



Department for Levelling Up,
Housing & Communities

Graham Farrant
Chief Executive
Bournemouth, Christchurch and Poole Council

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Department for Levelling Up,
Housing and Communities
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3 August 2023

Dear Graham,

Bournemouth Christchurch and Poole Council (BCP) Best Value Notice issued on 3 August 2023

The Department expects authorities to identify and implement arrangements to secure continuous improvement. Ministers are concerned as to BCP Council's capacity to comply with its Best Value Duty under the Local Government Act 1999. The Parliamentary Under Secretary of State has therefore made the decision to issue Bournemouth, Christchurch and Poole (BCP) Council with this Best Value Notice.

This Best Value Notice ("Notice") is a formal notification that the Department has concerns regarding an authority and is a request that the authority engages with the Department to provide assurance of improvement. The Department expects authorities that have been issued with Best Value Notices to continue leading their own improvement, and we recognise that BCP are already taking steps to address issues in the authority.

This Notice is issued to BCP Council ("the Authority") following concerns highlighted by the non-statutory External Assurance Review, published on 3 August 2023.

- Member relationships have been very poor and relationships between councillors and officers have not been positive in recent years. Meetings have been acrimonious with a high number of complaints to the Standards Committee.
- The Authority's Medium Term Financial Plan (MTFP) and budget, as currently agreed, is unrealistic. It is based on the delivery of an overly ambitious transformation programme both in terms of levels of savings and timescales for delivery.
- The Authority established a regeneration company, FuturePlaces, in 2021. Concerns have been raised about the governance and remit of FuturePlaces.
- The leadership team, both individually and as a team, needs development and support so that they can act more effectively as a strategic and corporate leadership team.

The Authority has engaged constructively and openly with the external assurance review, and has indicated it is already taking some steps to address the concerns raised in the review. We expect the Authority to continue to improve and, specifically, to set out plans to address concerns and deliver all recommendations set out in the External Assurance Review at pace. In particular that the Authority should:

- Given the numerous changes of control in recent years, use the opportunity of a new administration to reset the culture and relationships between officers and

members. Set up a comprehensive member induction programme and on-going member training programme, and take advantage of LGA support in doing this.

- Put in place an externally facilitated development programme for the senior officer team.
- Review their transformation programme as a matter of urgency and commission an external financial resilience review to report by September 2023 and inform the setting of a new MTFP and budget.
- Establish a sound budget setting process and begin preparations for the 2024/25 budget as soon as possible, and draft a sustainable MTFP and three-year budget by the end of September 2023.
- Agree a business plan for BCP Future Places with a portfolio of priority projects and clear timescales for delivery.
- Agree a corporate strategy and clear priorities by July 2023. The Authority should also put in place a regular annual cycle for the business plans, mid-year reviews and year end reviews of all its companies to be reported to the appropriate scrutiny and decision-making bodies.

Whilst the Authority may continue to receive and be awarded government funding whilst under this Notice, we would emphasise that receipt of funding does not indicate the Department's broader view of the performance of the Authority, nor would it indicate any change in the status of this Notice, with individual funding programmes being managed and assured independently by their respective departments.

This Notice will remain in place for 12 months, after which time, should the Department deem it necessary to continue to seek assurance through such a Notice, the Notice will be reissued. The Notice may be withdrawn or escalated at any point based on the available evidence.

This Notice is issued outside the statutory powers held by the Secretary of State under the Local Government Act 1999 to inspect or intervene in local authorities where there is evidence of Best Value failure and, separately, under section 230 of the Local Government Act 1972 to request information from local authorities. However, a failure to demonstrate continuous improvement may be judged to contribute to Best Value failure and the Secretary of State will consider using these powers as appropriate.

It is important to ensure transparency in relation to the challenges faced by local authorities and the Department's engagement on these. A copy of this Notice will therefore be published on gov.uk. I encourage you to make a copy of this Notice available on the Authority's website, and to share it with the Authority's Audit Committee. In line with this, we will notify your external auditor of this action.

Separately to this Notice, I would encourage you to continue your engagement with the Local Government Association, making use of the full range of support they have to offer.

We also expect the Authority to engage regularly with the Department during the period of the notice. A member of my team will be in touch with you to make arrangements. I look forward to receiving updates on your progress.

Yours Sincerely,

Suzanne Clarke
Deputy Director, Local Government Finance