

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 priorities2. 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	<p>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</p>

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)
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Wards	All
Classification	Public

Background

- 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.
- 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.
- 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