

BOURNEMOUTH, CHRISTCHURCH AND POOLE COUNCIL
OVERVIEW AND SCRUTINY BOARD

Minutes of the Meeting held on 16 July 2024 at 6.00 pm

Present:-

Cllr S Bartlett – Chairman

Cllr S Aitkenhead – Vice-Chairman

Present: Cllr P Broadhead, Cllr J Beesley, Cllr L Dedman, Cllr C Goodall,
Cllr S Mackrow, Cllr S Moore, Cllr K Salmon, Cllr T Trent and
Cllr O Walters

Also in attendance: Cllr M Cox (virtually), Cllr J Hanna and Cllr S Moore

12. Apologies

There were none

13. Substitute Members

There were none

14. Declarations of Interests

There were no declarations of interest made on this occasion.

15. Confirmation of Minutes

The minutes of the meeting held on 13 May were approved as a correct record.

16. Public Issues

There were none on this occasion.

17. Recommendations from Overview and Scrutiny Committees

The Board considered the recommendations from the Environment and Place Overview and Scrutiny Committee and the Health and Adult Social Care Overview and Scrutiny Committee.

The Committee accepted the following recommendations and would add items to its work plan as appropriate:

1. That the Board consider the inclusion of an item on BCP Council consultation process on its Work Plan.

Note: This recommendation came from the Committee's consideration of the Poole Park Environment Cabinet report.

From the Health and Adult Social Care Overview and Scrutiny Committee

1. That a similar toolkit be developed for all O&S committees to reflect the relevant data and policy landscape within the remit of these committees. This to be added to the O&S Action Plan.
2. That the Data Use Toolkit be highlighted within the O&S annual report to Council.

Note: These recommendations came from the Committee's consideration of the Data Working Group Report

18. Financial Outturn 2023/24

The Financial Outturn 2023/24 report and the Medium Term Financial Plan (MTFP) Report were considered in conjunction with each other. The Portfolio Holder for Finance presented the reports, a copy of each had been circulated to each Member and copies of which appear as Appendix 'A' and Appendix 'B' to these Minutes in the Minute Book. The Board considered the reports of which the Outturn Report presented the revenue and capital budget outturn, reserves position, dedicated schools grant outturn, housing revenue account, and results of council company and partner organisations for the financial year 2023/24.

The Board was advised that in general terms the Council's attempt to improve the financial health and sustainability of the authority had been successful with the 2023/24 drawdown on specific reserves reduced from the original budgeted amount of £30m to £23m at financial outturn. At quarter three the estimated drawdown was forecast to be £27m although this was expected to improve due to the ongoing application of a freeze on expenditure and the Cabinet decision to release a previous accrual relating to the Dolphin Shopping Centre. Services have delivered 94% of the budgeted savings of £34m, achieved through transformation, third party spend reduction, staff savings and raising additional income. The Board raised a number of points in the subsequent discussion, including:

The Board also considered the MTFP report which:

- Aimed to ensure the council continues to maintain a balanced 2025/26 budget forecast by considering the impact that various assumptions would have on the underlying approved position.
- Proposed a financial strategy to support the delivery of a robust and financially sustainable budget for 2025/26.
- Proposed a budget planning process and timeline for key financial reports.
- Presented the outcome of the CIPFA Financial Resilience Review undertaken in the summer/autumn of 2023 and finalised in the spring of 2024.

The Board was advised of a letter submitted by the Director of Finance to DLUHC and CIPFA outlining concerns regarding the impact the deficit on the Dedicated Schools Grant is having on the financial sustainability of the Council. This recognised that due to the forecast £92m accumulated deficit on the 31 March 2025 the Council will be technically insolvent (a situation where the deficit on the DSG is greater than the total reserves held by the council with a negative overall general fund position) when the current statutory override finishes on 31 March 2026. The Board raised a number of issues in the subsequent discussion, including:

- Rebase of the 2024/25 Budget - This was due to the reflective consideration of the final quarter budget for 2023/24 and movements in this provided some ability to readjust the 2024/25 budget.
- CIPFA recommendations – The Board asked if capital-based solutions or invest to save as referenced in the CIPFA report could be given further consideration. It was noted that on a per head basis BCP spent the lowest amount of any of the comparator authorities. The Portfolio Holder confirmed that the aim of the Council was to invest in services but that at the moment the cash resources were not available due to the position with the DSG. There had been significant spending over the past year in terms of purchasing houses to help with homelessness problems.
- Budget Setting - Starting process with a balanced budget for 2025/26 and then having the ability to adapt and make changes to the budget as required.
- DSG deficit – It was a result of the government not recognising the difficulty placed on local authorities. The Board was advised that the level of debt was now significant and there did not appear to be any guidance on how to approach this. The Chief Finance Officer advised that he had written to the DLUHC but a formal response had yet to be received. It was confirmed that the cost of financing the deficit in 2024/25 was £4million.
- Transformation financing – It was noted that the original systems-based transformation was due to come to an end during this financial year but there were also service based transformation programmes which would deliver savings towards the MTFP.
- Company outturns – The Board considered the impact on the Council's finances on profit and loss from companies. There was an element of governance improvement which needed to be undertaken and significant progress has been made in this regard. Directors of each company would take a decision regarding the use of any profit. However, it was noted that most companies were not established in order to produce a profit.
- Underspend – The Board welcomed the £7million underspend last year. It was noted that the new finance system was much more reactive, and it could be seen that a significant proportion of this was the underspend on adult social care requirements.
- Optimism Bias Reserve – Whether this needed to remain in place. The Portfolio Holder felt that this continued to be needed particularly in light

of ongoing pressures in Children's Services. Last year there was an overspend in this budget and this trend appeared set to continue.

- Carters Quay – The mortgage over the property and whether there was a level of doubt with regards to the Council position. It was noted that the position remained broadly the same as when the budget was set for 2024/25. It was hoped that this would be turned into a viable business case.
- Finance System Dashboard - Councillors requested to have access to these for further monitoring.
- Spending Moratorium – It was noted that last year's budget outcome was very successful but that some of this was due to a spending freeze in certain areas. The Portfolio Holder was asked if the same level of services could be expected going forward. The Portfolio Holder confirmed that they would like to see this lifted. It was confirmed that Councillors would be made aware of any changes in this area. Some concern was raised to the Portfolio Holder's approach to which areas had spending freezes lifted and it was felt that this should be based on the areas in which the most utility can be driven in terms of provision of services to residents rather than those areas which achieved the best savings. It was noted that at present the position DSG would not permit any changes in this regard. The Board discussed the approach to this issue further but agreed to wait to consider the next budget monitoring report to gain an up-to-date picture of the situation.

19. Medium Term Financial Plan (MTFP) Update

This item had already been considered in conjunction with the outturn report.

20. Pay and Reward: Update on progress in introducing new terms and conditions of employment

The Portfolio Holder for Transformation, Resources and Governance presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'C' to these Minutes in the Minute Book. The Board was advised that since the merger of the four preceding councils work has been ongoing with the trades unions, to negotiate a new Pay and Reward package which harmonises pay across all colleagues. The report describes the consultation process conducted with the recognised trade unions, GMB and UNISON, who agreed to ballot their members on the proposed pay and reward offer. The report sets out the various communication and engagement activities undertaken to raise awareness and inform colleagues of the offer.

The Board noted that two ballot processes had been undertaken and details of the ballot outcomes were provided. Further discussions were ongoing with the unions with a view to reaching an agreed way forward to implement the new arrangements. The next steps in the process were outlined.

The project team and trade unions had discussed the processes and the project team had also looked at how this had been undertaken in other authorities. It was noted that one union had voted in favour.

It was requested and agreed that an update on Pay and Reward should be brought back to the Board following the conclusion and evaluation of the next trades union's ballots.

21. Revised BCP Seafront Strategy

The Portfolio Holder for Connected Communities presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'D' to these minutes in the Minute Book. The Board was advised that a review of the Seafront Strategy had been undertaken to assess progress to date and refresh priorities in light of significant organisational changes, new pressures and opportunities. The report sets out a revised BCP Seafront Strategy, updating on the vision, key objectives, investment criteria and project delivery priorities. It builds on the original strategy adopted in April 2022, by reflecting new priorities such as the removal of barriers to community access, wellbeing, and delivering environmental net gains across biodiversity and carbon reduction. It also strengthens the focus on working with commercial operators to enable project delivery and secure external investment in infrastructure. The meeting noted that the BCP seafront was highly valued by local residents and visitors and provided a diverse range of internationally important natural habitats, geology and archaeology. The Board was also advised that it sits at the heart of the local tourism industry and generates significant revenue to the Council, helping to fund wider services for the community. The Strategy provided a framework for investment over the next 20 years, along with priorities for the short to medium term. The Board raised a number of issues which included:

- Zoning areas of the Seafront – The report was welcomed and the idea of different zones throughout was a good idea but at present they appeared to be very reflective of what was currently in place and whether there was an approach to develop the character of areas further
- Funding of Projects – It was noted that the Council was aiming to move towards more commercial partnerships, but the Board sought clarification around which projects would be affected. It was noted that SOBO beach long term development had been impacted by inflationary pressures and the temporary offering in place had proved incredibly popular. The redevelopment of Sandbanks Pavilion had also been similarly affected.
- Offering Developments on the Beach – It was noted that the report highlighted beach based seasonal and beverage offers but the strategy talked about underused seafront sites but not about opportunities for the beach itself. The Board was advised that there were amazing activities taking place on the beach but that it was important to ensure that the planning process was used to say where this was appropriate. It was acknowledged that the Council didn't have the balance right

before in ensuring that residents and beach users were consulted on these issues. It was noted that this wasn't included in the current policy document.

- Young People – It was noted that the strategy appeared to prioritise the needs of young people and it was acknowledged that it was very clear that there was a need to ensure that all children had access to the beach, but it should be made an all-round experience that was as child friendly as possible. It was important to ensure that there was a good balance across all age groups and that the beach was welcoming for young people, especially as they were an area that young people could visit for free.
- Natural England – The Portfolio Holder and Officers were asked about the input from Natural England on SSSI and where their responsibilities ended, and the Council's began. The parameters upon which Natural England were a statutory consultee on projects was outlined and it was explained how the Council worked with them on particular projects.
- Healthy Eating – This wasn't emphasised within the strategy, and it was noted that there was an obesity epidemic across the country and a lot of emphasis had been placed on health and wellbeing but this wasn't reflected in the strategy. It was noted that the Durley Chine hub did aim to provide healthy, affordable offerings and this was something which could be considered in leasing of beachfront premises but there needed to be a balance.
- Deprived Communities – Councillors advised that they would welcome an amendment to the strategy to particularly reference increasing access to the beach for deprived communities but acknowledged that a significant component of this was improvements to transport links. This was especially important for those without access to a garden at home.
- Event zones – The Board suggested that in reference to the recommendation for Event Zones Ward Councillor involvement be considered.
- Eco Hub – In response to a query regarding the hub at Durley Chine it was noted that the next stage was to deliver the educational elements of the hub. It was explained that there was a need to explore potential partners for delivery.
- Capital Investment – How would the Council help to leaver private investment in apart from having a planning system which would be cooperative with the aims of the strategy.

The Board noted and generally supported the recommendations withing the Cabinet report.

22. Work Plan

The Scrutiny Specialist presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'D' to these Minutes in the Minute Book. The Overview and Scrutiny (O&S) Board was asked to consider and identify work priorities for publication in a Work Plan. The Board was reminded of the lens of 'resident impact' as set out in the forward plan report and was asked to bear this in mind when considering which work items were a priority for the Board.

The Board agreed to add the following Cabinet reports to the Work Plan:
New Cabinet Forward Plan published today. Items to highlight:

- Q1 - corporate performance monitoring against new corporate plan. To be added to August Board.
- Bi-annual update on regeneration programme. To be added to September O&S Board
- Integration of Dorset Local Enterprise Functions into Council To be added as a briefing item.

The Board considered and agreed the following amendments to its work Plan:

- Budget scrutiny work was now timetabled – including directorate budget awareness item in September, and the proposal to establish budget working groups for each committee.
- Public consultations - report setting out the legal basis and requirements on us as a council in undertaking consultations. It was suggested that this be moved on the work plan to October or November.
- The potential joint committee housing inquiry session had been removed from September as an all member workshop to inform a refreshed housing strategy was planned for September. The Strategy would be considered by the Environment and Place O&S Committee.
- Blue badge process - update following recommendations from O&S made last year to be added to October
- Crime and Disorder scrutiny - December. Potential to undertake a deeper dive through this scrutiny on the domestic abuse strategy which is undergoing refresh activity.
- Local transport plan - still date to be allocated.
- Business Improvement Districts - was designed as a committee item in July. Chair has suggested that this be a briefing session as it is info giving.

The Board noted that there were a number of items which required further scoping to progress:

- Transformation and the centralised handling of complaints - (October)
- Performance of the Council - (October)
- Working more collectively across BCP geographical areas – (November)
- Accounting for social value in decision making - (date to be allocated)
- Arts, Culture and Leisure Funding - (now listed as date to be allocated following consultation with Chair)

The Chair reminded members that he was looking for volunteers to participate in the proposed working groups.

The meeting ended at 8.50 pm

CHAIRMAN