

# OVERVIEW AND SCRUTINY BOARD



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| Report subject             | <b>Commercial Operations</b>  |
| Meeting date               | 22 September 2025   |
| Status                     | Public Report   |
| Executive summary          | Following a request from the Overview and Scrutiny Board for a report of the operating practices for the Commercial Operations Service, this report provides an overview of the service and details in response to the specific items in Key Lines of Enquiry document which has been provided from the Board in relation to this item. |
| <b>Recommendations</b>     | <b>It is RECOMMENDED that:</b><br><br><b>(a) The Overview and Scrutiny Board note the detail provided within this report</b>  |
| Reason for recommendations | This report provides responses in relation to the Key Lines of Enquiry from the Overview and Scrutiny Board.  |

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| Portfolio Holder(s): | Councillor Richard Herrett, Portfolio Holder for Destination, Leisure and Commercial Operations  |
| Corporate Director   | Glynn Barton, Chief Operations Officer   |
| Report Authors       | Amanda Barrie, Director of Commercial Operations<br>Helen Wildman, Head of Leisure and Events<br>Anthony Rogers, Head of Seafront<br>Helen Taverner, Head of Parking Operations and Enforcement<br>Matt Hosey, Head of FCERM |
| Wards                | Council-wide   |
| Classification       | For information  |

## Background

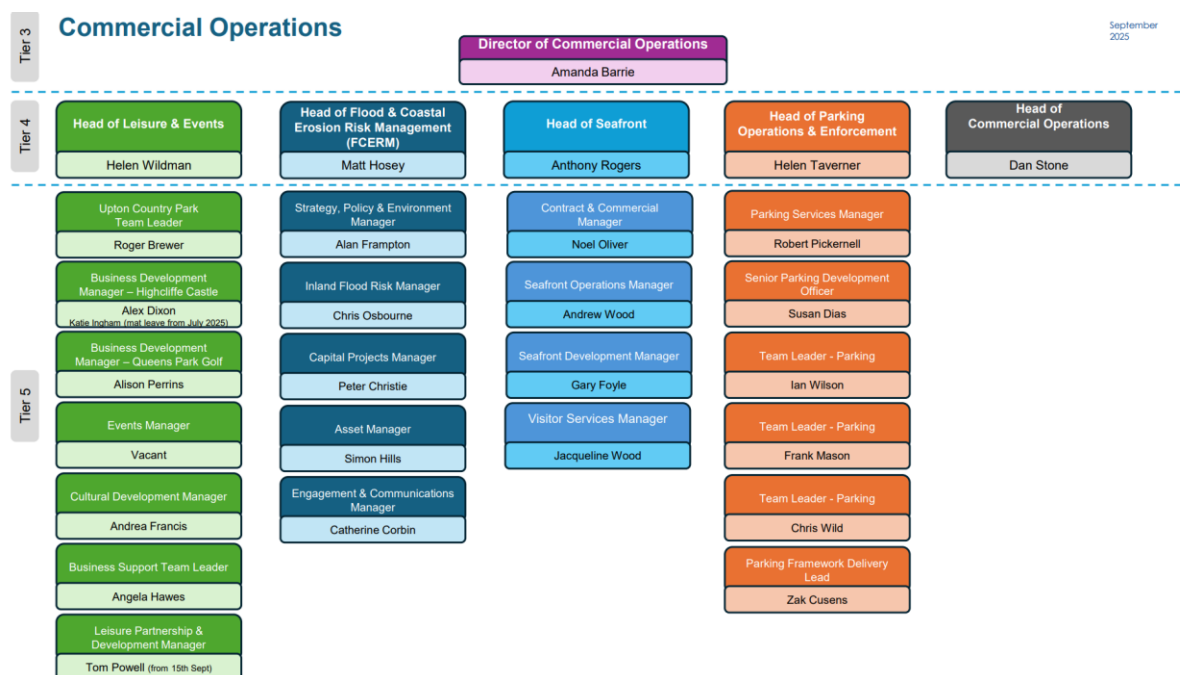
1. The Overview and Scrutiny Board have requested an overview of the operating practices for the Commercial Operations service.
2. This report provides an overview of the Commercial Operations service as well as providing responses to the Key Lines of Enquiry (KLOE) document which has been provided from the Board to facilitate this item.
3. Commercial Operations works to support the key ambitions of BCP Council through its five service areas, Leisure and Events, Seafront, Flood and Coastal Erosion Risk Management, Car Parking Operations and Enforcement and Commercial Operations, more detail on these areas is provided within this report to respond to the KLOE questions.
4. The Commercial Operations services work closely with each other as well as with many other council teams such as marketing, communications, facilities management, finance and investment and development to deliver its operations, the successful delivery of larger schemes as well as day to day business as usual activity is dependent on this cross-service working.
5. Some of the more recent achievements across Commercial Operations include:
  - Leisure centre insourcing completed October 2024
  - Completion of National Lottery Heritage projects at Upton Country Park (Phase 1) and Highcliffe Castle (Phase 7)
  - Highcliffe Castle Dorset Tourism Awards 2024 – Attraction of the Year (Bronze)
  - Highcliffe Castle Dorset Tourism Awards 2024 – Wedding Venue of the Year (Bronze)
  - Arts by the Sea Festival Dorset Tourism Awards 2024– Festival of the Year (Gold)
  - Arts by the Sea Festival DMB Tourism Awards 2024 – Event of the Year (Bronze)
  - Branksome Tennis centre Lawn Tennis Association (LTA) Park Venue of the Year

- Delivery of £750k phase 2 investment works at BIC refurbishing the Purbeck entrance and Bourne Lounge
- Installation of a soft play facility and multi-use sports courts at Kings Park Leisure and Learning Centre
- Installation of solar panels and air source heat pumps for 2RM
- Implementation of new staffing structure at Queens Park Golf Course
- Stabilisation of Upton House portico and colonnades through CIL funding
- Implementation of the commercial BCP Film Office
- Transfer of the Hengistbury Head Outdoor Education Centre to the community through the Community Asset Transfer process
- Successfully administered and managed over 1,000 major and minor events.
- Successfully delivered in house major events including the Arts by the Sea Festival 2024.
- Bournemouth Beach has been recognised as the 12th best beach in the world by TripAdvisor in their 25th Anniversary Travelers' Choice Awards
- Reopened beach hut waiting lists and implemented new management system for beach huts and accommodation bookings.
- Smugglers Adventure Golf Trip Advisor – Travellers Choice Award 2024
- Construction of the £10m Hengistbury Head Long Groyne replacement
- Christchurch Bay and Harbour FCERM Strategy – taken through Cabinet approval
- Delivery of a single parking app payment system across council car parks
- Prom Diner and Pier View – completed internal and external refurbishments works
- Refurbishment of Mudeford Pontoon and Lake Pier through CIL funding
- Significant progress with LUF development programme, including:
  - Construction of Bournemouth Voluntary Lifeguard Corps building
  - Completion of Hamworthy Park sea wall
  - Completion of Upton Country Park shoreline trail
  - Launched tender of Bournemouth Pier refurbishment contract

## Key lines of Enquiry

- a) **What is the organisational structure of Commercial Operations and how many staff are employed?**
6. A structure chart below in image 1 shows up to Tier 5. The Head of Commercial Operations is a new role of which the post holder has started in post as of 1 September.

**Image 1 – Commercial Operations structure chart Tier 3 -Tier 5**



7. At the time of writing this report, Commercial Operations has 438 permanent and fixed term staff. This includes a mixture of full time and part time staff and equates to approximately 340 full time equivalent staff.
8. In addition, at the time of this report being written we have 530 casual members of staff, these are across the Leisure and Events and seafront service areas.
9. Some areas of the service also have a strong and committed volunteer base who are a key part of the teams.

**b) What are the main activities of Commercial Operations?**

10. Commercial Operations consists of many of the customer facing income generating activities within the Council and the services within the directorate deliver these services to help meet the objectives of the Council and support the Medium Term Financial Plan.
11. The Commercial Operations service plan, as provided in Appendix 1, provides an overview of each of these service areas along with objectives. For the benefits of this report the main activities of the services have been summarised as below:
  - a. **Leisure and events** - enhance community wellbeing by expanding access to physical activities and supporting diverse opportunities suited to all residents. Collaborate with communities and event organisers to maintain and grow a successful events programme, prioritising safety and inclusivity for both residents and visitors. Foster lasting art and culture experiences, enabling everyone to engage creatively, managing heritage sites efficiently and sustainably, reinvesting in facilities while preserving listed buildings and green spaces, and aligning our heritage strategy with national programmes for greater impact and structured investment.

- b. **Seafront** - Provide a safe, attractive and vibrant award-winning seafront, which protects the natural environment whilst maximising commercial potential and attracts investment.
  - c. **Car parking operations and enforcement** - To provide a safe, efficient and customer focused parking service that supports the community, promotes sustainable travel and enhances the local environment. We aim to ensure a seamless parking experience that balances the needs of residents, visitors and businesses while contributing to the vitality and accessibility of our area.
  - d. **FCERM** - Deliver a unified service with neighbouring authorities, adopting a shared team approach under the 'South West Flood and Coastal' banner. This model will drive growth and efficiency, showing the advantages of shared resources. Collaborate with partners and communities to better understand local challenges, develop innovative, resilient solutions that address flooding and coastal change, all while enhancing and protecting the environment for current and future generations.
12. The Head of Commercial Operations is a new role which has been created and recruited into since the Commercial Operations service plan was finalised. The purpose of this role is to deliver a focussed commercial approach that drives income to contribute to a sustainable financial future and supports council services.
- c) What is the cost of Commercial Operations to the revenue budget?**
13. Commercial Operations supports the Council's Medium Term Financial Plan (MTFP) with a budgeted income position in the 25/26 financial year of (£23,180,190).
14. Table 1 below, provides a breakdown of the 25/26 budgeted income and expenditure for each service area within Commercial Operations.

**Table 1 Budget for Commercial Operations 25/26**

| 2025-26 Commercial Operations Budget |                                   |   |                               |                    |                  |             |
|--------------------------------------|-----------------------------------|---|-------------------------------|--------------------|------------------|-------------|
|                                      | Director of Commercial Operations | Flood & Coastal Erosion Risk Management | Head of Commercial Operations | Leisure and Events | Parking Services | Seafront    |
| Expenditure - Direct Activity        | 484,900                           | 2,727,800                               | 100,000                       | 10,316,410         | 9,473,600        | 13,847,900  |
| Income - Direct Activity             | -                                 | 1,686,800                               | -                             | 9,477,900          | 28,444,100       | 20,522,000  |
| SubTotals                            | 484,900                           | 1,041,000                               | 100,000                       | 838,510            | -18,970,500      | - 6,674,100 |
| TOTAL                                | -23,180,190                       |   |                               |                    |                  |             |

**d) Are there any costs of Commercial Operations capitalised and if so, what projects are included?**

15. Commercial Operations delivers many capital projects across its service areas, an overview of the capital projects and funding is provided in tables below. The figures provided are for the 25/26 financial year, not the full scheme budgets.
16. Additional funding of £7.3 million Community Infrastructure Levy and further £6 million from the Environment Agency has recently been approved for Poole Bay to Hunger Hill flood defence and further £358,000 has been added to the Sterte flood defence works.

**Table 2 – Commercial Operations capital programme by service area**

| Commercial Operations Capital Investment Programme summary by Service area | 2025/26 current budget '£000 |
|--|------------------------------|
| Leisure and Events   | 680                          |
| Flood & Coastal Erosion Risk Management                                    | 13,852                       |
| Parking Services   | 23                           |
| Seafront   | 20,735                       |
| <b>Total</b>   | <b>35,290</b>                |

**Table 3 – Commercial Operations capital projects**

| Capital Investment programme 2025/26 project list         | 25/26 Current Budget £,000 |
|---|----------------------------|
| 3G Artificial Pitch Rossmore Leisure Centre - Feasibility | 129                        |
| Ashdown Leisure Centre Floodlights                        | 6                          |
| Avon Beach to Highcliffe Beach Management                 | 39                         |
| BCP Cliff Management Strategy                             | 98                         |
| Beach Road Rear Car Park                                  | 23                         |
| Broadstone Underpass Mural                                | 31                         |
| Canford Cliffs Pavilion                                   | 1,000                      |
| Christchurch Bay and Harbour FCERM Strategy               | 58                         |
| Christchurch Town Centre Strategy                         | 64                         |
| Durley Chine Environmental Innovation Hub                 | 265                        |
| Durlston to Hurst Sediment Resource Management programme  | 135                        |
| FCERM Partnership Funding                                 | 35                         |
| Highcliffe Beach Access Ramps                             | 9                          |
| Highcliffe Castle, (inc Phoenix Flies Project)            | 32                         |
| Inland Asset Management System                            | 36                         |
| Kinson Catchment Surface Water FAS                        | 34                         |
| Lake Pier Major Refurbishment                             | 2                          |
| Leisure centre management in-house set up and investment  | 156                        |
| MCA Project   | 3                          |
| Mudeford Beach House Café                                 | 550                        |
| Mudeford Ferry Pontoon                                    | 64                         |

|   |               |
|---|---------------|
| Mudeford Sandbanks Beach Management                         | 40            |
| New Beach Huts - Canford Cliffs                             | 3,118         |
| Poole Bay Beach Management 2020-2031                        | 4,389         |
| Poole Bridge to Hunger Hill (PB2HH) Flood Defences          | 8,518         |
| RNLI Signage and Public Rescue Equipment                    | 57            |
| Sandbanks Pavilion  | 4             |
| SEAFRONT (LUF) Alum Chine Cloisters (Feasibility)           | 53            |
| SEAFRONT (LUF) Boscombe Pier (Feasibility)                  | 26            |
| SEAFRONT (LUF) Bournemouth Lifeguard Corps (New Building)   | 91            |
| SEAFRONT (LUF) Bournemouth Pier (Future Leisure Offer)      | 116           |
| SEAFRONT (LUF) Bournemouth Pier (Structural Engineering)    | 8,572         |
| SEAFRONT (LUF) Coastal Heritage Trail (Culture)             | 456           |
| SEAFRONT (LUF) East Cliff Lift (Future Leisure Offer)       | 98            |
| SEAFRONT (LUF) East Cliff Lift (Stabilisation Works)        | 3,983         |
| SEAFRONT (LUF) Hamworthy Sea Wall (Repairs)                 | 74            |
| SEAFRONT (LUF) Holes Bay Visual Arts Centre                 | 8             |
| SEAFRONT (LUF) Project Management & Sundry Costs            | -             |
| SEAFRONT (LUF) Promenade Infrastructure (Utility & Digital) | 787           |
| SEAFRONT (LUF) Seafront Beach Huts (Repairs & Upgrades)     | 1,059         |
| SEAFRONT (LUF) Seafront Toilets (Repairs & Upgrades)        | 69            |
| SEAFRONT (LUF) The Strand (Access, Amenity & Wellbeing)     | 271           |
| SEAFRONT (LUF) Upton Country Park (Bridge & Cycle Path)     | 10            |
| Upton Country Park - Discovery project                      | -             |
| Upton Country Park New Play Attraction                      | 16            |
| Upton House stabilisation                                   | 158           |
| Poole Bay, Harbour and Wareham FCERM Strategy               | 41            |
| Whitley Lake Sea Defence Study                              | 89            |
| South West Storms Analysis                                  | 68            |
| Jurassic Coast FCERM Mitigation Study (revenue)             | 173           |
| Debris Screen Health and Safety Works                       | 100           |
| Poole Park Tennis Courts Resurface                          | 80            |
| <b>TOTAL</b>  | <b>35,290</b> |

**Table 4 – Funding for Commercial Operations Capital Programme**

| <b>Commercial Operations Capital Investment Programme funding summary</b> | <b>2025/26 current budget '£000</b> |
|---|-------------------------------------|
| Government Grants   | 29,486                              |
| Prudential Borrowing  | 4,949                               |
| CIL   | 342                                 |
| Third party contributions   | 307                                 |
| Reserve Funding   | 87                                  |
| S106  | 64                                  |
| Non-government grants   | 32                                  |
| Capital Receipts  | 23                                  |
| <b>Total</b>  | <b>35,290</b>                       |

- e) What revenue streams and values are received by the Council arising from Commercial Operations seafront business?

**Table 5 – Seafront revenue income**

| <b>Department</b>          | <b>Cost Centre</b>                        | <b>25-26 Revised Budget '£000 Total income (ex VAT)</b> | <b>Notes</b>                    |
|----------------------------|---|---|---------------------------------|
| <b>Seafront Carparking</b> | Car Parking                               | (286)   | Undercliff Car Park             |
|                            | <b>Sub Total</b>                          | <b>(286)</b>  |                                 |
| <b>Seafront Operations</b> | Steamer Point Holiday Cottage, Highcliffe | (20)  | Bookings                        |
|                            | The Overstrand, Boscombe                  | (52)  | Service / maintenance recharges |
|                            | Undercliff Prom                           | (3)   | Commemorative benches           |
|                            | Kidzone                                   | (21)  | Sponsorship income              |
|                            | Branksome Dene Community Room             | (90)  | Bookings                        |
|                            | Moorings and Dinghy Park, Christchurch    | (52)  | Site rentals                    |
|                            | Tourist Information Centre                | (79)  | Retail income                   |
|                            | Hedgehog Kiosk Lower Gardens              | (168)   | Catering                        |
|                            | Lower Gardens Mini-Golf                   | (170)   | Leisure attraction              |
|                            | Seafront Management                       | (280)   | Tenant utility recharges        |
|                            | <b>Sub Total</b>                          | <b>(934)</b>  |                                 |

|                              |                           |                 |                        |
|------------------------------|---------------------------|-----------------|------------------------|
| <b>Beach Huts and Lodges</b> | Super Huts                | (132)           | Longer leases          |
|                              | Overnight Beach Lodges    | (867)           | Bookings               |
|                              | Beach Huts                | (3,484)         | Annual + casual hire   |
|                              | Private Sites             | (3,884)         | Pitch only annual hire |
|                              | <b>Sub Total</b>          | <b>(8,367)</b>  |                        |
| <b>Seafront Commercial</b>   | Sandbanks Mini Golf       | (112)           | Leisure attraction     |
|                              | Chairs & Sunbeds          | (202)           | Equipment hire         |
|                              | Cliff Lifts               | (147)           | Ticket income          |
|                              | Piers                     | (274)           | B'mth Pier toll        |
|                              | Smuggler's Cove Mini Golf | (418)           | Leisure attraction     |
|                              | Land Trains               | (419)           | Ticket income          |
|                              | Concessions               | (550)           | Temp / Mobile          |
|                              | B'mth Amusement Arcade    | (2,206)         | Leisure attraction     |
|                              | Contracts                 | (1,910)         | Fixed / buildings      |
|                              | Seafront Catering         | (4,698)         | Catering               |
|                              | <b>Sub Total</b>          | <b>(10,936)</b> |                        |
|                              | <b>Total</b>              | <b>(20,522)</b> |                        |

**f) Does the seafront have a vision, a strategy and business plan for the future?**

17. The Council's visions and objectives for the seafront are set out in its Seafront Strategy (Appendix 2). The strategy provides a long-term framework (20 years) for investment, regeneration, and sustainable development along the seafront, and is informed by public consultation, surveys, and stakeholder engagement.
18. The Seafront Strategy was formally adopted by Cabinet in April 2022. It was the Council's first comprehensive strategy for its 15 miles of coastline and 26 miles of harbour-side landscape. It was reviewed and updated during 2024, with the revised strategy approved by Cabinet in July 2024. This refresh reflected new organisational priorities, environmental goals, and community access improvements.
19. Key initiatives and projects currently being planned, delivered or recently completed include:
  - **Piers & Pontoons**  
Assessment and refurbishment work at all 4 main structures: Bournemouth, Boscombe, Mudeford & Lake Pier
  - **Cliff Stabilisation**  
Works to assess & stabilise slips at various sites including: Canford Cliffs, West & East Cliff and Portman Ravine
  - **In-house catering**  
Refurbishment of main BCP Council outlets inc: Prom Diner and Prom Cafe

- **Concessions**  
Private investment at Rockwater, Overstrand, Neptune, SOBO, Mudeford Café and Durley Environmental Hub.
- **Beach Huts**  
Refurbishment and replacement programme of BCP Council owned assets.
- **Health & Safety**  
Investment in new RNLI signage, rescue equipment, defibrillators & trauma kits, a new multi-agency control centre (MACC), CCTV and body worn cameras and cliff top fencing.
- **Public toilets**  
Ongoing refurbishment programme inc: Sandbanks, Canford Cliffs, Alum Chine, Bournemouth West & East, Boscombe West, Portman, Mudeford, Friars Cliff.
- **Culture**  
New trails and art works at sites across the BCP seafront.

20. To support the delivery of the BCP Council Seafront Strategy, a separate Seafront Service Plan is produced annually (Appendix 3). This provides more detailed information on operational delivery and demonstrates how the service helps to deliver on corporate priorities, and how success is measured. The overarching aim is to provide a safe, attractive and vibrant award-winning seafront, which protects the natural environment whilst maximising commercial potential and attracting investment.

21. The Seafront Service Plan feeds into the overarching Commercial Operations Service Plan.

**g) Does the seafront have a service delivery plan?**

22. This KLOE question has been responded to under question f) above.

**h) What are the challenges for the seafront?**

23. Key challenges, which may also be considered opportunities at times, include:

- a. Seasonality of business
- b. Climate change and environment
- c. Cliff stability
- d. Service resilience
- e. High level of public interest and scrutiny
- f. Third party land ownership
- g. Other council priorities
- h. Macroeconomic influences
- i. Evolving leisure trends

**i) Does the seafront have any legal partnerships or other business relationships?**

24. Key Stakeholders & Partners include:

- a. Royal National Lifeboat Institution (RNLI) / HM Coastguard / Emergency Services
- b. Seafront Businesses, Clubs and Organisations
- c. Government Agencies:

- Environment Agency (EA)
- Marine Management Organisation (MMO)
- Department for Levelling Up, Housing and Communities (DLUHC)
- d. Landowners (Crown Estate / Meyrick Estate / Cooper Dean Estate)
- e. Beach Hut Associations (Poole / Bournemouth / Hamworthy / Mudeford / Friars Cliff)

**j) What external stakeholders does the seafront engage with, how are the relationships managed and what procedures exist to facilitate this?**

25. The Seafront Service regularly engages with a wide variety of stakeholders, individuals, groups, organisations and businesses, using a wide range of communication platforms. In addition to those above these often include:

- Residents and resident associations
- Tourism partners, hoteliers and attraction providers
- Licensees and tenants
- Sports clubs, groups and event organisers
- Education providers and local schools/nurseries
- Press and media outlets
- Environmental organisations and utility suppliers
- Internal teams across BCP Council, and other Councils and public organisations

26. The range and type of stakeholders can vary considerably depending on the nature of the issues, or work being delivered.

27. Relationships are managed through a range of methods depending on the nature and value of service. For example, the RNLI lifeguarding service contract is managed through monthly partnership meetings, whereas meetings with commercial tenants may be less frequent or as required.

28. Relations with key customer groups such as Beach Hut Associations are managed through attendance at association meetings, or as required at a representative or individual level. Relations with landowners such as Meyrick Estates or Cooper Dean Estates are usually led by BCP Council Estates Department.

**k) How are conditions of contracts monitored?**

29. Compliance with contractual obligations, including identifying any potential issues or risks related to the contract's execution and completion, are carried out through meetings with tenants, site inspections and correspondence to ensure conditions are adhered to.

30. Delivery of New Engineering Contracts (NEC) for Civil Engineering projects is administered using specialist software (CEMAR) to track all communications, expenditure and contractual decisions.

31. Management of NEC contracts is undertaken by staff who are NEC accredited (trained and qualified to either NEC Project Manager or NEC Site Supervisor)

**l) Are contract progress and closedown reviews conducted?**

32. As above, regular progress and closedown meetings with tenants, site inspections and correspondence to ensure contracts and leases are managed effectively.

**m) What is the process for identifying the need for and approval for a commercial contract?**

33. The Seafront Strategy outlines aspirations for each character area along the seafront (Appendix 2), guiding the identification and implementation of future opportunities.
34. Additionally, the Council receives numerous commercial proposals from external providers each year. These proposals are evaluated and advanced should they align with service needs, resident and visitor demand and the Councils strategic and financial objectives. These would also go through the relevant procurement processes in order to progress.

#### **Summary of financial implications**

35. This is an information report only and the details of the service revenue and capital budgets are set out in the body of the report

#### **Summary of legal implications**

36. There are no immediate specific legal implications from this report. However, the council must ensure that it considers particular contractual obligations with third-parties that may restrict the disclosure of commercial, sensitive or legally privileged information.
37. Consequently, the Overview and Scrutiny Board will need to be aware of the above considerations if matters arising include particular contractual arrangements. Moreover, there may be related procurement considerations that are relevant.

#### **Summary of human resources implications**

38. This report does not identify any human resource implications.

#### **Summary of sustainability impact**

39. Commercial Operations work closely with the sustainability team and considers sustainability within all areas of the service. The management of the seafront area and the work delivered by the FCERM team closely considers climate change and options to deliver work to positively support this area. The leisure team have delivered improvements within centres to become more energy efficient to support the climate emergency.

#### **Summary of public health implications**

40. Services within Commercial Operations positively support Public Health, in particular the leisure service and seafront through the provision and management of open space to support the enjoyment of this area for health and wellbeing benefits.

#### **Summary of equality implications**

41. No EIA assessment has been undertaken as this report is for information only.

#### **Summary of risk assessment**

42. No risk assessment has been undertaken as this report is for information only.

#### **Appendices**

- |            |                                    |
|------------|------------------------------------|
| Appendix 1 | Commercial Operations service plan |
| Appendix 2 | Seafront strategy                  |
| Appendix 3 | Seafront service plan              |