commercial Operations team are assessing parking requirements and designing a strategy to offset loss of parking at Winter Gardens. Good progress is being made to create the right conditions for much needed housing across the BDC site opportunities.
41. In addition, work is ongoing to develop a revised business plan which addresses the current priorities for BDC and ensures a delivery strategy is agreed for all sites currently in scope or where there is an opportunity to reconfigure and package alternative sites. The aim is to have a delivery plan in place by March 2025, subject to Cabinet approval.
42. Following a successful Strategy Day in December, Muse are developing feasibility study for the Council to consider and this will form the basis of any new planning application for the Winter Garden's site. There is also a joint dialogue with Homes England as Muse are an existing Joint Venture partner with them through two mechanisms: English Cities Fund (with Legal and General) and HABIKO (a development vehicle to bring forward 3,000 low carbon affordable homes for rent). Officers recommend that the partnership with Muse is enhanced to maximise opportunities to bring in much needed investment across the conurbation.

Bournemouth International Centre (BIC)

43. The proposal for the BIC includes options for a longer-term regeneration which could be a catalyst for transforming the hotel accommodation and leisure offer in the Town Centre. Recognising any proposals will need significant external funding, the investable proposition is being developed and will be considered by Cabinet in March 2025. Conversations are ongoing with BH Live about their existing lease tenure and if they wish to bring forward proposals to invest and optimise the current offer, including expanding the capacity of the Windsor Hall.

Options Appraisal

44. The Council has been reviewing the options for taking forward the development and investment agenda across the BCP area in a more controlled and cost-effective manner, with a focus on delivering priority project sites. The priority when defining development delivery models is to ensure the stewardship approach while improving the pace of key sites.

45. The options set out in this paper safeguard future delivery of BCP Council's reprioritised regeneration programme and present a balanced approach to risk and reward and pace of delivery.

Summary of financial implications

46. The regeneration programme has an approved capital budget (General Fund) of £1,063,200 of which £421,252 has been spent to date. All project costs are available on the Council's ERP system.
47. Against the Council's borrowing budget for 2024/25 (£66.76m) the regeneration budget represents 5% (of which 0.06% is for the borrowing for Holes Bay and the rest for the infrastructure project, Wessex Link Road). The projects will be maintained within the existing capital investment programme which means there is no impact on the approved borrowing threshold.

	Budget	Forecast	Borrowing	Notes
Holes Bay Development	401,700	401,700	401,700	Borrowing
Poole Dolphin Leisure centre (formerly Heart of Poole)	661,500	661,500		Funded from reserves
Total	1,063,200	1,063,200	401,700	

48. The department is funded from existing revenue budgets which are capitalised where possible. Based on the 24/25 budget the regeneration cost to the Revenue Budget is a net cost of £750,900. There are currently no charges to the HRA account from regeneration.
49. Any increase in the Council overall threshold of borrowing will require Cabinet and the Audit and Governance Committee approval.

Summary of legal implications

50. The Council will need to comply with all relevant procurement requirements in undertaking the proposals contained within this Report and the Council will seek further procurement and legal advice in that respect.

Summary of human resources implications

51. The priorities and delivery routes will inform the structure and skills to deliver the aspirations.

Summary of sustainability impact

52. Priority for all decisions will be the sustainability impacts the site specific strategy have and how this will be mitigated.

Summary of public health implications

53. The investment and development programmes will create sustainable good quality housing development and bring many benefits to the residents and the wider community.

Summary of equality implications

54. The general principle of the regeneration programme is to promote access and opportunity for more people to find affordable housing solutions through the unlocking and enabling of underutilised land for supply. Equality Implications will be considered at a site level as cabinet decisions come forward.

Summary of risk assessment

55. There are no risks arising from this report. An ongoing risk assessment is maintained for the overall Investment and Development programme.

Background papers

Future of BCP Future Places (27 Sept 2023)

Appendices

Appendix 1 Key Line of Enquiry in Overview and Scrutiny Work

Appendix 1

Key Lines of Enquiry in Overview and Scrutiny work

Purpose

The purpose of this document is to provide councillors and officers with:

- guidance on the use of Key Lines of Enquiry (KLOE) for scrutiny work
- a mechanism for capturing and sharing these, and for these to be reflected in reports.

What are Key Lines of Enquiry (KLOE)?

- KLOE are the identified areas of focus for a piece of scrutiny work.
- KLOE are often most effective when set out as a series of questions to be answered by the work.
- KLOE can include specific information and data requests.
- The overall aim for all KLOE should be **impact** – the angle of work selected should have a likelihood of leading to recommendations.
- If no impact is likely, the topic selected may be information giving – and better suited to an informal setting.
- KLOE can be applied to both deep dive scrutiny work (e.g. working groups) and reports to committee.
- Establishing KLOE ensures that the expectations of the committee are clearly set out and those reporting to committee can respond to these requests.
- Officers responding to KLOE should reflect these within the body of the report to scrutiny.

1. Scrutiny Topic

Regeneration Progress Report.

The regeneration programme was taken in house when Future Places Ltd was shut down over a year ago. In broad terms the objective of scrutiny is to understand the priorities of the Regeneration programme, what progress the in-house regeneration team has made toward progressing the priority projects, what costs have been incurred to date and forecast for the future, and how projects are to be financed.

2. Key Lines of Enquiry (KLOE)

- a. What are the organisational arrangements for progressing the regeneration programme?
- b. What are the priorities for the regeneration programme and how are these decided?
- c. What is the procedure for approval of regeneration priorities?
- d. What regeneration projects are currently in work and what are the priorities?
- e. What are the aims for priority project completion dates?
- f. What progress has been made on the priority projects since the Closure of Future Places?
- g. What value (time and financial) has been gained from the work conducted by Future Places on current priority projects?
- h. How is regeneration department work being funded, (capital programme or revenue)?
- i. How are regeneration projects being financed?

- j. What role does the BDC have in regeneration projects?
- k. What delivery partners does the Council have for project delivery?
- l. What are the external market drivers impacting the regeneration programme?
- m. What are the Council reporting requirements for regeneration projects?
- n. Are project costs visible through the Councils ERP system?

3. Data and information requests

- 1. What is the regeneration department costs to the General Fund Revenue Account? Are there charges to the Housing Fund Revenue Account?
- 2. What are the current and forecast costs of the regeneration projects to the Capital Investment Programme?
- 3. What is the impact of the regeneration programme on the Council's approved borrowing threshold?
- 4. How many Council employees are employed in the regeneration programme?

4. Additional information

None

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OVERVIEW & SCRUTINY BOARD



Report subject	The Centralisation of Complaints across BCP Council - Update
Meeting date	13 January 2025
Status	Public Report
Executive summary	<p>Why are we centralising complaints? The centralisation decision was made in 2022, initially as a national Ombudsman recommendation to improve consistency, quality and efficiency in all local authorities' complaints services, with a deadline of April 2026.</p> <p>What will centralisation achieve? Within BCP the centralised service will ensure complaints are dealt with consistently across all departments, reduce costs and enhance accountability and transparency. The centralised complaints service aims to streamline processes, utilising a user-friendly system, along with artificial intelligence technology and staff training to enhance efficiency, facilitate learning and improve customer experience.</p>
Recommendations	<p>It is RECOMMENDED that Overview & Scrutiny:</p> <p>notes the progress made and the future steps required to deliver a more centralised complaints process.</p>
Reason for recommendations	This report is a progress update to O&S.

Portfolio Holder(s):	Cllr Andy Martin, Portfolio Holder for Culture, Customer and Communications
Corporate Director	Glynn Barton, Chief Operations Officer
Report Authors	Jane Potter, Head of Business Support Matti Raudsepp, Director of Customer & Property
Wards	Council-wide
Classification	For update

Background

1. The approach to complaint handling within BCP Council has involved managing complaints primarily within individual services, using varied processes and resources that may not always be aligned or consistent. There is no unified oversight of complaints across the organisation, leading to inconsistent handling and challenges in identifying customers who may be experiencing poor outcomes across multiple services.
2. Whilst there are service areas where complaints are handled very thoroughly with the support of dedicated complaints expertise, it is often the case that opportunities for learning are not identified at an organisational level. In some services officers deal with complaints alongside many other tasks they are responsible for. It is also not easy to gain an accurate picture of complaint volumes, which inhibits useful performance reporting. Establishing a more centralised approach to complaints management in BCP aims to address these shortcomings.
3. The greater centralisation of the management and oversight of council complaints aims to achieve the following benefits:
4. Establishing a single, centralised complaints service to streamline processes across the council.
5. To provide a more efficient and user-friendly system for residents to submit their complaints.
6. Ensuring that complaints are handled consistently across all departments (Designated complaints officers)
7. A dedicated team will be assigned to manage and resolve complaints, improving accountability. (Ombudsman criteria), more faults are found by the ombudsman in councils that do not have designated complaints officers.
8. The service will incorporate advanced technology for tracking and managing complaints through a single complaints management database.
9. There will be a standardised process for acknowledging, investigating and responding to complaints.
10. Training programs will be implemented to equip staff with the skills needed to handle complaints effectively.

11. The Council will regularly review and analyse complaint data to identify trends and areas for improvement, through the single case management system.
12. Feedback from residents will be solicited to continually enhance the complaints service, utilising artificial intelligence.
13. The single complaints service aims to increase transparency and trust in the Council's processes and giving a single view of the customer in order to better understand individual concerns and needs.
14. The initiative is part of a broader effort to improve overall customer service and satisfaction within the BCP Council.
15. The centralised complaints process is being coordinated by the Business Support service, within the Customer & Property directorate. Existing staff resources within service areas will continue to respond to complaints about their specific service area, but oversight, guidance and monitoring of responses and overall council performance will be centralised. This will ensure that BCP Council complies with the Ombudsman's recommendation that no single service area is responsible for its own complaints management, with consistent and effective monitoring of complaints across BCP, including standardisation of policies, procedures and processes.

Progress update

16. Complaints charters are in place for the statutory areas of service which experience the highest number of complex complaints, including Childrens and Adults services. A Charter describes the service and support that can be expected from the centralised complaints team, and this is agreed between the service and the complaints service.
17. Services are being supported in distinguishing between complaints and a service requests, in order to ensure that only complaints go through the formal complaints process, whilst simple requests for service can be dealt with and concluded promptly.
18. Development of the requirements for a single complaints management system has been completed, and the build is scheduled to begin in August 2025, with completion by December 2025. A full trial and test of the new system will take place between January 2026 and March 2026. The new system launch is then anticipated to be April 2026. This timescale reflects the significant competing pressures currently being experienced by the ICT service, as they tackle many complex improvement programmes across the Council.
19. Development of a single Complaints Policy for the council is in progress with a view to ensuring it is consistent with the national ombudsman complaints policy (expected to be published between January and March 2025). The team are working in association with the Ombudsman in this regard.
20. A section on Unreasonable and Persistent Complainants (UPC) has now been added to the Complaints Policy. A UPC panel will review each case immediately to address persistent complainants. Criteria for UPC will be included in the database, tracking issues with individual complainants to prevent them from overwhelming the council with complaints.
21. The creation of the centralised complaints function is underway. Progress reflects the legacy approaches to complaints management which vary from department to department, including the resources they have historically

committed to complaints management. This has been more straight forward in Childrens and Adults given their established approaches. In Operations and Corporate services the picture is more varied, nevertheless these services are now referring to the centralised service for guidance and support, and complaints response performance is either being maintained or improved.

22. The progress made so far is moving us forward, but it is anticipated that the most valuable opportunities will come following the implementation of the single complaints management system with the organisational view of complaints management and performance that it will provide.

Ombudsman complaints performance

23. Where complaints escalate beyond the council's internal processes customers may refer their concerns to the Local Government and Social Care Ombudsman (LGSCO). The LGSCO is the final arbitrator of complaints relating to the services provided by BCP council (excluding housing landlord complaints which are handled by the Housing Ombudsman). Data for 2024 shows:
24. The Ombudsman examined 39 complaints about services provided by BCP council. For context, total complaints against BCP in this reporting period was 1349.
25. 2.89% total complaints referred on to the Ombudsman.
26. The LGSCO upheld the council's decision in 32 of the 39 cases giving an 82% uphold rate which is an increase on the upheld rate for previous years and above the national uphold rate for similar authorities of 79%.
27. They observed significant improvement, with most enquiries answered on time. In six out of ten cases where deadlines weren't met, the Council proactively sought extensions. Where the Ombudsman made recommendations, BCP complied in 100% of cases and in five cases where the Ombudsman found fault, they considered that we had already provided a satisfactory remedy.
28. There are currently no overdue responses due to the LGSCO.
29. The council will be collaborating with the Ombudsman to ensure that our new complaints monitoring system for BCP Council fully meets the Ombudsman's requirements and serves as an effective tool for managing and reporting on complaints handling within BCP Council.
30. The Ombudsman's report highlighted the Complaint Handling Code, which outlines a clear process for addressing complaints fairly and effectively. This is in line with the code given to housing authorities and landlords by the Housing Ombudsman, and the LGSCO aims to adopt it promptly. Twenty councils have volunteered to participate in the two-year implementation pilot.
31. The Ombudsman has indicated that decisions will be made based on the new code by Spring 2026. The Council is currently reviewing its complaints handling processes, policies and practices to ensure alignment with the new code.
32. The Ombudsman is reviewing their complaint handling program and plans to introduce new modules for Adult Social Care and Children's Social Care.

Working closely with the LGSCO

33. Initial LGSCO enquiries are received via a central mailbox for BCP complaints, which is currently overseen by the Central Complaints Service within the

Business Support Directorate. These enquiries are recorded in a central log and Service Unit complaints contacts are encouraged to reply directly to the LGSCO.

34. The council's complaints service is working closely with the Ombudsman to ensure our new processes and approaches to complaints management meet the highest standards, and in turn put the council in the best position to see its decisions upheld where complaints are subsequently referred to the Ombudsman.

35. The Ombudsman's new code requires BCP Council to nominate a Lead Member for Complaints. The portfolio holder for Customer, Culture & Communications, Councillor Andy Martin, has agreed to perform this role going forward.

Options Appraisal

36. There are no option appraisals to consider at this stage.

Summary of financial implications

37. There are no financial considerations at this stage, although failure to manage complaints effectively can lead to the Ombudsman recommending financial compensation for affected complainants.

Summary of legal implications

38. There are no legal implications at this stage.

Summary of human resources implications

39. There are no HR implications, as the complaints charters agree limited line management changes as each service merges with the centralised complaints service.

Summary of sustainability impact

40. There are no sustainability impact issues identified at this stage.

Summary of public health implications

41. There are no public health and wellbeing issues identified at this stage.

Summary of risk assessment

42. The main risks associated with this report are likely to emerge where the council does not have a robust approach to complaints management and specifically where it does not meet Ombudsman expectations. These include public dissatisfaction, reputational damage and the requirement to pay financial compensation to affected complainants.

Background papers

There are no background papers.

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