



Report subject	FuturePlaces Annual Review
Meeting date	8 March 2023
Status	Public
Executive summary	<p>BCP FuturePlaces Ltd, (“FuturePlaces”) a wholly owned Urban Regeneration Company (URC) was set up with the fundamental purpose to drive “Place Making”, regeneration and property market transformation both across key sites owned by the Council and the wider area to support the aspirations set out in the Council’s Big Plan.</p> <p>As part of the approved governance for the company, FuturePlaces must produce an Annual Review setting out the company progress to-date in the context of the targets and objectives in the Strategic Regeneration Commissioning Plan and the Key Performance Indicators as set out in the approved FuturePlaces Business Plan.</p> <p>The review, appended to this report, contains an update on the company composition and governance as well as updates on progress to-date for individual projects and cross-cutting work commissioned by the Council and as set out in the FuturePlaces Business Plan approved by Cabinet in June 2022.</p>
Recommendations	<p>It is RECOMMENDED that Cabinet:</p> <p>Note the contents of FuturePlaces Annual Review appended to this report and considers the progress made to date towards the targets set out in the FuturePlaces Annual Business Plan approved by Cabinet in June 2022.</p>
Reason for recommendations	<p>To contribute to the Council’s corporate vision, specifically helping to create dynamic places, investing in the homes our communities need, revitalising and re-inventing our high streets and local centres in line with the vision set out in the Big Plan.</p> <p>FuturePlaces was formed to ensure BCP Council has the capacity, expertise, and resources to drive investment in regeneration and unlock value from major Council owned sites; it will also enable BCP Council to ensure that the delivery of new homes and regenerative development is maximised in accordance with existing</p>

programmes, to secure BCP's outstanding place potential through high quality place making and create well designed, local neighbourhoods.

The Annual Review is a required element of the approved governance framework between the council and BCP FuturePlaces Ltd.

Portfolio Holder(s):	Councillor Philip Broadhead, Deputy Leader of the Council and Portfolio Holder for Regeneration, Economy, and Strategic Planning
Corporate Director	Graham Farrant, Chief Executive
Report Authors	Sarah Good, Head of Delivery – Regeneration
Wards	All Wards
Classification	For Decision

Background

1. BCP Council's Big Plan sets the ambition for the BCP area to be world class – one of the best coastal places in the world in which to live, work, invest and play. The Big Plan sets out five key aims that, if achieved, would deliver changes across the whole area supporting the creation of over 13,000 jobs across the local economy, the growth of businesses and prosperity of local communities.
2. BCP Council is the UK's 10th largest urban authority. The Council's Big Plan sets out the need to 'act at scale' by intensifying development in town centres and unlocking land on redundant brownfield sites, such as Holes Bay. In theory, the Council is in a strong position to drive investment in regeneration. In practice, it lacks the capacity to deliver at the necessary scale and pace to meet the challenges of growth and has insufficient in-house expertise in urban development and place making.
3. FuturePlaces Ltd was created in 2021 with the aim of achieving a step change in the scale, pace, and ambition of regeneration across the BCP area. The Council now has the potential to deploy the resources and expertise needed to deliver regeneration at scale, in a way that was more difficult for its predecessor authorities. It was also tasked with operating as BCP's expert advisor on placemaking and regeneration delivery and the production of the Regeneration Strategy jointly with the Director of Regeneration.
4. FuturePlaces' business plan, approved by Cabinet in June 2022, sets out the Stewardship proposition and strategic objectives of the company alongside its delivery plan, ways of working, governance, and funding structures.
5. The business plan listed 16 sites alongside thematic studies and cross cutting projects and prioritised 5 delivery projects, together with cross cutting work to support the programme.
6. As part of the approved governance process, FuturePlaces is required to produce an Annual Review to report on progress to-date in the context of the targets and objectives in the Strategic Regeneration Commissioning Plan and the Key Performance Indicators as set out in the FuturePlaces' business plan.
7. The Annual Review appended to this report contains an update on the company composition and governance as well as reports on progress to-date for all

projects and cross-cutting work commissioned by the Council and set out in the FuturePlaces' Annual Business Plan approved by Cabinet in June 2022.

Consultation

8. FuturePlaces consults on individual projects as they are developed with both officers and Members through formal engagement, informal discussion, participation in charette workshops and regular briefing meetings with council departments, and monthly monitoring reports to the Council's Big Plan Delivery Board.
9. FuturePlaces has recently created a Member - FuturePlaces Engagement Forum (MFEF) to ensure that members are well briefed on the FuturePlaces programme. The group will be chaired by Lord Kerslake, as Chair of FuturePlaces Board, and attended by representatives of FuturePlaces senior leadership team.
10. Elected Members of the forum have been proposed by the Group Leaders to represent each of the political groups and unaligned members have also been invited to attend the MFEF sessions. In addition, the Portfolio Holder for Regeneration along with the Non-Executive Lead Member for Poole Regeneration and the Non-Executive Lead Member for High Street Renaissance have been invited.
11. A presentation of FuturePlaces Annual Review will be shared at the inaugural meeting of this group scheduled for Thursday 9th March.

Summary of financial implications

12. FuturePlaces has been commissioned to progress the regeneration of key sites across BCP.
13. A new approach to funding the company was approved by Cabinet on 22 June 2022 that means that FuturePlaces is funded in the first instance by a loan. The Council approved a £8m working capital loan facility to FuturePlaces in order that the company may manage its cashflow, particularly prior to a scheme being including in the Council's Capital Investment Programme (CIP) and thereby enabling FuturePlaces to invoice for work undertaken to date.
14. The initial risk of incurring expenditure resides with FuturePlaces. FuturePlaces must assure itself that it is able to provide expert advice that results in the presentation of a viable and deliverable business case to the Council, that will be approved by Members and thereby triggering payment of the development advice.
15. Each scheme's supporting business case must consider the options available and outline its recommended option, setting out the anticipated outcome, the funding strategy, and details of any pertinent risks.
16. Payment shall only be made for development advice once a scheme has been approved and included in the Council's CIP. Payment will cover costs incurred to date by FuturePlaces including external costs, staff costs and a contribution to overheads in accordance with the mechanism outlined in the company business plan approved by Cabinet on 22 June 2022.

17. The Annual Review has no financial implications for the Council and is purely a review of work undertaken to-date and a summary of project progress for Cabinet to note and requires no financial approvals.

Summary of legal implications

18. As a wholly owned "Teckal" vehicle set up by the Council in October 2021((in compliance with section 4 of the Localism Act, The Local Authorities (Companies) Order 1995 and the Public Contracts Regulations 2015)), BCP FuturePlaces Ltd are subject to a suite of legal documentation which sets out the commissioning arrangements between the company and the council.
19. Pursuant to the shareholder agreement between the Council and the URC, the Council is required to consider for approval the company's annual business plan. The company business plan was last approved in June 2022 with a further iteration due for consideration later this financial year subject always to the approval of the Council's budget in relation to the relevant period (i.e., confirmation of the Council's financial commitment to delivery of the business plan).
20. The council's commissioning agreement with FuturePlaces (currently in draft but anticipated to be adopted substantively in that form) requires that an Annual Review is prepared by FuturePlaces as an element of the contractual management arrangements which facilitate oversight and control by the Council.

Summary of human resources implications

21. FuturePlaces has its own employment terms and conditions and payroll arrangements. Therefore, there are no human resources implications for the Council in relation to the Annual Review.

Summary of sustainability impact

22. As a Council owned company, FuturePlaces will be required to provide its operational response to the Council's climate change emergency declaration.
23. FuturePlaces will contribute to the Council's Climate Emergency action plan by ensuring new development is resource efficient, adopts low carbon technology and leads to sustainable communities which are resilient to climate change and contribute to Biodiversity Net Gain either on site or through natural capital and landscape strategies.
24. FuturePlaces will be tasked, through the Commissioning Contract, with pursuing a low carbon approach to development: minimising the carbon impact of new developments, ensuring walkable neighbourhoods, and providing good access to public transport services.
25. FuturePlaces will play a key role in ensuring that opportunities are taken to reduce our city region's carbon footprint by providing sustainable transport choices and delivering low carbon, energy efficient buildings. They will aim to lead by example developing cleaner supply chains building local capacity to take forward the carbon reduction agenda. Cleaner supply chains and building the capacity to deliver carbon reduction locally.
26. Within the constraints of commercial viability and value for money, FuturePlaces will aim to deliver the best possible standards of low-carbon, energy efficient

buildings taking account of the established BREEAM classifications. FuturePlaces is recommending the retention and redevelopment of both civic centre buildings, rather than demolition, in recognition of the significant level of embedded energy in the buildings.

Summary of Levelling-Up Goals

27. The portfolio of projects currently being considered for regeneration purposes by FuturePlaces will support the government's Levelling Up agenda, in particular they support the Levelling Up 'Medium Term Mission' to restore a sense of community, local pride and belonging, especially in those places where they have been lost:
28. Pride in Place: By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between top performing and other areas closing.
29. Housing: By 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas; and the government's ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest performing areas.
30. Crime: By 2030, homicide, serious violence and neighbourhood crime will have fallen, focused on the worst affected areas.
31. In addition, the Council has adopted the following 'Levelling Up' Goals with its three priority goals being 8 - Good health and well-being, 12 – Building homes and sustainable communities & 14 - Achieve equality through diversity & inclusion, all of which will be supported by accelerating regeneration.

Summary of public health implications

32. By accelerating regeneration there will be a better prospect of sustaining jobs and prosperity across the BCP area, improving housing and high-quality open spaces, with well designed, walkable, inclusive neighbourhoods that help promote health and well-being.
33. FuturePlaces will aim to produce developments that place a premium on quality-of-life considerations including safe, walkable neighbourhoods with good local amenities and access to quality green and open space.

Summary of equality implications

34. As a company wholly owned by the Council operating under the Teckal exemption, FuturePlaces will be bound by the same obligations in relation to equalities as the Council itself and full Equalities Impact Assessments will be undertaken as developments are progressed.

Summary of risk assessment

35. The key risks associated with BCP FuturePlaces Ltd concern maintaining alignment of strategy and objectives between the Council and the company; control and overall good governance; and capacity of the Council to service the company's expected delivery programme and pace of delivery. These risks are addressed through the representation of the Council on the company board; the use of a dynamic risk management approach to each project; and regular

consultation with Council departments and Members to ensure stakeholder buy-in and early identification of resource or capacity issues.

36. Specific risks associated with each project are identified throughout the project inception cycle and monitored through regular reporting to the company board and to the Big Plan Delivery Board.

Background papers

BCP FuturePlaces Ltd - Revised business plan and funding mechanism Cabinet Paper 22/06/22: <https://democracy.bcpCouncil.gov.uk/ieDecisionDetails.aspx?AId=9577>

BCP Commissioning Plan for Regeneration and Development and Urban Regeneration Company Business Plan Cabinet Paper 27/10/21: <https://democracy.bcpCouncil.gov.uk/mglIssueHistoryHome.aspx?IId=13678>

Appendices

Appendix A – FuturePlaces Annual Review