



JUMPERS AND ST CATHERINE'S HILL RESIDENTS ASSOCIATION

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Ms Alex Walling
Grant Thornton
11th May 2018

Dear Ms Walling

Christchurch Borough Council (CBC)

On 24th April 2018 CBC held a full council meeting, part of which was conducted in camera. During the secret session the Council allocated an unknown amount of previously unbudgeted tax payer's funds to a legal action against the Ministry of Housing, Communities and Local Government. This action to take the form of a Judicial Review of the Ministry decision to implement the plan known as Future Dorset which is supported by every council in Dorset except CBC.

We fully understand why the discussion of the legal detail was held in secret. However, we believe it was fundamentally wrong to potentially commit hundreds of thousands of pounds of taxpayer's funds to a project in such a way that we, representing some 3,000 of those taxpayers, are unable to tell our members: how much has been allocated; whether that is a reasonable estimate; how it is to be funded; what risks are associated with the expenditure; what effect it will have upon CBC services; what effect it will have upon Dorset County Council (DCC) services in Christchurch.

The Amount Budgeted

It is a fundamental element of Judicial Review that the loser pays everybody else's costs. In this case there are 9 other organisations incurring costs as a direct result of the CBC action: The Ministry; Bournemouth Council; Dorset County Council; Poole Council; all the other second tier councils in Dorset such as West Dorset, East Dorset, etc.

Judicial Review is run in two stages: preparing and making a submission to "the gatekeeper"; if the "gatekeeper" gives permission, presenting a case to the High Court. We have taken advice and are advised that the combined costs of CBC and the other 9 parties could amount to £800,000. This then is the approximate amount of our money that CBC is gambling.

So far as we can see this expenditure has never been discussed and agreed by the CBC Resources Committee. We can guess that it will be paid out of unallocated revenue reserves – but we don't know that for a fact. If that is the case, then it should have no effect upon CBC front line services other than through intangibles such as the negative effect upon officer morale.

Risk Assessment

We are not aware that any risk assessment has been carried out and that strikes us as outrageous for such a large unbudgeted sum. It is simply not compatible with sound monetary management.

We do know that depending on the nature of the decision being challenged, the court may show a degree of deference to the decision maker, given their democratic mandate, or special expertise; the court may be reluctant to intervene in matters of public policy or in areas where a specialist expertise is required.

We also know that even if the court finds that a public body has acted wrongly it does not have to grant a remedy. It might decide not to do so if it thinks the claimant's own conduct has been wrong or unreasonable, for instance where the claimant has delayed unreasonably, has not acted in good faith, or where a remedy would impede a public body's ability to deliver fair administration.

We therefore conclude that this is a very high-risk project that CBC have embarked upon.

Potential Effect Upon DCC Services in Christchurch

DCC is in a difficult financial situation. The last audited balance sheet published showed a trading loss of £31 million and a bottom line of £124 million *liabilities*. This followed at least four consecutive years of spending exceeding income. We are advised that in 2017-18 DCC spent approximately £4 million more than it received by way of income.

DCC, along with several other councils in Dorset, is banking upon the reorganisation associated with Future Dorset to provide a partial solution to its funding deficit. If CBC is successful in derailing Future Dorset, then DCC will be forced to take drastic action. That will involve such things as closing the library, removing all bus subsidies, closing social services in Christchurch and merging it into Ferndown, and so on.

Our Council Tax will continue to rise to the maximum allowed by Government (in contrast to plans under Future Dorset which envisage it being frozen for several years to accommodate harmonisation with Bournemouth and Poole).

Thus, if CBC lose, we taxpayers will be out of pocket to the tune of several hundred thousand pounds. If CBC win, local services will suffer, and our council tax will be higher than it needs to be.

Summary

We believe that CBC has committed itself to a profligate level of unbudgeted expenditure without undertaking a proper risk assessment and in such a manner that we taxpayers are not in any position to assess the situation.

We are asking you to now please act as our guardian and undertake a full investigation of this most unsatisfactory situation.

Yours sincerely

J E Biggin

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Chairman

For and on behalf of our management committee