

# Joint Meeting of Children & Families Services and Environment & Economy Scrutiny Panels



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**Subject:** Boscombe Spa Village Programme  
**Cabinet Portfolio:** Economy & Tourism  
**Corporate Lead:** Tony Williams - Executive Director, Environment & Economic Services  
**Service Director:** Roger Brown - Service Director, Leisure  
**Meeting Date:** 11 February 2009  
**Status:** Public  
**Contact:** Roger Brown - Service Director, Leisure; Geoff Turnbull - Engineering Services Manager

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## 1 Summary

- 1.1. This report is to be read in conjunction with the report to Cabinet on 28 January 2009. The report was deferred to give Members the opportunity to scrutinise the issues raised in the report and make recommendations to Cabinet accordingly.
- 1.2. 'Boscombe Spa Village' is a highly innovative project which demonstrates the Council's commitment to regenerating the Boscombe area. Members will see from the Cabinet report that it is still anticipated that all costs of delivering the programme can be met from capital receipts associated with the site, with no costs passed on to the local tax payer.
- 1.3. The pioneering nature of some elements of the project - in particular, the artificial surf reef and refurbishment of the 1950s Overstrand building - carry an element of risk which has had to be managed.
- 1.4. This report sets out the aims of the programme, benefits to be and already realised, and unforeseen challenges that have been addressed during the programme's delivery.
- 1.5. This short written report will be supported by a presentation to the Panel.

- 2 **Recommendation:** The Scrutiny Panel is asked to review the contents of the report and presentation by the Service Director for Leisure, and make recommendations to Cabinet, for consideration at its next meeting on 25<sup>th</sup> February 2009.

### **3 Project Aims and Benefits**

#### **3.1. The aims of the programme are:**

- i To bring about a major economic and social regeneration initiative in Boscombe through a programme of integrated projects around the theme of 'Boscombe Spa Village'.
- ii To transform the image of Boscombe through a bold, innovative and high quality comprehensive redevelopment of the seafront.
- iii To create an exciting leisure attraction with the ability to increase off-peak business as the catalyst for commercial investment in Boscombe.
- iv To stimulate property development in the area and enhance the value of existing residential properties and business premises.
- v To generate extensive positive publicity for Boscombe in order to reinforce positive perceptions of the area, locally, regionally and nationally.

#### **3.2 The benefits of the programme already achieved have been:**

- i Sustained, positive awareness of a range of projects that have captured the imagination, interest and enthusiasm of local residents, potential visitors and national media.
- ii The attraction and endorsement of one of the country's leading design partnerships - Hemingway Design - which has raised the profile of Boscombe in the design community.
- iii The significant rise in value of properties in the area, over and above the increases experienced in the remainder of the Borough, following Planning approval and commencement of work on the project.
- iv Extensive positive media coverage amounting to in excess of £12million in advertising value for Boscombe.
- v The rebuilding and reopening of Boscombe Pier.
- vi The provision of new toilets, car parking at East Overcliff, new landscaping, public art and the restoration of the Pier entrance.
- vii The network of Variable Message Signing serving Boscombe.
- viii Further central government funding and private investment attracted as a direct result of the Council's commitment and investment, including Boscombe Chine Gardens, Shelley Manor and recent Sea Change funding, linking the seafront with the pedestrian precinct.
- ix Increased value of Council-held assets in the area e.g. The Overstrand.

#### **3.3 Anticipated further benefit on completion of the project:**

- Positive media coverage and further business opportunities.
- Extensive positive national and international PR coverage on the opening of the first artificial surf reef in the northern hemisphere.
- Growth in business generated for Boscombe from increased accommodation bookings, catering and day visitor spend in the town.

#### **4. Programme challenges**

4.1 The innovative nature of this regeneration programme has proved to be one of its real strengths – particularly with the national media. However, this uniqueness has also resulted in several technical issues during the course of development. These have had to be carefully addressed to retain the design integrity and quality of the overall scheme and to ensure that they are funded from within the existing and projected capital receipts. These include:

- i The listing of the Pier Entrance building in December 2004.
- ii The threat of Judicial Review.
- iii The obtaining of FEPA & Coastal Protection Licences for the Surf Reef January – December 2007.
- iv The difficulties in obtaining work permits for the specialist overseas staff working on the Surf Reef due to the unusual nature of the project May-June 2008.
- v Keeping to tight timescales to reduce the loss of the amenity at Boscombe particularly during the summer months have put constraints on some aspects of advance preparation.
- vi Major re-routing of utility services in the road.
- vii Unexpected structural repairs to the Overstrand building.
- viii The adverse weather conditions encountered during Summer 2008, the construction phase of the Surf Reef, resulting in the delay to 2009.

4.2 Details of these challenges will be presented at the meeting.

#### **5. Financial context**

5.1 The Cabinet report dated 28 January has itemised the additional costs of the scheme. It has also identified the projected private funding stream from the sale of the surf pods in this prime location.

5.2 This proposed funding stream is considered to be robust, in spite of the current economic downturn. There are two main reasons for this. Firstly, previous experience of beach hut sales indicates that there is a large unsatisfied demand and this remains the case. Secondly, there is a high degree of security and

flexibility in the funding plan since not all the pods have been included for sale at this stage.

## **6. Project Delivery Structure**

6.1 Following a managerial review of the project via the Capital Gateway process, the Council has significantly strengthened the governance and management of the project. This includes:

- i. Imposing the corporate programme management structure with an Executive Director leading the project. The programme management structure is attached as Appendix 1 .
- ii. Changing the project manager role and transferring responsibility for programme management to Planning and Transport. The project manager role will be undertaken by Geoff Turnbull, who has extensive and specialised engineering experience.
- iii. Enhancing the resources dedicated to the project by Leisure Service via the full-time appointment of Martyn Sexton.
- iv. Establishing a formal reporting structure with full involvement of senior corporate Service representatives.
- v. Establishing a revised project plan based upon the Corporate/Prince 02 Model.
- vi. Requesting quarterly reports to the Council's Capital Gateway Board.
- vii. Establishment of more regular and formal contract management meetings.

6.2 Whilst Section 6.1 summarises the internal project management reforms, the Council has also:

- i. Set up a regular meeting with stakeholders to improve local knowledge of the project.
- ii. Established improved relationship with the surfing community on operational issues.

The project team now comprises:

Senior Responsible Officer	Tony Williams
Member Representative	Councillor Dunlop (sub: Cllr Chapman)
Project Co-ordinator	Geoff Turnbull
Senior Users	Roger Brown/Chris Saunders
Communications	Georgia Smith
Legal	Helen Williams
Audit	Keith Bowers
Finance	Jane Perry
Surf Reef CDM Co-ordinator	Mouchel
Overstrand contract	Martyn Sexton
Surf Pod Fit-out	John Spiller
Catering / Retail fit-out	Sarah May

Background papers;

Cabinet report - deferred 28/01/09; now to be considered in the context of Scrutiny's comments on 25/02/09