

Cabinet

Supplementary Information



Date: Tuesday, 4 July 2023

Time: 4.00 pm

Venue: The Council Chamber - City Hall, College Green, Bristol, BS1 5TR

8. Bristol City Docks - Harbour Revision Order

(Pages 2 - 55)

24. Finance Outturn Report (P2/Q1/MTFP)

(Pages 56 - 122)

Issued by: Amy Rodwell, Democratic Services
City Hall, Bristol, BS1 9NE
E-mail: democratic.services@bristol.gov.uk
Date: Wednesday, 28 June 2023





Decision Pathway – Report

PURPOSE: [Key decision](#)

MEETING: [Cabinet](#)

DATE: 04 July 2023

TITLE	Bristol City Docks - Harbour Revision Order Submission
Ward(s)	Hotwells and Harbourside and Central
Author: Jon James	Job title: Head of Service for Natural and Marine Environment
Cabinet lead: Mayor	Executive Director lead: John Smith, Interim Executive Director Growth and Regeneration
Proposal origin: BCC Staff	
Decision maker: Mayor Decision forum: Cabinet	
Purpose of Report: <ol style="list-style-type: none"> To seek Cabinet approval to apply for a new Harbour Revision Order to the Marine Management Organisation and to create ring-fenced financial accounts for the harbour authority. 	
Evidence Base: <ul style="list-style-type: none"> We want a harbour that is an asset for the benefit of our whole city, one which is financially sustainable, accessible, and contributes to our wider aims of climate resilience and biodiversity. Bristol Harbour is classified as a Statutory Harbour Authority. To ensure that it is operating to modern standards, Bristol City Council has carried out an independent Harbour Operational Review which will enable the Harbour Authority to be governed and managed sustainably for the benefit of the whole city in line with national best practice and guidance. Existing harbour legislation, last updated 25 years ago in 1998, is no longer fit for purpose and a new Harbour Revision Order (HRO) needs to be adopted. To progress a new HRO an application will need to be processed through the Marine Management Organisation (MMO) who manage the application on behalf of the Department for Transport. Cabinet is asked to approve the start of this work culminating in the submission and adoption of a new HRO. <p>The new HRO will:</p> <ul style="list-style-type: none"> Include a financial plan to evidence a balanced budget that is intended to make the Harbour self-sufficient over the medium term Require the creation of ring-fenced accounts for the sustainable management and operation of the Harbour Include a staffing structure that is adequate to support the Docks and Harbour Assets and Estate Update legislation dealing with operational and governance requirements for the Harbour Authority to achieve best practice Identify extent of Harbour Estate Provide the Harbour Authority with modern powers of disposal of any part of the Harbour Estate that is surplus to requirements Repeal all unnecessary historic legislation 	

- The MMO will require a 42-day period of public engagement as part of the application process. This would involve publishing the draft HRO and statement of support.
- The work carried out through the harbour operational review has also identified the need to establish ring-fenced financial accounts which, as identified in the Ports Good Governance Guidance, would be beneficial to the harbour for submitting annual accounts to the Department for Transport.
- In order to enable the day-to-day operation of the Harbour, it is necessary to continue to operate the services and to secure income through the provision of leases and disposal of land etc. Therefore, while the HRO is being updated, any capital receipts and income will be secured for the benefit of the Harbour Authority for use exclusively within the operation and maintenance of the Harbour and Estate.
- In January 2023 Cabinet agreed the Docks Fees paper which brought charges into line with equivalent harbours and introduced new liveaboard licenses. Bristol City Council will continue to explore opportunities for commercialisation in the Harbour Estate.
- Appendix A shows the proposed extent of the boundary of the Harbour Estate to be included in the new HRO submission. This is unchanged from the 1998 HRO.
- Appendix B shows the initial draft of the Harbour Revision order submission. This will be subject to change as we progress and receive feedback from stakeholders.

Cabinet Member / Officer Recommendations:

That Cabinet:

1. Approves the creation of ring-fenced accounts for the sustainable management and operation of the Harbour.
2. Authorises the Interim Executive Director Growth and Regeneration in consultation with the Mayor to take all steps required to finalise and submit the Harbour Revision Order to the Marine Management Organisation.

Corporate Strategy alignment:

1. Development and delivery - Delivering a fit for purpose service by increasing the income to support the ageing infrastructure
2. Environmental sustainability - Allowing the service to have the financial capacity to engage in the environmental enrichment of the City Docks
3. Equality and inclusion - Improve facilities and service productivity to allow the area to become more diverse and inclusive
4. Resilience - Enable the service and the Harbour Authority to become self-sufficient and resilient for the future.

City Benefits:

1. The Corporate Strategy recognises the positive health effects of good quality and a well-maintained built environment, including providing effective support for business growth, as well as ensuring sites are safe and fit for purpose.

Consultation Details:

On submission of the Harbour Revision Order to the Marine Management Organisation they will carry out a 42-day period of public dialogue as part of the application process. This will involve publishing a copy of the draft Harbour Revision Order and a statement of support.

Background Documents:

- [Harbours Act 1964](#)

Revenue Cost	£1.8m	Source of Revenue Funding	Harbour Services
Capital Cost	£24.1m	Source of Capital Funding	Balance Sheet
One off cost <input type="checkbox"/> Ongoing cost <input type="checkbox"/>		Saving Proposal <input type="checkbox"/> Income generation proposal <input checked="" type="checkbox"/>	

Required information to be completed by Financial/Legal/ICT/ HR partners:

Finance Advice:

1. The report seeks approval to submit an application for a Harbour Revision Order (HRO) and approval to develop/setup of ring-fenced accounts for the statutory harbour authority (SHA) once the HRO is granted (or as soon as is practicable possible before that date, preferable for the 23/24 accounting year). The regulations require the SHA to be self-financing service. Under the current arrangement, the harbourside and the associated assets require subsidy from the Council's General Fund (GF) which currently totals £1.7m.
2. The SHA will be required to be self-financing; able to cover day-to-day running costs, long-term investment needs and making a proportionate contribution to corporate overheads.
3. Detailed financial modelling has been undertaken to understand the financial position in the harbourside going forward. The modelling has confirmed that the SHA will still require Council GF subsidy for at least two years after which it is capable of moving towards a breakeven position, subject to relevant assets being transferred.
4. The £1.7m current funding gap will be addressed by the ring-fencing of Harbour assets including car parks and commercial buildings, fee increases, service enhancements and efficiencies, as well as exploring how SHA assets can deliver better returns for the SHA.
5. An ambitious programme of generating additional or new income or Capital receipts will be required to cover the required investment in harbour infrastructure following many decades of underinvestment.
6. The estimated net book value of the assets that will be transferred to the SHA, once it is in operation, is £24.1m based on the standard BCC valuation method used in the statutory accounts at 31.3.22. It should be noted that the book value will be considerably different to the fair market value or the value following any repurposing of the asset.
7. As part of setting up the SHA, the Council will need to ensure that the proper accounting treatments of all assets and liabilities are reflected in its accounts. Also, that proper governance is setup to manage the SHA in line with Regulations, and that any subsidy is both noted and agreed by Cabinet.

Finance Business Partner: Kayode Olagundoye, interim Finance Business Partner - Growth and Regeneration - 28 June 2023

2. Legal Advice:

The HRO application will be made in accordance with the Harbours Act 1964. Legal advice has been provided on the process so far and specialist external lawyers will be drafting and submitting the new HRO on behalf of the Council to ensure compliance with all legal requirements.

Legal Team Leader: Andrew Jones – Property, Planning and Transport, Husinara Jones, Team Manager 26 June 2023

3. Implications on IT I can see no implications on IT on regard to this activity

IT Team Leader: Alex Simpson – Lead Enterprise Architect 8 June 2023

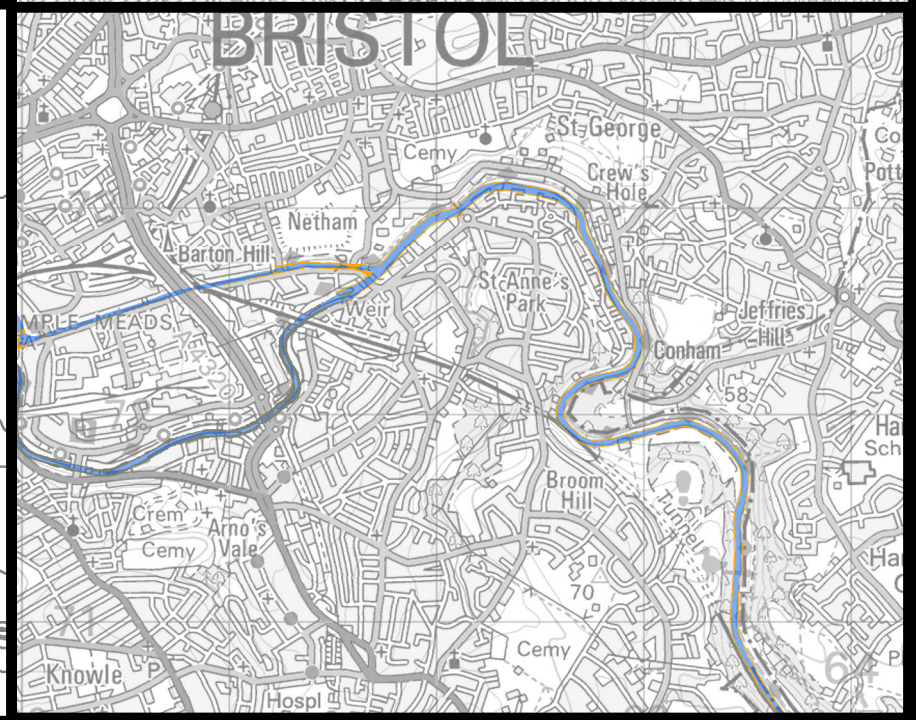
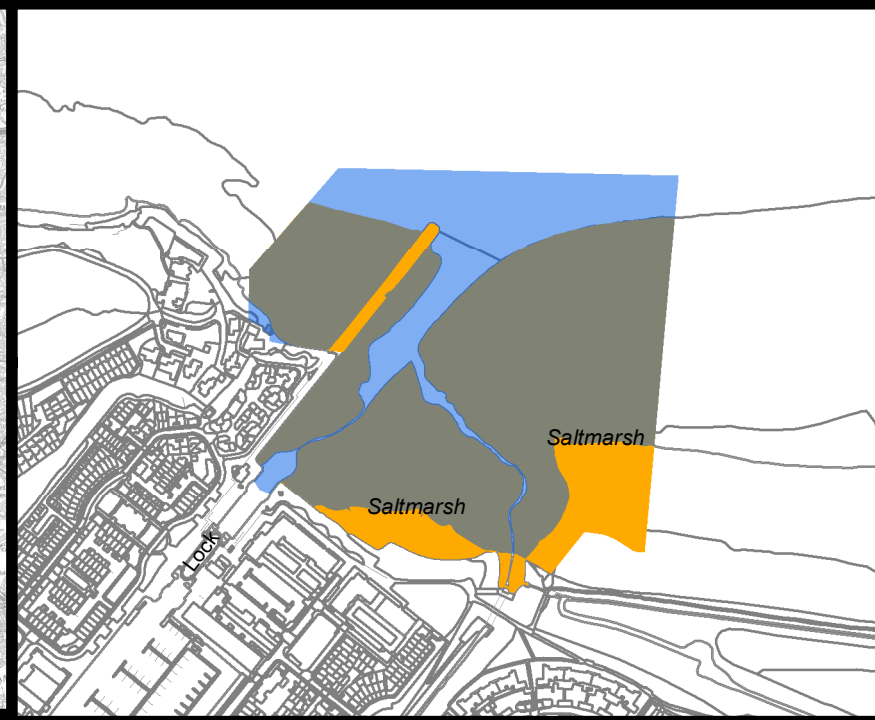
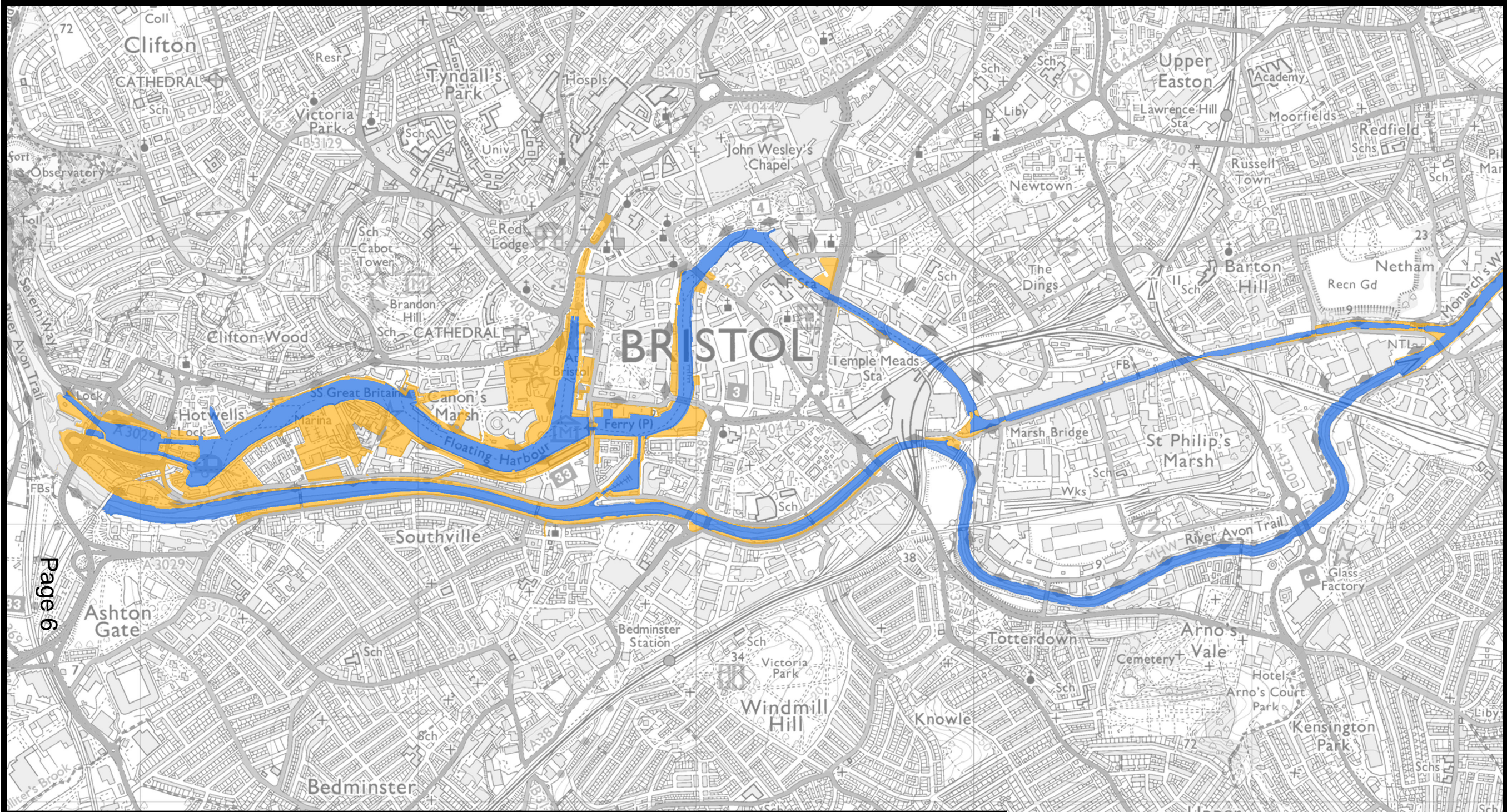
4. HR Advice: There are no HR implications evident

HR Partner: Celia Williams, HR Business Partner 6 June 2023

EDM Sign-off	John Smith, Interim Executive Director Growth and Regeneration	24 May 2023
Cabinet Member sign-off	Mayor's Office	28 June 2023
For Key Decisions - Mayor's	Mayor's Office	28 June 2023

Office sign-off		
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Appendix A – Plan showing the Harbour Estate	YES
Appendix B - Draft Harbour Revision Order (City Docks & Portishead) - 23.06.23 (subject to change)	YES
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	NO
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO



Bristol City Council

Harbour Revision Order

Harbour Premises & Limits Plan

Entire City Docks Estate

DRAFT PLAN FOR REVIEW

Legend

- Harbour Limits
- Harbour Premises

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BRISTOL CITY DOCKS

Scale: 1:36,479 @A3
Date: 24/02/2023



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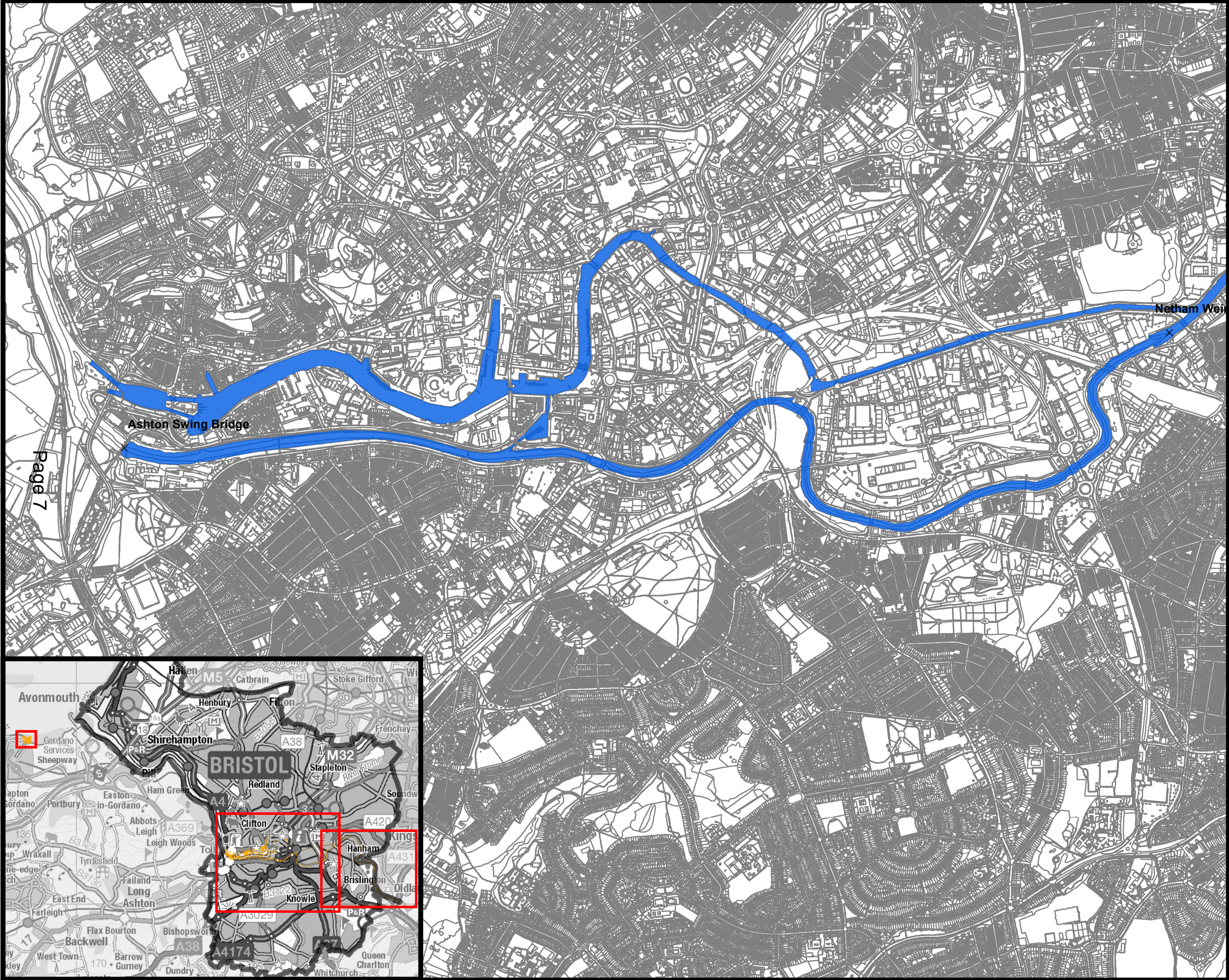
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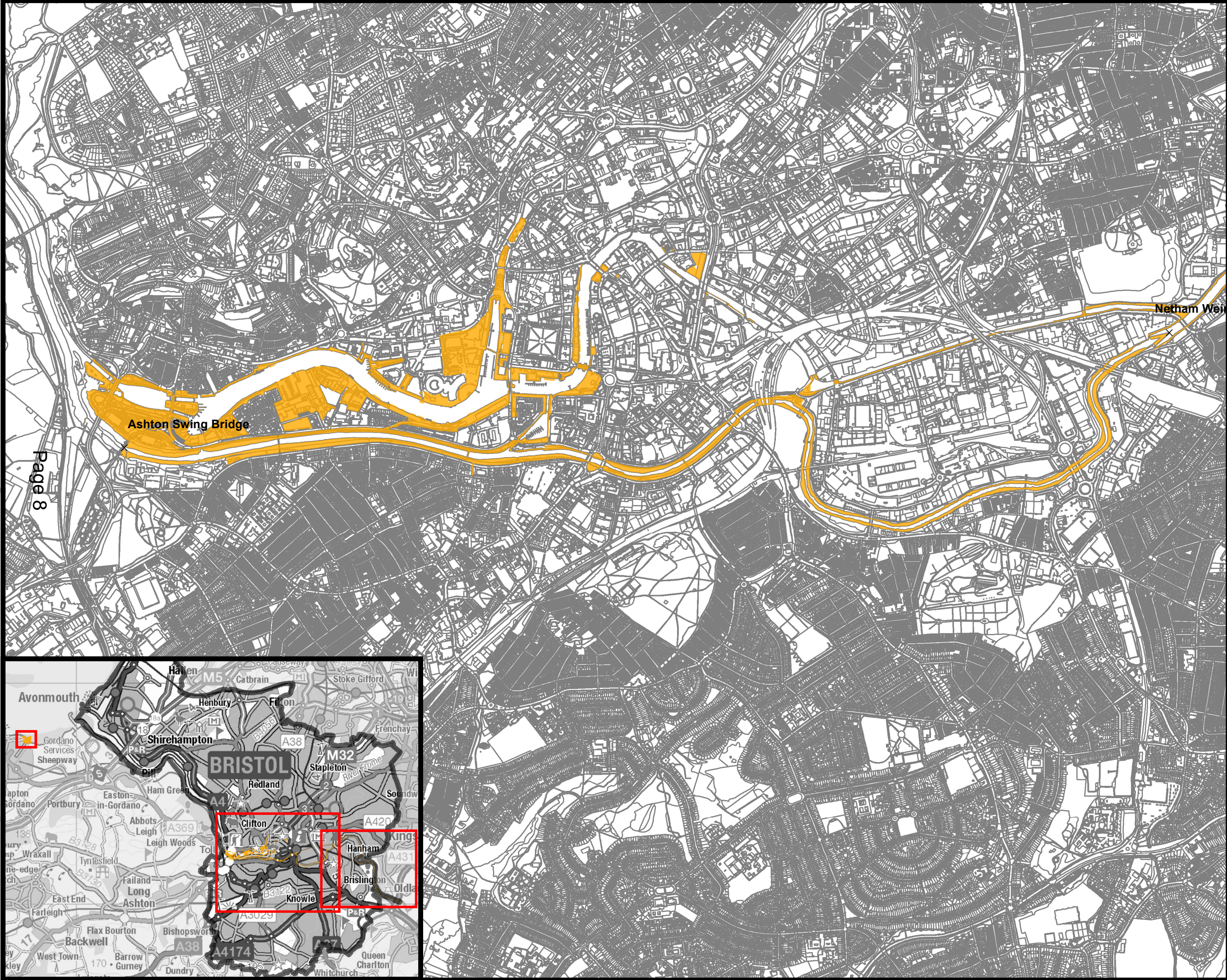
BRISTOL CITY DOCKS

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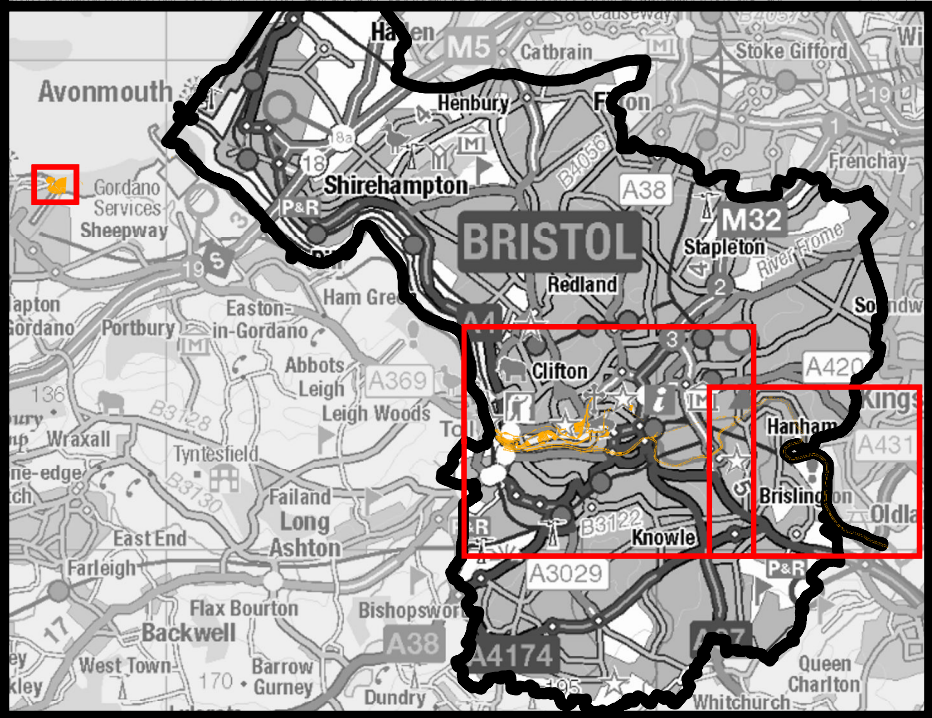
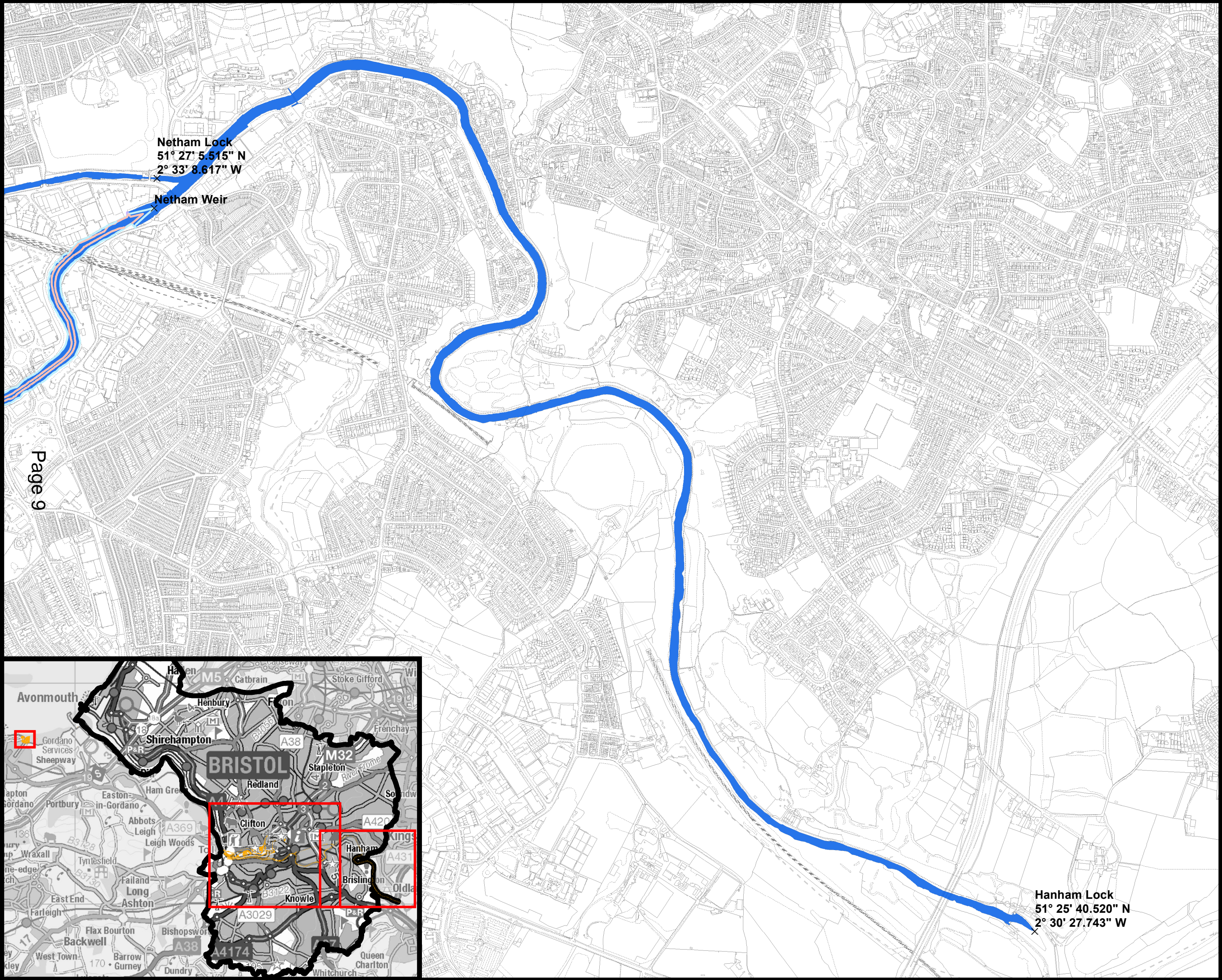
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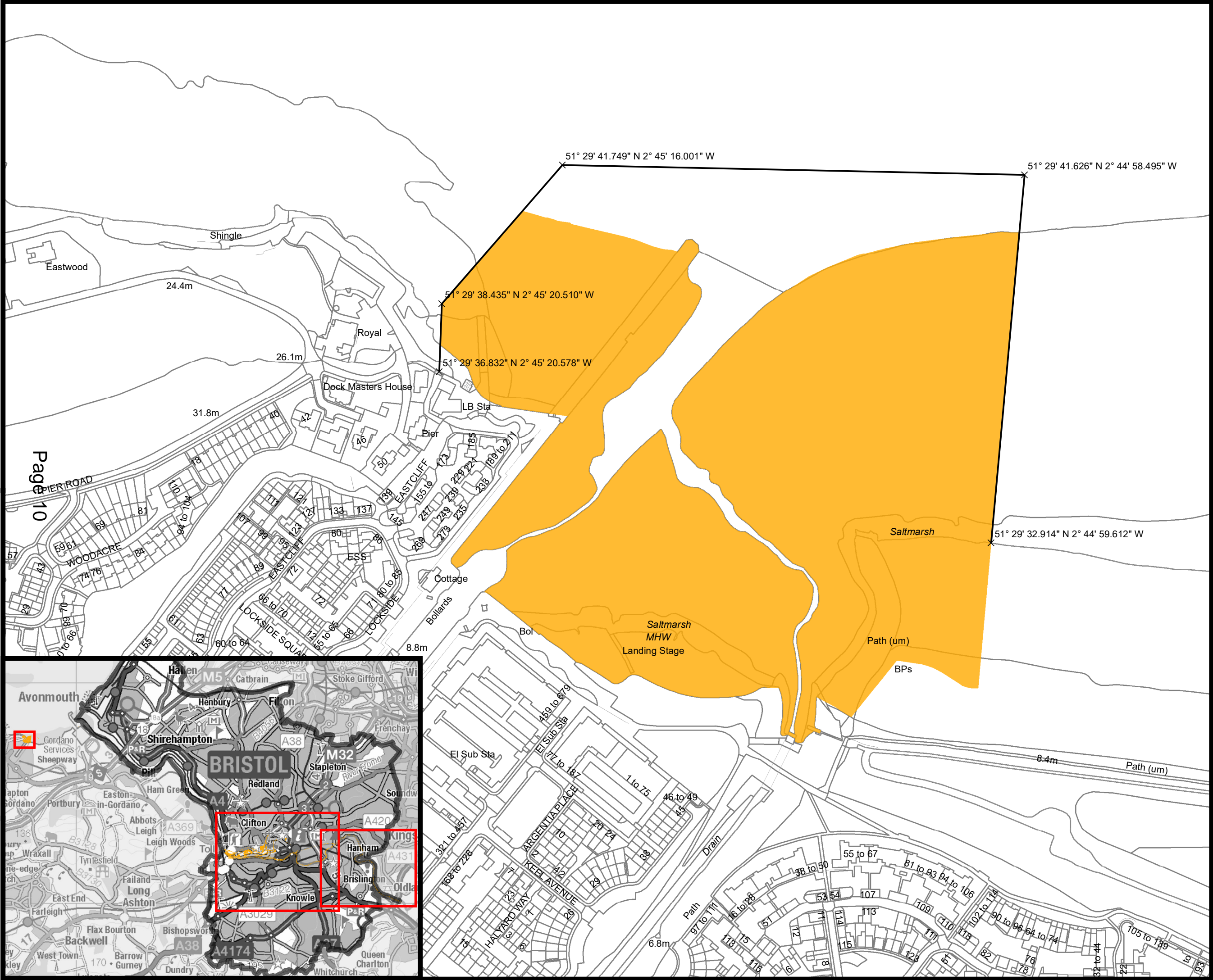
BRISTOL CITY DOCKS

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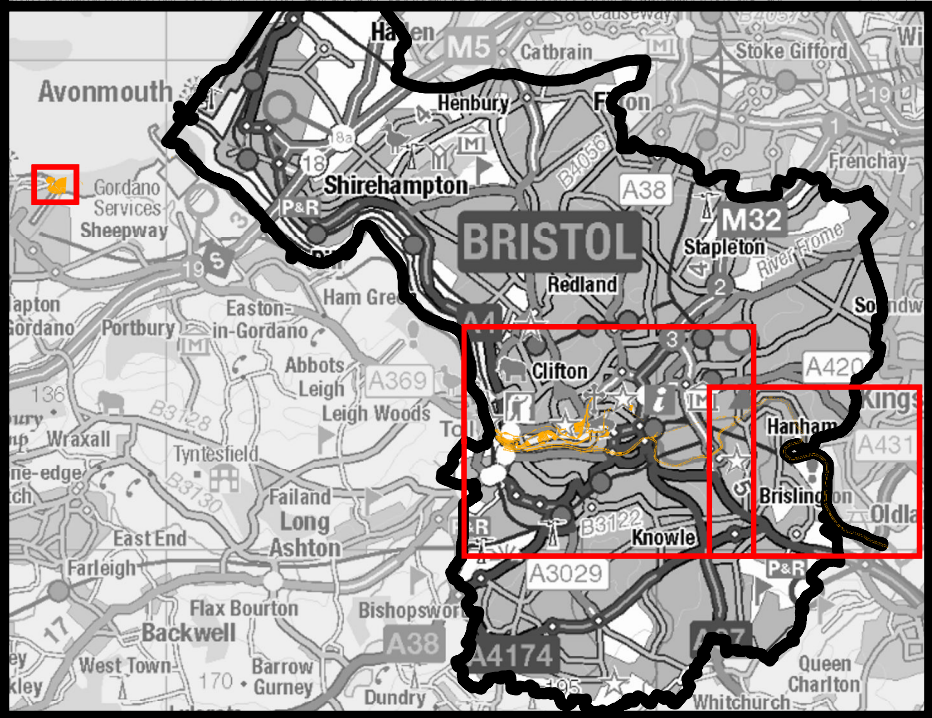
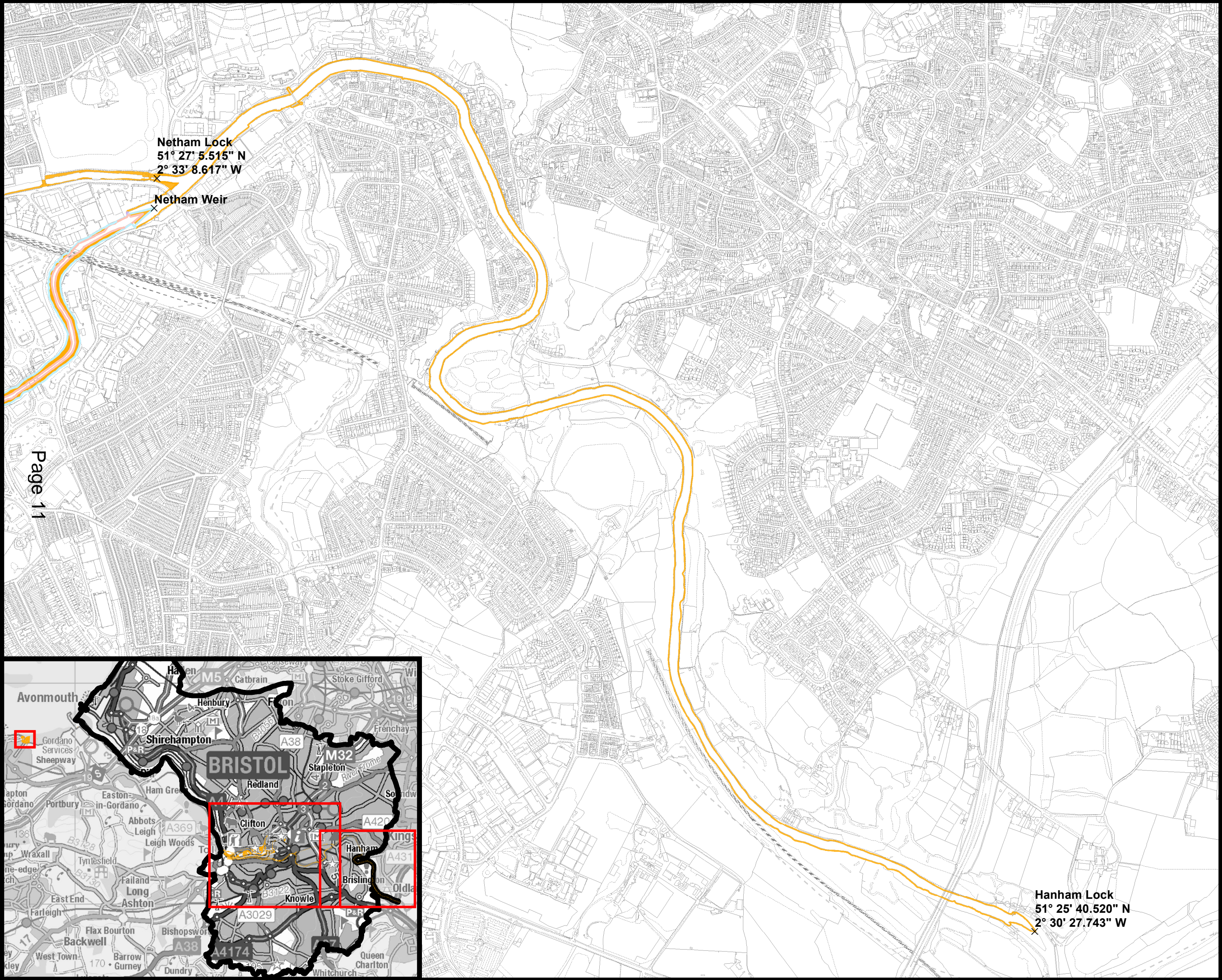
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202[] No. 0000

HARBOUR, DOCKS, PIERS AND FERRIES

**The Bristol City Docks and Portishead Pier Harbour Revision
Order 202[]**

Made 202[]

Laid before Parliament 202[]

Coming into force 202[]

CONTENTS

**PART 1
PRELIMINARY**

1. Citation, commencement and extent
2. Interpretation
3. Incorporation of provisions of Harbours, Docks and Piers Clauses Act 1847

**PART 3
HARBOUR JURISDICTION AND GENERAL FUNCTIONS**

4. Harbour Jurisdiction
5. General Functions

**PART 4
FINANCES**

6. Application of finances
7. Reserve fund
8. Borrowing
9. Temporary borrowing

**PART 5
CHARGES**

10. Charges other than ship, passenger and goods dues
11. Charges for services or facilities
12. Setting of charges
13. Payment of charges
14. Compounding arrangements and rebates

15. Deposit for charges
16. Liens for charges
17. Refusal to pay charges for a landing place
18. Exemptions from harbour dues
19. Recovery of charges
20. Harbour master may prevent sailing of vessels

PART 6

GENERAL DIRECTIONS, SPECIAL DIRECTIONS AND BYELAWS

21. Power to make general directions as to the use of harbours, etc.
22. Procedure for giving, amending or revoking general directions
23. Publication of general directions
24. Special Directions
25. Failure to comply with directions
26. Enforcement of directions
27. Master's responsibility in relation to directions
28. Boarding of vessels and vehicles
29. Power to make byelaws
30. Confirmation of byelaws
31. Saving for existing directions, byelaws etc.

PART 7

MISCELLANEOUS AND GENERAL

32. Advisory bodies
33. Development of land etc.
34. Powers to grant tenancies and to dispose of land
35. Power to appropriate lands and works for particular uses, etc.
36. Other commercial activities
37. Power to delegate functions
38. Power to lay moorings
39. Licensing of moorings
40. Offences as to moorings etc.
41. Bunkering
42. Aids to navigation
43. Power to dredge
44. Repair of landing places, etc.
45. Restriction of works and dredging
46. Control of certain operations and works of statutory undertakers
47. Licensing of works
48. Licence to dredge
49. Appeals in respect of works or dredging licences
50. Obstruction of works
51. Parking places and related facilities
52. Removal of vehicles and vessels
53. Power with respect to disposal of wrecks
54. Power to deal with unserviceable vessels
55. Removal of obstructions other than vessels

- 56. Notices
- 57. Saving for Trinity House
- 58. Crown Rights
- 59. Amendment of the Act of **insert**
- 60. Revocation/ Repeal

SCHEDULES

- SCHEDULE 1 — LIMITS OF HARBOURS
- SCHEDULE 2 — PURPOSES FOR WHICH BYELAWS MAY BE MADE
- SCHEDULE 3 — REVOCATION / REPEAL
- SCHEDULE 4 — ACTS AND ORDERS

Bristol City Council has applied for a harbour revision order in accordance with section 14(2)(a) of the Harbours Act 1964(**a**) (“the Act”).

The Secretary of State, as the appropriate Minister for the purposes of that section, has by an Order(**b**) made under section 42A of the Act(**c**) delegated the functions of the appropriate Minister under section 14(**d**) to the Marine Management Organisation(**e**).

The Marine Management Organisation, being satisfied as mentioned in section 14(2)(b), and in exercise of the powers conferred by section 14(1) and (3) of the Act, makes the following Order.

PART 1 PRELIMINARY

Citation, commencement and extent

1.—(1) This Order may be cited as the Bristol City Docks and Portishead Pier Harbour Revision Order 202[X] and shall come into force on [DATE].

(2) The Bristol City Docks Acts and Orders **insert** to **insert(f)** and this Order may be cited together as the Bristol City Docks Acts and Orders **insert** to 2022.

(3) The Portishead Pier Acts and Orders **insert** to **insert(g)** and this Order may be cited together as the Portishead Pier Acts and Orders **insert** to 2022.

-
- (a) 1964 c. 40. Section 14 was amended by the Transport Act 1981 (c. 56), section 18 and Schedule 6, paragraphs 2 to 4(1) and 14 and section 40 and Schedule 12 (Part II), by the Transport and Works Act 1992 (c. 42), section 63(1) and Schedule 3, paragraph 1, by S.I. 2006/1177, regulation 2 and the Schedule (Part I), by the Planning Act 2008 (c. 29), section 36 and Schedule 2, paragraphs 8 and 9, by S.I. 2009/1941, article 2 and Schedule 1, paragraph 12 and by the Criminal Justice Act 1982 (c. 48), sections 37 and 46. Section 54 (orders and regulations) was amended by the Transport Act 1981 (c. 56), sections 18 and 40 and Schedules 6 and 12 (Part II) and by the Marine and Coastal Access Act 2009 (c. 23), section 315 and Schedule 21, paragraphs 1 and 3(2).
 - (b) S.I. 2010/674.
 - (c) Section 42A was inserted, in relation to England and Wales, by section 315 of, and paragraphs 1 and 3(1) of Schedule 21 to, the Marine and Coastal Access Act 2009 (c. 23).
 - (d) For the definition of “the Minister”, see section 57(1) of the Harbours Act 1964 (c. 40).
 - (e) The Marine Management Organisation was established by section 1 of the Marine and Coastal Access Act 2009 (c. 23). The head office address of the Marine Management Organisation is located at Lancaster House, Hampshire Court, Newcastle upon Tyne NE4 7YH.
 - (f) **insert.**
 - (g) **insert.**

(4) This Order extends to England and Wales.

Interpretation

2.—(1) In this Order

“the Act of 1847” means the Harbours, Docks and Piers Clauses Act 1847(a);

“the Act of 1964” means the Harbours Act 1964(b);

“the Act of 1966” means the Docks and Harbours Act 1966(c).

“the Act of 1995” means the Merchant Shipping Act 1995(d);

“aids to navigation” includes lights, buoys, beacons and signals including sound and electronic signals and any structure required to house the same;

“ashore” means all those parts of the harbours which is not constituted of land covered by water at the level of low water;

“Bristol City Docks” means the City Docks, the limits of which include the harbour premises and are defined in Part 1 of [Schedule 1](#) (Limits of Harbours) of this Order;

“the Bristol City Docks harbour limits plan” means the plan prepared in duplicate, signed on behalf of the Marine Management Organisation and marked “Signed Bristol City Docks harbour limits plan referred to in the Bristol City Docks and Portishead Pier Harbour Revision Order 202 []”, one copy of which is deposited at the offices of the Marine Management Organisation(e) and the other at the principal office(f) of the Council;

“the Bristol City Docks harbour premises plan” means the plan prepared in duplicate, signed on behalf of the Marine Management Organisation and marked “Signed Bristol City Docks harbour premises plan referred to in the Bristol City Docks and Portishead Pier Harbour Revision Order 202[]”, one copy of which is deposited at the offices of the Marine Management Organisation and the other at the principal office of the Council;

“charges” means the charges, rates, tolls and dues which the Council is for the time being authorised to demand, take and recover in relation to the harbour undertaking;

“commercial refuelling activities” includes recharging or emptying (in whole or part) a vessel with fuel in exchange for financial payment or other valuable consideration;

“the Council” means the Bristol City Council;

“electronic communications network” has the meanings given by section 32 to the Communications Act 2003(g) (meaning of electronics communications networks and services);

“functions” means the powers and duties at and in connection with the harbours authorised by this Order and the Acts and Orders listed in [Schedule 4](#) (Acts and Orders) (to the extent that those Acts and Orders relate to the harbours);

“general direction” means a direction given under article 21 (power to make general directions as to the use of harbour, etc.);

“harbours” means the Bristol City Docks and Portishead Pier;

“the Harbours Advisory Group” means the body or bodies established in accordance with article 32 (advisory bodies);

“harbour facilities” includes, but is not limited to, shipping, fisheries, marine, energy, recreational, leisure, tourism, energy, residential and retail facilities (including buildings);

(a) 1847 c. 27.

(b) 1964 c. 40.

(c) 1966 c. 28; section 37(3) was repealed by the Transport and Works Act 1992 (c. 42), Schedule 4 (Part II).

(d) 1995 c. 21.

(e) The Marine Management Organisation, Lancaster House, Hampshire Court, Newcastle upon Tyne, NE4 7YH.

(f) Bristol City Council, City Hall, PO Box 3399, Bristol BS1 9NE.

(g) 2003 c. 21.

“the harbour limits plans” means the Bristol City Docks harbour limits plan and the Portishead Pier harbour limits plan;

“harbour master” means any person appointed as such by the Council, and includes the duly authorised deputies and assistants of the harbour master and any other person for the time being authorised by the Council to act, either generally or for a specific purpose, in the capacity of harbour master;

“harbour operations” includes—

- (a) the marking, lighting or dredging of the harbours or any part thereof;
- (b) the berthing, mooring, dry docking or storage of a vessel;
- (c) the laying and maintenance of moorings or other similar apparatus in the harbours;
- (d) the warehousing, sorting, weighing or handling of goods;
- (e) the movement of goods and vehicles (including parking, designated and prohibited areas, speed limits, removal from the harbours);
- (f) the towing, or moving of a vessel;
- (g) the loading or unloading of goods, or embarking or disembarking of passengers;
- (h) energy generation and storage;
- (i) the control of use of the harbours by members of the public and other third parties (including movement, conduct, authorised activities, designated and prohibited areas) but not so as to cause an interference with any public right of way;

“harbour premises” means land adjacent to the wet harbour areas for the time being vested in, or occupied or administered by the Council as part of the harbour undertaking and occupied wholly or mainly for the purpose of activities there carried on, which may include docks, quays, piers, wharves, berths, locks, breakwaters, landing places, yards, roads, sheds, car parks, other buildings and all other works and conveniences, land and premises which at the date of this Order includes the areas shown shaded [] on the Bristol City Docks harbour premises plan and [] on the Portishead Pier harbour premises plan;

“the harbour premises plans” means the Bristol City Docks harbour premises plan and the Portishead Pier harbour premises plan;

“harbours revenue” means and includes all moneys receivable by the Council for and in relation to the harbour undertaking other than borrowed moneys and moneys which ought to be carried to capital account;

“the harbour undertaking” means the undertaking carried on by the Council at and in connection with the harbours authorised by this Order and the Acts and Orders listed in **Schedule 4** (Acts and Orders) (to the extent that those Acts and Orders relate to the harbours);

“hovercraft” means a vehicle which is designed to be supported when in motion wholly or partly by air expelled from the vehicle to form a cushion of which the boundaries include the ground, water or other surface beneath the vehicle;

“land” includes land covered by water;

“the level of high water” means the level of mean high-water spring tides;

“the level of low water” means the level of mean low-water spring tides;

“master”, in relation to a vessel, means any person having or taking command, charge, management or conduct of the vessel for the time being;

“operator” has the meaning given by paragraph 2 of Schedule 3A to the Communications Act 2003 (the electronic communications code);

“Portishead Pier” means the Portishead Pier, the limits of which include the harbour premises and are defined in Part 2 of **Schedule 1** (Limits of Harbours) of this Order;

“the Portishead Pier harbour limits plan” means the plan prepared in duplicate, signed on behalf of the Marine Management Organisation and marked “Signed Portishead Pier harbour limits plan referred to in the Bristol City Docks and Portishead Pier Harbour Revision Order

202[]”, one copy of which is deposited at the offices of the Marine Management Organisation(a) and the other at the principal office(b) of the Council;

“the Portishead Pier harbour premises plan” means the plan prepared in duplicate, signed on behalf of the Marine Management Organisation and marked “Signed Portishead Pier harbour premises plan referred to in the Bristol City Docks and Portishead Pier Harbour Revision Order 202[]”, one copy of which is deposited at the offices of the Marine Management Organisation and the other at the principal office of the Council;

“special direction” means a direction given under article 24 (special directions);

“statutory undertaker” means—

- (a) any person who is a statutory undertaker for any of the purposes of the Town and Country Planning Act 1990(c);
- (b) a coast protection authority within the meaning of section 1 of the Coast Protection Act 1949(d) (coast protection authorities);
- (c) any operator of an electronic communications network;

“subsidiary” has the meaning given by section 1159(1) of the Companies Act 2006(e);

“Trinity House” means the Corporation of Trinity House of Deptford Strond(f);

“vehicle” includes any vehicle propelled on rails, any machinery on wheels or caterpillar tracks, trailers, caravans, bicycles, and mobile homes and includes a hovercraft or any other amphibious vehicle;

“vessel” includes a ship(g), boat, houseboat, raft or craft of any description, however propelled or moved, and includes non-displacement craft, watercraft, a hydrofoil vessel, or any other amphibious vehicle and any other thing constructed or adapted for floating on or being submersed in water (whether permanently or temporarily);

“watercraft” means any type of craft which—

- (a) is capable of moving under its own mechanical power;
- (b) is used, navigated or situated wholly or partially in or on water; and
- (c) is capable of being used to carry one or more persons,

but does not include a ship or fishing vessel within the meanings given in section 313(1) of the Act of 1995;

“wet harbours area” means those parts of the harbours which are covered by water at the level of low water.

(2) All situations, points, directions, distances, lengths, dimensions, areas and other measurements stated in this Order shall be construed as if the words “or thereabouts” were inserted after each such situation, point, direction, distance, length, dimension, area or other measurement.

(3) In this Order longitude and latitude are stated by reference to the World Geodetic System (WGS84), revised in 1984 and further revised in 2004.

Incorporation of provisions of Harbours, Docks and Piers Clauses Act 1847

3.—(1) The Act of 1847 (except sections 6 to 20, 22 to 26 28 to 32, 41, 42, 49, 50, 66, 67, 70, 71, 77, 78, 84 to 90 and 97 to 102), (so far as applicable to the purposes and not inconsistent with the provisions of this Order), is incorporated with this Order subject to the modifications stated in paragraphs (2) to (7) below.

(a) The Marine Management Organisation, Lancaster House, Hampshire Court, Newcastle upon Tyne, NE4 7YH.

(b) Bristol City Council, City Hall, PO Box 3399, Bristol BS1 9NE.

(c) 1990 c. 8.

(d) 1949 c. 74, section 1 was amended by the Local Government Act 1972 (c. 70), Schedule 30.

(e) 2006 c. 46.

(f) The Corporation of Trinity House, Tower Hill, London, EC3N 4DH.

(g) As defined in section 57 (Interpretation) of the Harbours Act 1964 (c. 40).

(2) In respect of Bristol City Docks, section 33 (harbour dock and pier free to the public on payment of rate) of the Act of 1847—

(a) shall only apply in respect of vessels up to 24 metres in length. In respect of all other vessels section 33 does not apply; and

(b) shall not limit the exercise by the Council of the powers contained in [] and [].

(3) In respect of Portishead Pier, section 33 (harbour dock and pier free to the public on payment of rate) of the Act of 1847 does not apply.

(4) Section 63 of the Act of 1847 (penalty on vessels lying near the entrance of harbour or dock without permission) shall have effect subject to the modification that for the words from “liable to” to the end of the section there are substituted the words “guilty of an offence and shall be liable on summary conviction to a fine not exceeding level 4 on the standard scale”.

(5) Section 69 of the Act of 1847 (combustible matter on quays, &c., to be removed) shall have effect subject to the modification that for the words from “shall forfeit” to the end of the section there are substituted the words “shall be liable on summary conviction to a fine not exceeding level 4 on the standard scale”.

(6) Section 74 of the Act of 1847 (owner of vessel answerable for damage to works) of the Act of 1847 shall have effect subject to the modification that the words “provided always” to the end of the section are omitted.

(7) In construing the provisions of the Act of 1847 as incorporated with this Order—

(a) the expression “the special Act” means this Order;

(b) the expression “the undertakers” means the Commission;

(c) the expression “the harbour, dock, or pier” shall mean the harbour, and includes those docks, piers, berths, quays, landing places and wharves forming part of the harbour premises;

(d) for the definition of the word “vessel” in section 3 of the Act of 1847 (interpretation) there shall be substituted the definition of that word in article 2(1) of this Order;

(e) the reference in section 53 of the Act of 1847 (penalty on shipmasters not complying with directions of the harbour master) to notice of a direction by the harbour master served upon a vessel shall not be construed as requiring the notice to be in writing and may include the communication of the notice orally or otherwise.

PART 3

HARBOUR JURISDICTION AND GENERAL FUNCTIONS

Harbour Jurisdiction

4.—(1) The Council shall exercise jurisdiction as a harbour authority within the meaning of section 57 of the Act of 1964 (interpretation), and the powers of the harbour master shall be exercisable within the harbours, the limits of which are described in **Schedule 1** of this Order.

(2) In the event of any discrepancy between the descriptions of the boundaries of the harbours referred to in **Schedule 1** and the boundaries shown on the harbours limits plans and the harbour premises plans the descriptions in question shall prevail over said plans.

(3) The harbour premises shall be deemed to be operational land within the meaning and for the purposes of the Town and Country Planning Act 1990(a).

(4) The Council must keep, and make available for inspection at its harbour office(b) and on its website(c) from the day on which this Order comes into force, an illustrative plan.

(a) 1990 c. 8; “operational land” is defined in section 263, which section is subject to section 264.

(b) Harbour Office, Underfall Yard, Cumberland Road, Bristol, BS1 6XG.

(c) <https://www.bristol.gov.uk/residents/streets-travel/bristol-harbour>.

(5) The Council must update the illustrative plan to reflect any alterations to the extent of the harbour premises within the period of 30 days beginning with the day on which the alterations are made.

(6) In this article “illustrative plan” means a plan showing, for illustrative purposes only, the limits of the harbours as described in Schedule 1.

(7) For and incidental to the performance of its functions under this Order, the Council may employ and appoint harbour masters.

(8) The Council shall, within the harbours, be a local lighthouse authority within the meaning of sections 193 (general and local lighthouse authorities) and 201 (powers of harbour authorities) of the Act of 1995.

General Functions

5.—(1) The Council may, subject to the provisions of this Order, take all such steps from time to time as it considers necessary or desirable for the maintenance, operation, management and improvement of the harbours and the harbour facilities provided within or in connection with the harbours, and for the conservation of the harbours’ flora, fauna and geological and physiographical features of special interest.

(2) For those purposes and without limiting the scope of paragraph (1), the Council may—

- (a) improve, maintain, regulate, manage, mark and light the harbours and provide harbour facilities therein;
- (b) subject to obtaining the necessary rights in or over land—
 - (i) execute and place in and over the harbours such structures, works and equipment as are required, and
 - (ii) operate, maintain, renew, alter, extend, demolish and reconstruct structures, harbour facilities, works and equipment in the harbours (including those executed or placed in accordance with sub-paragraph (i)),
- (c) acquire land;
- (d) invest any sums not immediately required for the purposes of the harbour undertaking and turn its resources to account so far as not required for those purposes;
- (e) do all other things which in its opinion are expedient to facilitate the operation, improvement or development of the harbour undertaking.

(3) The Council must, from time to time, formulate, publish and review a business plan or business plans (“Harbours Business Plan”)(a) in relation to its maintenance, conservation, operation, management and improvement of the harbour undertaking, which it must have regard to when performing its functions.

(4) In the exercise of the powers of sub-paragraph (2)(b), the Council must not—

- (a) interfere with, damage or otherwise injuriously affect any apparatus belonging to or maintained by any statutory undertaker;
- (b) do anything which obstructs or impedes any work relating to the inspection or repair of any such apparatus, without the consent of the statutory undertaker concerned.

(5) This article is without limitation of the powers of the Council under or by virtue of any other enactment.

(a) The Harbours Business Plan may be inspected during working hours at the harbour office of the Council Harbour Office, Underfall Yard, Cumberland Road, Bristol, BS1 6XG and via its harbours website at <https://www.bristol.gov.uk/residents/streets-travel/bristol-harbour>.

PART 4

FINANCES

Application of finances

- 6.** The Council must apply the harbours revenue in the manner following and not otherwise—
- (a) first in payment of the working and establishment expenses and cost of maintenance of the harbours;
 - (b) secondly in payment of the interest on any moneys borrowed by the Council for the harbours under any statutory borrowing power;
 - (c) thirdly in payment of all other expenses properly chargeable to harbours revenue;
 - (d) fourthly to the reserve fund established under article 7 (reserve fund).

Reserve fund

7.—(1) The Council must establish and maintain a reserve fund.

(2) The Council must carry to a reserve fund such part of the harbours revenue as may be available for the purpose in accordance with article 6(d).

(3) Any reserve fund established or maintained under this article must from time to time be applied by the Council in its discretion—

- (a) in or towards meeting any deficiency on harbours revenue account in any year;
- (b) to meet any extraordinary claim or demand in respect of the harbour undertaking;
- (c) in or towards payment of the cost of renewing, improving, extending or replacing any part of the works forming part of the harbour undertaking or any vessels, plant or equipment of the Council connected to the harbour undertaking;
- (d) for improving the operational area and the navigation of the harbours and the approaches to the harbours; or
- (e) for any other lawful purpose sanctioned by the Council and connected with the harbour undertaking.

Borrowing

8.—(1) The Council, including any subsidiary of the Council, may from time to time borrow, by any methods it sees fit, such sums of money as it thinks necessary for the purposes of the harbour undertaking.

(2) A sum of money borrowed under paragraph (1) by the Council, or any subsidiary of the Council, may be borrowed upon the security of some or all of—

- (a) its assets for the time being;
- (b) its revenues; or
- (c) a combination of its assets and revenues,

in whatever way it thinks fit.

(3) The Council, or a subsidiary of the Council, may effect such arrangements as it thinks fit to mitigate against any financial risk incurred for the purposes mentioned in paragraph (1).

Temporary borrowing

9. The Council may borrow temporarily, by way of overdraft or otherwise, such sums of money as the Council may require for the purposes of the harbour undertaking.

PART 5

CHARGES

Charges other than ship, passenger and goods dues

10. The Council may demand, take and recover in respect of any dracone or floating dock, crane, rig, drilling rig, or floating platform, a chain ferry or any other vessel, not being a ship as defined by section 57(1) of the Act of 1964, entering, using, operating within or leaving the harbours such reasonable charges as it may determine, and sections 30 (duty of harbour and local lighthouse authorities to make available for inspection, and to keep for sale, copies of lists of certain charges) and 31 (right of objection to ship, passenger and goods dues) of the Act of 1964 shall with all necessary modification apply to the charges authorised by this article as they may apply to ship, passenger and goods dues demanded under section 26 of the Act of 1964 (repeal of provisions limiting discretion of certain harbour authorities as to ship, passenger and goods dues charged by them).

Charges for services or facilities

11. In addition to article 10 (charges other than ship, passenger and goods dues) o and its power to demand ship, passenger and goods dues under section 26 of the Act of 1964 (repeal of provisions limiting discretion of certain harbour authorities as to ship, passenger and goods dues charged by them), the Council may demand, take and recover such reasonable charges for services and facilities provided by the Council at the harbours or in connection with the harbour undertaking as it may from time to time determine.

Setting of charges

12. The Council when setting its charges including ship, passenger and good dues under section 26 of the Act of 1964 at the harbours—

- (a) is not limited to solely taking account of the viability of the harbours at which the charges will apply; and
- (b) may take account of the overall viability of the harbour undertaking,

provided that the Council must so far as reasonably practicable ensure that the harbours revenue received from the harbours is sufficient year on year to cover the working and establishment expenses and cost of maintenance of that harbour.

Payment of charges

13.—(1) The charges which the Council is for the time being authorised to demand, take and recover in respect of vessels and goods or otherwise under any enactment—

- (a) are payable before the removal from the harbours of any vessel or goods in respect of which they are payable;
- (b) may be demanded, taken and recovered—
 - (i) by such persons,
 - (ii) at such places,
 - (iii) at such times, and
 - (iv) under such terms and conditions,

as the Council may from time to time specify in its published list of charges.

(2) Charges payable to the Council on or in respect of—

- (a) a vessel, shall be payable by the owner or master;
- (b) goods, shall be payable by the owner, consignee or shipper of the goods.

(3) Where charges payable to the Council may be recovered by it from more than one person, the persons from whom they may be recovered shall be jointly and severally liable.

(4) Without limitation to the scope of paragraph (1), the terms and conditions as to the payment of charges which the Council may from time to time specify may include the time when a charge falls due for payment and may require such information to be given to the Council by the owner or master of a vessel or a person using a service or facility of the Council as the Council may require in connection with the assessment or collection of a charge.

(5) Where charges payable to the Council have not been paid by the time they fall due for payment, the Council may detain within or refuse entry to, or require removal from the harbours of—

- (a) the vessel or goods to which the charges relate; and
- (b) any other vessels or goods that the owner or master of the vessel or goods to which the charges relate is also the owner or master of,

until such charges have been paid in full.

Compounding arrangements and rebates

14.—(1) The Council may confer total or partial exemptions from, or allow rebates to or make compositions with any person with respect to charges, and may vary or extinguish any such exemption, rebate or composition.

(2) Nothing in section 30 of the Act of 1964 (duty of harbour and local lighthouse authorities to make available for inspection, and to keep for sale, copies of lists of certain charges) shall require the Council to include in the list of ship, passenger and goods dues, as required by subsection (1) of that section, ship, passenger and goods dues—

- (a) reduced by a total or partial exemption;
- (b) subject to a compounding arrangement or rebate.

Deposit for charges

15.—(1) The Council may, if it thinks fit, require a person who incurs or is about to incur a charge to deposit with it, or to guarantee, such sum of money as is, in the opinion of the Council, reasonable having regard to the amount or probable amount of the charge.

(2) Where such a person fails to deposit or guarantee the sum of money required, the Council may detain in the harbours the vessel or goods in respect to which the charge relates, or refuse entry to, or require removal from the harbours in respect of the vessel or goods, until the requirement has been complied with or the charge paid.

Liens for charges

16.—(1) A person who by agreement with the Council collects charges on its behalf and who pays or gives security for the payment of charges on goods in that person's possession shall have a lien on those goods for the amount paid or security given in respect thereof.

(2) A wharfinger or carrier who is not themselves liable for the payment of charges may pay or by agreement with the Council give security for charges on goods in their custody, and in that event they shall have a like lien on the goods for the amount of those charges as they would have in respect of their charges for safe custody or carriage of the goods, as the case may be.

Refusal to pay charges for a landing place

17. The harbour master may prevent a vessel from entering the harbours or using a landing place, mooring or other facility provided by the Council, if the master of the vessel refuses to pay the charges for such use.

Exemptions from harbour dues

18.—(1) Except insofar as may be agreed between the Council and the government department or person concerned the Council shall not be entitled to demand harbour dues from, or in respect of—

- (a) a vessel—
 - (i) in the service of HM Revenue and Customs or the Secretary of State for Defence in the execution of their core duties and not carrying persons or goods for reward,
 - (ii) belonging to or used by a lifeboat service whilst employed in or in connection with the core functions of that service,
 - (iii) in the service of a police force or other emergency service in the execution of their core duties and not carrying persons or goods for reward,
- (b) HM Revenue and Customs or any officer or other person employed in their service in execution of their core duties in respect of a vessel or goods under customs seizure, or in respect of goods or other articles belonging to, or in the care or service of, HM Revenue and Customs;
- (c) an officer of HM Revenue and Customs or any other person employed in their service while in the execution of their core duties;
- (d) a person employed by the Secretary of State for Defence while in the execution of their core duties;
- (e) Officers of the Department for Transport in the execution of their core duties.

(2) In this article “dues” means ship, passenger and goods dues which the Council may demand under section 26 of the Act of 1964 (repeal of provisions limiting discretion of certain harbour authorities as to ship, passenger and goods dues charges by them).

Recovery of charges

19.—(1) In addition to any other remedy given by this Order and by the Act of 1847 as incorporated with this Order, the Council may recover any charges payable to it as a debt in any court of competent jurisdiction.

(2) Where the master of a vessel in respect of which a charge is payable to the Council refuses or neglects to pay the same or any part thereof, paragraph (1) applies whether or not the Council’s collector has gone on board the vessel and demanded the charge under section 44 of the Act of 1847 (recovery of tonnage rates by distraint of ship and tackle).

Harbour master may prevent sailing of vessels

20. The harbour master may prevent the removal or sailing from the harbours of any vessel until evidence has been produced to the harbour master of the payment of any charges payable in respect of—

- (a) the vessel;
- (b) passengers of the vessel;
- (c) goods imported or exported on the vessel.

PART 6

GENERAL DIRECTIONS, SPECIAL DIRECTIONS AND BYELAWS

Power to make general directions as to the use of harbours, etc.

21.—(1) The Council may, in accordance with the requirements of article 22 (procedure for giving, amending or revoking general directions), give a direction for—

- (a) the ease, convenience or safety of navigation;
- (b) the safety of persons;
- (c) the protection of property, flora or fauna;
- (d) the ease, convenience or safety of harbour operations ashore,

within the harbours.

(2) A direction under this article may apply—

- (a) to all vessels or to a class of vessels;
- (b) to all vehicles or to a class of vehicle;
- (c) to persons designated in the direction;
- (d) to the whole of the harbours or to a part;
- (e) at all times or at certain times or at certain states of the tide,

and every direction must specify the extent of its application including its geographical extent in relation to the matters referred to in sub-paragraphs (a), (b), (c), (d) and (e).

(3) The Council may amend or revoke a direction given under paragraph (1).

(4) The Council must keep and make available for inspection at its harbour office and on its website a public register of all in force general directions(a).

Procedure for giving, amending or revoking general directions

22.—(1) Subject to paragraph (7), if the Council proposes to give, amend or revoke a general direction, it must—

- (a) give notice in writing of the proposal and a plan of the area over which the proposal applies to the “designated consultees” them being—
 - (i) the Chamber of Shipping,
 - (ii) the Royal Yachting Association,
 - (iii) the Harbours Advisory Group, and
 - (iv) such other persons or organisations as it considers appropriate for the purposes of the application of this provision,
- (b) place a notice of the proposal on the Council’s harbour website and in prominent locations at the harbour office on the same date as the notice given in accordance with sub-paragraph (a) and keep that notice on display for a minimum of 6 weeks;
- (c) consult with the designated consultees upon the proposal and allow a period of not less than 6 weeks beginning with the date of the notice given in accordance with sub-paragraphs (a) and (b) for written representations to be made by the designated consultees and any other persons to the Council regarding the proposal;
- (d) have regard to all representations made during consultation;
- (e) give notice in writing to the designated consultees, and to those other persons that have provided a consultation response, following consultation as to whether the Council proposes to proceed with the proposal and, if so, specifying whether it is making any modifications to the proposal and its reasons for so doing; and
- (f) if the Council proposes to proceed with the proposal and a designated consultee has made representations against the proposal, invite that designated consultee to confirm in writing whether they maintain their objection to the proposal within 28 days beginning with the date of the notice given in accordance with sub-paragraph (e), or such longer period as the Council may specify.

(a) The public register of all in force directions may be inspected during office hours at the harbour office located at the Harbour Office, Underfall Yard, Cumberland Road, Bristol, BS1 6XG.

(2) Where the Council has complied with paragraph (1), it may proceed to give, amend or revoke a general direction if—

- (a) none of the designated consultees have made representations against the proposal;
- (b) none of the designated consultees which made representations against the proposal have confirmed in writing that they are maintaining their objection to the proposal in accordance with paragraph (1)(f); or
- (c) where a designated consultee has maintained an objection in accordance with paragraph (1)(f), the requirements of paragraph (3) have been complied with.

(3) Where a designated consultee has confirmed in writing to the Council that they maintain their objection to a proposal—

- (a) the issue must be referred to an independent person (“the adjudicator”) appointed—
 - (i) by agreement between the Council and each designated consultee maintaining an objection in accordance with paragraph (1)(f) (“the parties”), or
 - (ii) failing agreement, by the President of the London Maritime Arbitrators Association on the application of any of the parties,
- (b) so far as is reasonably practicable within 12 weeks beginning with the date of the referral, the adjudicator must—
 - (i) provide a reasonable opportunity for the parties to make representations to or be heard by the adjudicator at a hearing, and
 - (ii) make a written report to the parties with findings and recommendations on the issue, and
- (c) the Council must decide whether to exercise the power to give, amend or revoke the general direction having regard to the adjudicator’s report (but it is not bound to give effect to any recommendations) and, once it has decided, must give notice in writing to the designated consultees and to any other person that provided a consultation response of its decision and the reasons for that decision.

(4) Except as otherwise provided for in paragraph (3), the adjudicator may determine the procedure for the making of representations and the conduct of any hearing.

(5) The costs incurred by the adjudicator and the parties from a referral under paragraph (3) are to be paid by one or more of the parties as the adjudicator may direct.

(6) If the Council wishes to exercise the power to give, amend or revoke a general direction in a form materially different from both the form notified to the designated consultees under paragraph (1)(e), and where paragraph (3) applies, the form recommended by the adjudicator under paragraph (3)(b), it must proceed, as if the proposal is a new proposal to which paragraph (1) applies.

(7) Paragraphs (1) to (6) do not apply where in the interests of navigational safety, or safety of persons the Council proposes to give or amend a general direction—

- (a) in an emergency; or
- (b) relating to an intended activity or operation within the harbours if—
 - (i) the intended activity or operation is expected to commence within 16 weeks of the Council having been notified or otherwise becoming aware of the intended activity or operation,
 - (ii) the intended activity or operation is to last less than 28 days, and
 - (iii) the Council considers that the giving or amending of a general direction in relation to the intended activity or operation is required, taking into account other activities or operations in the harbours which may be affected.

(8) Where the Council proceeds to give or amend a general direction in accordance with paragraph (7), it must—

- (a) as soon as is reasonably practicable give notice of the direction or amendment to those persons who would have been designated consultees had paragraph (1)(a) applied; and

- (b) if the direction or amendment is intended to continue in force for more than 12 weeks, apply the procedure under paragraphs (1)(c) to (f) and (2) to (6) to the direction or amendment with the following modifications—
 - (i) a reference to the ‘proposal’ in those paragraphs is to be read as a reference to the direction or amendment,
 - (ii) in paragraph (1)(c), for “sub-paragraphs (a) and (b)” substitute “paragraph (8)(a)”, and
 - (iii) a reference to the Council ‘proceeding’ with a proposal is to be read as a reference to the Council determining that the direction or amendment should remain in force.

Publication of general directions

23.—(1) Subject to paragraph (4), the Council must publish a notice of the giving, amendment or revocation of a general direction as soon as reasonably practicable on one occasion in a newspaper circulating in the area of the harbours and electronically on the Council’s harbour website for the period of 28 days from the date of publication of the notice in the newspaper.

(2) The notice must state a place at which copies of the general direction may be inspected.

(3) The Council must display notices of general directions that apply to harbour premises at prominent locations within the harbours.

(4) In an emergency, the Council may give notice of the giving or amendment of a general direction in any manner which it considers to be appropriate.

Special Directions

24.—(1) The harbour master may give a special direction in respect of a vessel anywhere in the harbours for any of the following purposes—

- (a) requiring a person to comply with a requirement made in or under a general direction;
- (b) regulating or requiring the movement, anchorage, berthing, mooring or unmooring of the vessel;
- (c) regulating the loading, discharging, storing and safeguarding of its cargo, fuel, water or stores, and the dispatch of its business at the harbour premises;
- (d) specifying the precautions to be taken in respect of apparatus, machinery and equipment;
- (e) prohibiting, extinguishing, or restricting the use of fires or lights;
- (f) regulating the use of ballast;
- (g) requiring the removal of the vessel from any part of the harbours if the vessel—
 - (i) is on fire,
 - (ii) is in such condition as to be liable to become immobilised or waterlogged, to sink or to constitute a danger to life or property,
 - (iii) is making an unlawful use of the harbours or interfering with the reasonable use or enjoyment of the harbours by other vessels or persons or the dispatch of business in the harbours,
 - (iv) needs to be removed to enable maintenance or repair work to be carried out to the harbours,
- (h) requiring the vessel to be removed to a place outside the harbours if such removal is considered by the harbour master to be necessary in order to avoid danger to life (including wildlife) or to property.

(2) A special direction relating to a vessel must specify a particular person or particular persons to whom the direction is addressed, either by name or by a description sufficient to enable the person or persons in question to be identified.

(3) A special direction may be given in any manner considered by the harbour master to be appropriate.

- (4) The harbour master may amend or revoke a special direction.

Failure to comply with directions

25.—(1) A person who fails to comply with a general direction or a special direction shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 4 on the standard scale.

(2) In any proceedings for an offence under paragraph (1) it shall be a defence for the person charged to prove that they took all reasonable precautions and exercised all due diligence to avoid the commission of the offence.

Enforcement of directions

26.—(1) Without limitation to any other remedy available to the Council, if a special direction is not complied with within a reasonable time, the harbour master may put persons on board the vessel to carry out the direction or may otherwise cause the vessel to be handled in accordance with the direction.

(2) If there is no-one on board a vessel to comply with a special direction, the harbour master may proceed as if the direction had been given and not complied with, provided that the powers of this paragraph must not be exercised—

- (a) in relation to a vessel other than a lighter unless, after reasonable inquiry has been made, the master cannot be found;
- (b) in relation to a lighter unless it is obstructing or interfering with navigation.

(3) Expenses incurred by the Council in the exercise of the powers conferred by paragraph (1) shall be recoverable by the Council as if it were a charge of the Council in respect of the vessel.

Master's responsibility in relation to directions

27. The giving of a general direction or special direction shall not diminish or in any other way affect the responsibility of the master of the vessel to which the direction is given in relation to the vessel, to persons on board the vessel, to the cargo or any other person or property.

Boarding of vessels and vehicles

28. A duly authorised officer of the Council may, on producing their authority if so required, enter and inspect a vessel or vehicle in the harbours for the purposes of any enactment relating to the harbours (including any enactment so relating contained in subordinate legislation) or of any byelaw or general direction of the Council relating to the harbours, including the enforcement of any such enactment, byelaw or general direction.

Power to make byelaws

29.—(1) The Council may make such byelaws as it thinks fit for the efficient management and regulation of the harbours.

(2) Without limitation to the scope of paragraph (1), the Council may make byelaws under this article for any of the purposes set out in **Schedule 2** but such byelaws shall not come into operation until the same have received the confirmation of the Secretary of State which shall be sufficient for all purposes.

(3) In this article “signals” includes sound signals.

(4) Byelaws made under this article may—

- (a) provide for imposing upon a person offending against them, or against any condition, requirement or direction imposed, made or given thereunder, a fine not exceeding level 4 on the standard scale on summary conviction;
- (b) relate to the whole of the harbours or to any part thereof;

- (c) make different provisions for different parts of the harbours or in relation to different classes of vessels or vehicles;
- (d) otherwise make different provision for different circumstances.

(5) Where a person is charged with an offence against a byelaw in force under this article, it shall be a defence for the person to prove that—

- (a) they took all reasonable precautions and exercised all due diligence to avoid the commission of such an offence;
- (b) they had a reasonable excuse for their act or failure to act;
- (c) the offence was not caused or facilitated by any act or neglect on their part or on the part of any person engaged or employed by them and that all reasonable steps were taken to prevent the commission of the offence.

(6) The powers in the article are in addition to the powers conferred by section 83 of the Act of 1847 (byelaws may be made for all or any of the purposes herein named).

Confirmation of byelaws

30.—(1) The provisions contained in subsections (3) to (8) of section 236 (procedure etc. for byelaws) and section 238 (evidence of byelaws) of the Local Government Act 1972() shall apply to all byelaws made after the coming into force of this Order, by the Council under this Order or section 83 of the Act of 1847 (byelaws may be made for all or any of the purposes herein named).

(2) In its application to byelaws made under this Order or section 83 of the Act of 1847 (byelaws may be made for all or any of the purposes herein named), section 236 (procedure etc. for byelaws) shall have effect, subject to paragraph (3), as if after the word “confirm” in subsection 236(7) the first place where that word occurs there were inserted the words “with or without modification”.

(3) Where the confirming authority proposes to make a modification which appears to the confirming authority to be substantial, then—

- (a) the confirming authority shall inform the Council and require it to take any steps the confirming authority thinks necessary for informing persons likely to be concerned with that modification;
- (b) the confirming authority must not confirm the byelaws until there has elapsed such period as the confirming authority thinks reasonable for the Council and other persons who have been informed of the proposed modifications to consider and comment on it.

(4) The confirming authority for the purposes of this article and of section 236 (procedure etc. for byelaws) in its application to byelaws made under this Order or section 83 of the Act of 1847 (byelaws may be made for all or any of the purposes herein named) shall be the Secretary of State.

Saving for existing directions, byelaws etc.

31. Any general direction, special direction, byelaw, regulation, licence, lease, consent or other agreement made, issued, entered into or granted by the Council in relation to the harbour undertaking and in force on or immediately before or on the date on which this Order comes into force, shall, notwithstanding the amendments set out in article [60] (amendment of the Order of []) and the repeals and revocations set out in article [61] (revocation / repeal) and Schedule 3 (revocation / repeal), continue to have effect.

PART 7

MISCELLANEOUS AND GENERAL

Advisory bodies

32.—(1) The Council must establish one or more advisory bodies which the Council must (except in an emergency) consult on all matters substantially affecting the management, maintenance, improvement, conservation, protection or regulation of the harbours and its navigation.

(2) The Council must make arrangements for every such advisory body to meet not less than twice a year.

(3) The Council must take into consideration within a reasonable period any matter, recommendation or representation which may from time to time be referred or made to it by such an advisory body whether or not that advisory body has been consulted by the Council on the matter, recommendation or representation so referred or made.

(4) Any advisory body established under this article must consist of such number or numbers of persons appointed by the Council as the Council from time to time considers appropriate.

(5) Appointments to any such advisory body must be made by the Council in accordance with a scheme prepared by it for that purpose and the scheme must provide for the appointment of persons who, in the opinion of the Council, are representative of persons having an interest in the functioning of the harbours.

(6) Any such advisory body may determine its own quorum and procedure and must appoint a chair.

(7) An individual member of any such advisory body may hold office for the period of three years from the date of their appointment and at the end of that period shall be eligible for reappointment.

(8) A member of any such advisory body may resign their office at any time by notice in writing given to the Council.

Development of land etc.

33.—(1) The Council may, subject to obtaining the necessary rights in or over land—

- (a) use or develop for any purpose, and deal with, any land within or in the vicinity of the harbours;
- (b) form, invest in and promote, or join with another person in forming, investing in and promoting, a company for using or developing for any purpose, and dealing with, any land within or in the vicinity of the harbours,

provided that it is conducive to the improvement, maintenance or management of the harbours in an efficient and economical manner.

(2) Except as is otherwise provided by any enactment or rule of law, the powers of the company referred to in paragraph (1)(b) may include powers to do anything necessary or expedient for the purposes of the objects mentioned in that paragraph or for purposes incidental to those purposes, notwithstanding that the Council would not itself have the power to do that thing.

Powers to grant tenancies and to dispose of land

34.—(1) The Council may, for the purposes of or in connection with the carrying on of the harbour undertaking, lease or grant the use or occupation of, or any right or interest in or over, any lands, works, buildings, machinery, equipment or other property forming part of the harbours for such period, at such rents and other considerations and on such terms and conditions as it thinks fit.

(2) A lease or grant made or given under paragraph (1) may include provisions delegating to the lessee or grantee any of the functions of the Council other than those specified in sub-paragraphs (a) to (f) of paragraph 9B of Schedule 2 to the Act of 1964.

(3) The Council may also dispose of, or grant the use or occupation for any purpose of, any lands, works, buildings, machinery, equipment or other property vested in it if it considers that—

- (a) the property is surplus to that which is required for the purpose of the harbours; or
- (b) it would conduce to the improvement, maintenance, operation or management of the harbours in an efficient and economical manner for the property to be held by a person other than the Council,

for such consideration and on such terms and conditions as it thinks fit.

Power to appropriate lands and works for particular uses, etc.

35.—(1) Notwithstanding anything in any statutory provision of local application the Council may from time to time for the purpose of or in connection with the carrying on of the harbour undertaking set apart and appropriate any part of the harbours for the time being vested in, or occupied or administered by the Council as part of the harbour undertaking for the exclusive, partial or preferential use and accommodation of any particular trade, person, vessel or class of vessels, or goods, subject to the payment of such charges and subject to such terms, conditions and regulations as the Council may think fit.

(2) No person or vessel shall make any use of any part of the harbours so set apart or appropriated without the consent of the harbour master or other duly authorised officer of the Council and—

- (a) the harbour master, or as the case may be, such officer, may order any person or vessel making use of the harbours without such consent to leave or be removed; and
- (b) the provisions of section 58 of the Act of 1847 (harbour master may remove vessels within docks, &c.) shall extend and apply with the necessary modifications to and in relation to such vessels.

Other commercial activities

36.—(1) The Council may, in addition to any other powers conferred on the Council—

- (a) carry on at any place a trade or business of any kind including a trade or business carried on in conjunction with another person;
- (b) form, invest in and promote, or join with another person in forming, investing in and promoting, a company, for carrying on any part of the harbour undertaking or carrying on at any place a trade or business of any kind,

provided that it is conducive to the improvement, maintenance, operation or management of the harbours in an efficient and economical manner.

(2) Except as is otherwise provided by any enactment or rule of law, the powers of a company referred to in paragraph (1)(b) may include powers to do anything necessary or expedient for the purposes of the objects mentioned in that paragraph or for purposes incidental to those purposes, notwithstanding that the Council would not itself have the power to do that thing.

(3) The powers of the Council under this article are additional to the powers of the Council under section 37 of the Act of 1966 (powers of harbour authorities to acquire a harbour business or shares in a harbour business).

Power to delegate functions

37. Subject to paragraph 9B of Schedule 2 to the Act of 1964 (functions which cannot be delegated under a power conferred by a harbour revision order), the Council may delegate the performance of any of its functions to be carried out by any such company as is referred to in article 36(1)(b).

Power to lay moorings

38.—(1) The Council may provide, place, lay down, maintain, retain, renew, use or remove such moorings in the harbours as it considers necessary or desirable for the convenience of vessels—

- (a) on land owned or leased by it; and
- (b) with the consent in writing of the owner and any lessee thereof, on any other land in the harbour.

(2) The Council may make reasonable charges in respect of any vessel using any moorings provided under this article.

(3) In this article and articles 39 (licensing of moorings) and 40 (offences as to moorings etc.), “mooring” includes any buoy, pile, post, chain, pillar, pontoon or like apparatus or convenience used or capable of being used for the mooring of vessels.

Licensing of moorings

39.—(1) The Council may from time to time grant a licence to any person to place, lay down, maintain, retain, renew and use moorings for vessels in the harbours.

(2) A licence—

- (a) may be granted for such a period and on such terms and conditions as the Council thinks fit;
- (b) may relate to one mooring, or to several moorings.

(3) The Council may make reasonable charges for the grant of a licence under this article.

Offences as to moorings etc.

40.—(1) Any person who—

- (a) intentionally obstructs any person acting under the authority of the Council in setting out moorings in the harbours;
- (b) intentionally and without lawful authority pulls up or removes any mooring or any part of any mooring in the harbours;
- (c) places, lays down, maintains, renews or has in the harbours any mooring not provided under article 38 (power to lay moorings) or licensed under article 39 (licensing of moorings);
- (d) without reasonable excuse causes or permits a vessel to be moored in the harbours except at a mooring provided or licensed by the Council or at a quay, jetty or other work provided for the mooring of vessels;
- (e) without reasonable excuse causes or permits a vessel to be moored at a mooring provided under article 38 (power to lay moorings) or licensed under article 39 (licensing of moorings) which the person concerned is not entitled to use,

is guilty of an offence and liable on summary conviction to a fine not exceeding level 4 on the standard scale.

(2) If any person commits an offence under paragraph (1)(c) the Council may remove the mooring in question and recover from that person the expenses incurred in doing so as a debt.

(3) Subject to paragraph (6), if any person commits an offence under paragraph (1)(d) or (1)(e) the Council may—

- (a) remove the vessel, including any tackle with the vessel;
- (b) sell or otherwise dispose of the vessel and tackle; and
- (c) recover out of the proceeds of sale—
 - (i) any unpaid charge payable under article 38 (power to lay moorings);
 - (ii) any unpaid licence fee payable under article 39 (licensing of moorings), and

(iii) the expenses of removal and disposal under this paragraph.

(4) If the proceeds of sale under paragraph (3)(b) are sufficient to allow the Council to recover all amounts permitted by paragraph (3)(c), the Council shall hold any surplus proceeds of sale on trust for the owner.

(5) If the proceeds of sale under paragraph (3)(b) are insufficient to allow the Council to recover all amounts permitted by paragraph (3)(c), or there is no sale of the vessel, the Council may recover the amounts referred to in paragraph (3)(c) net of any proceeds of sale from the owner as a debt.

(6) The Council must not exercise its power to remove a vessel under paragraph (3) unless—

- (a) it has given to the owner seven clear days' notice in writing of its intention to do so; or
- (b) it is an emergency.

(7) Where paragraph (6)(b) applies, the Council must notify the owner that it has removed the vessel as soon as reasonably practicable afterwards.

Bunkering

41.—(1) The Council may from time to time grant to a person with or without conditions a licence to carry out commercial refuelling activities related to vessels in the harbours.

(2) Nothing in any licence granted under paragraph (1) shall entitle a person to carry out commercial refuelling activities from or on land not owned or leased by that person or by the Council or in which that person has no interest.

(3) Any licence granted under paragraph (1) shall be valid only for a period of one year commencing with the date on which it is granted.

(4) The Council may charge for a licence granted under paragraph (1) such reasonable fee as the Council may from time to time prescribe.

(5) Any person who without reasonable excuse carries out or permits a commercial refuelling activity related to a vessel in the harbours except in accordance with a licence issued by the Council under this article, shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 4 on the standard scale.

Aids to navigation

42.—(1) In addition to its powers under section 201 of the Act of 1995 (powers of harbour authorities as local lighthouse authorities) but subject to obtaining any necessary interest in or over land, the Council may erect or place, alter, discontinue or remove aids to navigation in any place adjacent to the harbours.

(2) The Council must not exercise the powers of paragraph (1) without the approval of Trinity House.

Power to dredge

43.—(1) The Council may, as appears to it to be necessary or desirable for the purposes of the harbour undertaking, deepen, widen, dredge, scour, cleanse, alter and improve the harbours below the level of high water.

(2) Subject to paragraph (3), all materials dredged up or removed by the Council in exercise of the powers of this article shall be the property of the Council and may be used, sold, deposited or otherwise disposed of as the Council may think fit.

(3) No such materials shall be laid down or deposited in contravention of the provisions of any enactment as respects to the disposal of waste.

Repair of landing places, etc.

44.—(1) In this article, “relevant feature” means any landing place, jetty, wall, pontoon, pile, embankment, bridge, structure, groyne or other work in the harbours or on land immediately adjoining the waters of the harbours other than one under the control or management of the Council.

(2) The Council may by notice require the owner, lessee or occupier of a relevant feature which in the opinion of the Council is, or is likely to become, by reason of its insecure condition or want of repair—

- (a) dangerous to persons or vessels using the harbours;
- (b) a hindrance to the navigation of the harbours,

to remedy its condition to the Council’s reasonable satisfaction within a reasonable time, not being less than 21 days, specified in the notice.

(3) If a person to whom notice is given under this article fails without reasonable excuse to comply with the notice within the time stated in the notice or such other time as the Secretary of State on an appeal may substitute therefore—

- (a) that person shall be liable on summary conviction to a fine not exceeding level 3 on the standard scale; and
- (b) the Council may carry out the work required by the notice and may recover the reasonable expenses of so doing from the person on whom the notice was served.

(4) A notice under this article must have annexed to it a copy of this article.

(5) A person aggrieved by a notice served by the Council under this article may, during the period of 21 days beginning with the date on which the notice was served, appeal to the Secretary of State against the notice.

(6) An appeal under paragraph (5) must be made by notice in writing stating the grounds of the appeal.

(7) A person who appeals under paragraph (5) must give to the Council notice of the appeal accompanied by a copy of the statement of appeal; and the Council shall, within 21 days of receipt of the notice, be entitled to furnish to the Secretary of State its observations on the appeal.

(8) On an appeal under paragraph (5), the Secretary of State shall either quash the notice, modify its requirements or dismiss the appeal.

(9) In this article “owner”, “lessee” and “occupier”, in relation to a relevant feature, means the person who was the “owner”, “lessee” or “occupier” of the relevant feature at the date the notice is served, or if the “owner”, “lessee” or “occupier” of the relevant feature is not readily identifiable, the “owner”, “lessee” or “occupier” of the land on which the relevant feature is situated at the date the notice is served.

Restriction of works and dredging

45.—(1) Subject to paragraph (3), no person other than the Council shall—

on, under, in or over tidal waters or land below the level of high water in the harbour—

- (a) construct, alter, renew or extend any works, unless that person is licensed to do so by a works licence and except on the terms and conditions, if any, upon which the licence is granted and in accordance with plans, sections and particulars approved under 47 (licensing of works);
- (b) dredge, unless that person is licensed to do so by a dredging licence and except upon the terms and conditions, if any, upon which the licence is granted and in accordance with plans, sections and particulars approved under article 48 (licence to dredge).

(2) The Council may by notice require a person who contravenes this article to remove, abate or rectify, within a reasonable time specified in the notice, any work, operation or omission to which the contravention relates and to restore the site thereof to its former condition; and if that person

fails to comply with the notice, the Council may carry out the works so required and may recover from that person the cost of so doing.

(3) Nothing in this article shall apply to—

- (a) any operations or works specifically authorised by any enactment;
- (b) any operations or works of a statutory undertaker;
- (c) any operations or works authorised by a moorings licence granted under article 38 (licensing of moorings).

(4) Any person who without reasonable excuse contravenes this article shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 4 on the standard scale.

Control of certain operations and works of statutory undertakers

46.—(1) This article applies to any operations or works in the harbours of a statutory undertaker on, under, in or over tidal waters or land below the level of high water, not being operations or works which are specifically authorised by an enactment.

(2) Subject to paragraph (3), a statutory undertaker must not carry out any operations or works to which this article applies unless it has given notice of its intention to do so to the Council and has supplied the Council with such particulars as it may reasonably require.

(3) Where, in an emergency, it is impracticable to give notice as required by paragraph (2), the statutory undertaker must inform the Council of the operations or works as soon as reasonably practicable.

(4) Any operations or works to which this article applies shall be carried out subject to any directions which may from time to time be given by the Council to the statutory undertaker, being directions for the avoidance of danger and the prevention, so far as possible, of interference with navigation in the carrying out of such operations or works.

(5) Any person who, without reasonable excuse, contravenes this article shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 3 on the standard scale.

Licensing of works

47.—(1) The Council may upon such terms and conditions as it thinks fit grant to any person a licence to construct, alter, renew or extend any works in the harbours on, under, in or over tidal waters or land below the level of high water, notwithstanding that the works as constructed, altered, renewed, or extended, interfere with the public right of navigation or any other public right.

(2) An application for a works licence must be made in writing to the Council and must—

- (a) be accompanied by plans, sections and particulars of the works to which the application relates; and
- (b) specify whether the applicant holds such rights in, under or over land as are necessary to enable the applicant to enjoy the benefits of the licence and, if not, the action taken to enable the applicant to obtain such rights if the licence is granted,

and, in granting a licence, the Council may require modifications in the plans, sections and particulars so submitted.

(3) The Council may require an applicant for a works licence, on making the application, to pay a reasonable fee in respect of the administrative expenses of dealing with the application.

(4) As a condition of the granting of a licence, the Council may require a licensee, being an applicant to whom a licence has been granted or the applicant's successor, where works are constructed in accordance with the licence, to pay such reasonable fees in respect of the Council's administrative expenses and overheads in supervising or inspecting where necessary the construction or maintenance of the works.

(5) Where the Council refuses to grant a works licence which has been applied for it must give reasons in writing for its refusal.

(6) Where the Council grants a works licence upon terms or conditions or require any modification in the plans and particulars, it must give reasons in writing for the terms and conditions imposed or the modifications required.

(7) If within 16 weeks from the receipt of the application under paragraph (2) the Council does not grant a works licence, it shall be deemed to have refused the application.

(8) When carrying out of operations pursuant to a works licence, the holder of the licence must not—

- (a) interfere with, damage or otherwise injuriously affect any apparatus belonging to or maintained by any statutory undertaker;
- (b) do anything which obstructs or impedes any work relating to the inspection or repair of any such apparatus,

without the consent of the statutory undertaker concerned.

Licence to dredge

48.—(1) The Council may upon such terms and conditions as it thinks fit grant to any person a licence to dredge in any part of the harbours.

(2) An application for a dredging licence must be made in writing to the Council and must be accompanied by plans, sections and particulars defining the nature, extent and manner of the operations to be carried out in the exercise of the powers granted by the licence, and in granting any such licence the Council may require modifications in the plans, sections and particulars so submitted.

(3) Paragraphs (3) to (8) of article 47 (licensing of works) shall apply in relation to a dredging licence as they apply in relation to a works licence.

(4) Any materials, other than wreck within the meaning of Part IX of the Act of 1995 (salvage and wreck), taken up or collected by means of dredging pursuant to a dredging licence—

- (a) shall be the property of the holder of the licence; and
- (b) the holder of the licence may use, sell or otherwise dispose of or remove or deposit the materials as they think fit provided that no such material shall be laid down or deposited in any place within the harbours below the level of high water except—
 - (i) in such positions as may be approved by the Council, and
 - (ii) subject to such conditions as may be imposed by the Council.

(5) If it appears to the holder of the dredging licence that the Council has unreasonably withheld or refused its approval under paragraph (4) or that any condition imposed by the Council under that paragraph is unreasonable, that person may within 28 days from the date on which the Commission notified the applicant of its decision appeal to the Secretary of State whose decision shall be binding upon the parties.

(6) Paragraphs (2) to (5) of article 49 (appeals in respect of works or dredging licences) shall apply in relation to any appeal made under paragraph (5).

Appeals in respect of works or dredging licences

49.—(1) An applicant for a works licence or a dredging licence who is aggrieved by—

- (a) a refusal of the Council to grant a licence;
- (b) any terms or conditions subject to which the licence is granted;
- (c) any modifications required by the Council in the plans, sections and particulars submitted by the applicant,

may, within 28 days from the date on which the Council notifies the applicant of its decision or the date on which the Council is, under article 47(7), deemed to have refused the application, appeal to the Secretary of State.

(2) An appeal under paragraph (1) must be made by notice in writing stating the grounds of the appeal.

(3) The appellant must send to the Council a copy of the notice of the appeal; and the Council may, within 28 days of the receipt of the notice, furnish to the Secretary of State its observations on the appeal.

(4) The Secretary of State may confirm, vary or revoke the decision appealed against and may make such consequential amendments as the Secretary of State may specify.

(5) The Secretary of State may direct the Council to give effect to the decision, and the Council must forthwith comply with any direction given.

Obstruction of works

50. Any person who intentionally obstructs any person acting under the authority of the Council in setting out the lines of, or in construction of any works authorised by any enactment, or who interferes with, moves or removes any pole, stake, station point or bench mark established for the purposes of such setting out, shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 3 on the standard scale.

Parking places and related facilities

51. The Council may provide facilities within the harbours for the parking of vehicles and for that purpose may erect barricades or fencing with related offices, waiting rooms and other conveniences and may make reasonable charges for the use of such facilities.

Removal of vehicles and vessels

52.—(1) If a vehicle or vessel is left within the harbours without permission of the Council—

- (a) in any place where it is likely to obstruct or interfere with the use of the harbours; or
- (b) in any part of the harbours where the parking of vehicles or leaving of vessels is prohibited by notice erected by the Council,

the Council may, at the risk of the owner, remove the vehicle or vessel or cause it to be removed.

(2) Any notice erected under paragraph 1(b) must be conspicuously posted in or close to the place to which it relates.

(3) Where the Council in exercise of the powers of this article remove a vehicle or vessel or cause it to be removed it must as soon as practicable report that fact to the police .

(4) The expenses of and incidental to the removal of a vehicle or vessel under this article shall be recoverable from any person responsible.

(5) For the purposes of paragraph (4) “person responsible” means—

- (a) the owner of the vehicle or vessel at the time when it was put in the place from which it was removed under paragraph (1);
- (b) any person by whom the vehicle or vessel was put in that place.

(6) If the Council in the exercise of the powers conferred by this article remove a vehicle to a place not readily visible from the place whence it is so removed the Council must, as soon as it is reasonably practicable to do so, send to the person for the time being registered as the keeper of the vehicle for the purposes of the Road Vehicles (Registration and Licensing) Regulations 2002^(a) or any other regulations having the like effect for the time being in force—

- (a) at that person’s last known address;
- (b) the person’s registered address;
- (c) or the address where the vehicle is ordinarily kept,

(a) S.I. 2002/2742.

notice that it has exercised the powers of the article and of the place to which the vehicle has been removed.

(7) A notice stating the general effect of paragraph (1) must be displayed in a prominent position at each place where a road accessible to vehicles enters any part of the harbours.

Power with respect to disposal of wrecks

53.—(1) In its application to the Council, section 252 of the Act of 1995 (powers of harbour and conservancy authorities in relation to wrecks) has effect in relation to the harbours and its approaches in relation to a vessel sunk, stranded or abandoned before, as well as after, the coming into force of this Order.

(2) Subject to paragraph (3), and to any enactment for the time being in force limiting a person's liability, the Council may recover from the owner of any vessel sunk, stranded or abandoned on or after the date of coming into force of this Order in relation to which it has exercised its powers under section 252 of the Act of 1995 (powers of harbour and conservancy authorities in relation to wrecks) any expenses reasonably incurred by it under that section in relation to that vessel which are not reimbursed out of any proceeds of sale within the meaning of that section.

(3) Except in a case which is in the opinion of the Council an emergency, paragraph (2) shall not apply in relation to any vessel unless, before exercising in relation to that vessel any of the powers conferred on it by section 252 of the Act of 1995 (powers of harbour and conservancy authorities in relation to wrecks), other than the power of lighting and buoying, the Council has given to the owner of the vessel not less than 48 hours' notice of its intention to do so.

(4) If before the notice expires the Council receive from the owner counter-notice in writing that the owner desires to dispose of the vessel themselves, the owner shall be at liberty to do so; and the Council must not exercise the powers in section 252 (powers of harbour and conservancy authorities in relation to wrecks) in relation to that vessel until the expiration of seven days from the receipt of the counter-notice and of any further continuous period thereafter during which the owner of the vessel proceeds with the disposal thereof with all reasonable diligence and in compliance with any directions for the prevention of interference with navigation which may be given to the owner by the Council.

(5) Notice under paragraph (3) to the owner of any vessel may be served by the Council either by delivering it to the owner or by sending it to the owner by registered post or the recorded delivery service addressed to the owner at their last known place of business or abode in the United Kingdom or, if the owner or any such place of business or abode is not known to the Council, or is not in the United Kingdom, by displaying the notice at the harbour office of the Council and electronically on the harbour website for the period of its duration.

(6) In this article "owner", in relation to any vessel, means the person who was the owner of the vessel at the time of the sinking, stranding or abandonment.

(7) The powers conferred on the Council by this article shall be in addition to and not in derogation of any other powers exercisable by it for or with respect to the removal of wrecks within the harbours and their approaches..

Power to deal with unserviceable vessels

54.—(1) In addition to the powers conferred on the harbour master by section 57 of the Act of 1847 (unserviceable vessels to be altogether removed from harbour) and on the Council by section 252 the Act of 1995 (powers of harbour and conservancy authorities in relation to wrecks) the Council may sell, break up or otherwise dispose of any vessel which is unserviceable and has been laid by or neglected in the harbours or on land immediately adjoining the harbours.

(2) The Council may retain out of the proceeds of sale of such vessel, any expenses incurred by it in respect of the vessel, or in marking, buoying, lighting or otherwise controlling the vessel or warning other persons or vessels of its presence and any expenses incurred by the harbour master under section 57 of the Act of 1847 (unserviceable vessels to be altogether removed from harbour) and must pay the surplus, if any, to the person or body entitled to that surplus.

(3) If the proceeds of the sale are insufficient to reimburse the Council for the said expenses, or there is no sale, the Council may recover the deficiency, or where there is no sale, the whole of the expenses, from the owner as a simple contract debt.

(4) Except in the case of emergency, the Council must, before exercising its powers under this article, give 14 days' notice in writing of its intention to do so to the registered owner of the vessel and by advertisement in each of two successive weeks in a local newspaper circulating the area of the harbours, provided that, if the registered owner or their place of business or address is not known to the Council or is outside of the United Kingdom, the notice may be given by displaying it at the harbour office of the Council and electronically on the harbour website for two successive weeks.

Removal of obstructions other than vessels

55.—(1) The Council may remove anything, other than a vessel, causing or likely to become an obstruction to, or cause interference with, navigation in any part of the harbours or any approach to the harbours.

(2) The Council may take such steps as appear to it to be appropriate to prevent or minimise such obstruction or interference for the purposes of paragraph (1).

(3) If anything removed by the Council under paragraph (1) is so marked as to be readily identifiable as the property of any person, the Council must, within 28 days of its coming into the Council's custody, give written notice to that person stating that—

- (a) upon proof of ownership to the reasonable satisfaction of the Council; and
- (b) upon payment of any reasonable expenses incurred by the Council under this article,

possession may be re-taken at a place named in the notice within the period specified in the notice (being not less than 14 days after the notice is served).

(4) If for the purposes of this article possession of anything removed is not so retaken it shall at the end of that period vest in the Council.

(5) Notwithstanding the provisions of paragraph (3) the Council may, at such time and in such manner as it thinks fit, dispose of anything removed under paragraph (1)—

- (a) which is not so marked as to be readily identifiable as the property of any person; or
- (b) which is of a perishable nature or the custody of which involves unreasonable expense or inconvenience.

(6) If anything disposed of by the Council under this article is sold, the Council must place a notice at the harbour office and on the harbour website for a period of 28 days giving details of the property sold and may retain out of the proceeds of sale any expenses incurred by it under this article, and any surplus from the proceeds—

- (a) must be paid to any person who within 24 months from the time when the property came into the custody of the Council proves to the reasonable satisfaction of the Council that they were the owner at that time; or
- (b) if within the said period no person proves their ownership at the said time, shall vest in the Council.

(7) If the proceeds of sale of anything removed under this article are insufficient to reimburse the Council for the expenses set out in paragraph (6), or there is no sale because the property is unsaleable, the Council may—

- (a) recover the deficiency; or
- (b) where there is no sale, the whole of the expenses,

from the person who was the owner at the time when the thing removed came into the custody of the Council or who was the owner at the time of its abandonment or loss.

Notices

56.—(1) Except where this Order expressly provides otherwise, a notice or other document required or authorised to be served for the purposes of this Order, or any direction given under this Order, must be in writing and must be served by first class post.

(2) Where the person on whom a notice or other document to be served for the purposes of this Order is a body corporate, the notice or document is duly served if it is served on the secretary or clerk of that body.

(3) Where a person on whom a notice or other document is to be served has agreed in writing that service may be by email, or other electronic means, the Council may provide notices by that means until such time as the person informs it in writing that they are no longer willing to receive notices or documents by email or by such other electronic means.

(4) For the purposes of section 7 of the Interpretation Act 1978^(a) (references to service by post) as it applies for the purposes of this article, the proper address of a person in relation to the service on them of a notice or document under paragraph (1) is, if they have given an address for service that address, and otherwise—

- (a) in the case of the secretary or clerk of a body corporate, the registered or principal office of that body;
- (b) in any other case, their last known address at the time of service.

(5) Where for the purposes of this Order a notice or other document is required or authorised to be served on a person whose name and address cannot be ascertained after reasonable inquiry—

- (a) in the case of a notice or document to be served on a person as having an interest in or as the occupier of, any land, it may be served by—
 - (i) addressing it to them by name or by the description of “owner”, or as the case may be “occupier”, of the land (describing it), and
 - (ii) either leaving it in the hands of a person who is or appears to be resident or employed on the land or leaving it conspicuously affixed to some building or object on or near the land,
- (b) in the case of a notice or document relating to a vessel (including a wreck), it may be served by exhibiting it in a conspicuous position on or near the vessel (unless it would not be reasonably practicable to exhibit the notice or document in this manner or if the notice or document would not be likely to be seen if it were so exhibited) or by handing it to a member of the crew; and
- (c) in the case of any other notice or document or a notice or document that is not capable of being served in accordance with sub-paragraph (b) it may be served by displaying it at the harbour office for the period of its duration.

Saving for Trinity House

57. Nothing in this Order shall prejudice or derogate from any of the rights, duties or privileges of Trinity House.

Crown Rights

58.—(1) Nothing in this Order shall—

- (a) prejudicially affect any estate, right, power, privilege, authority or exemption of the Crown; or
- (b) authorise the Council or any licensee to take, use, enter upon or in any manner interfere with any land or interests in land or any rights of whatsoever description (including any

(a) 1978 c. 30.

portion of the shore or bed of the sea or of any river, channel, creek, bay or estuary) belonging to—

- (i) His Majesty in right of His Crown and under the management of the Crown Estate Commissioners, without the consent in writing of the Crown Estate Commissioners, or
- (ii) a government department or held in trust for His Majesty for the purposes of a government department without the consent in writing of that government department.

(2) A consent under paragraph (1)(b) may be given unconditionally or subject to such conditions and upon such terms as may be considered necessary or appropriate.

Amendment of the Act of *insert*

59.—(1) The Act of *insert* is amended as follows.

(2) In section *insert (provision name)*—

- (a) in the appropriate places insert the following definitions—

Revocation/ Repeal

60. On the date of this Order the enactments mentioned in the first and second columns of the *Schedule 3* (revocation / repeal) shall be revoked or repealed (as appropriate) to the extent specified in the third column of that Schedule.

Signed by authority of the Marine Management Organisation

Tom McCormack
Chief Executive Officer

Date

An authorised employee of the Marine Management Organisation

SCHEDULES

SCHEDULE 1

Ref Article 2(1)

LIMITS OF HARBOURS

PART 1

Bristol City Docks

The limits of Bristol City Docks shall comprise:

- (a) the area bounded by an imaginary line commencing at a point () and then in a straight line in a [] to a point () and then in a south westerly direction to a point () and then in a north westerly direction to a point () and then following the level of high water along [] to a point () and then following the level of high water along the [] to a point () then following the level of high water around [] back to the point of commencement at a point (), shown for illustrative purposes shaded blue on the Bristol City Docks limits plan; and
- (b) the extent of those parts of the harbour premises not within sub-paragraph (a).

PART 2

Portishead Pier

The limits of Portishead Pier shall comprise:

- (c) the area bounded by an imaginary line commencing at a point () and then in a straight line in a [] to a point () and then in a south westerly direction to a point () and then in a north westerly direction to a point () and then following the level of high water along [] to a point () and then following the level of high water along the [] to a point () then following the level of high water around [] back to the point of commencement at a point (), shown for illustrative purposes shaded blue on the Bristol City Docks limits plan; and
- (d) the extent of those parts of the harbour premises not within sub-paragraph (a).

SCHEDULE 2

Ref Article 29

PURPOSES FOR WHICH BYELAWS MAY BE MADE

1. Regulating the use of pontoons, stagings, quays, jetties, piers, walkways, bridges, approaches, slipways, landing places, berthing heads, boat lifts, mooring posts, buildings, parking places, and other works and facilities provided by the Council.

2. Regulating the shipping and unshipping, landing, warehousing, stowing, depositing and removing of goods within the harbours.

3. Preventing damage or injury to any vessel, goods, vehicle, plant, machinery, property, or persons within the harbours and to any aids to navigation used in connection with the harbours.

4. Regulating, preventing or licensing the conduct of all persons in vessels or otherwise in the harbours not being—

- (a) members of a police force;
- (b) officers or servants of the Crown;

(c) members of a fire brigade,

whilst in the exercise of their duties as such.

5. Regulating the placing, laying down, maintenance, removal and use of moorings within the harbours.

6. Preventing or removing obstructions (including vessels and vehicles) or impediments within the harbours.

7. Regulating the launching of vessels into the harbours and/or from the harbours.

8. Regulating or prohibiting the mooring, careening, beaching or anchoring and keeping of vessels in the harbours.

9. Regulating or prohibiting the use in the harbours or onboard any vessel in the harbours of fires, lights, or any other equipment, tools or appliances which the Council considers involves a risk of fire, explosion or chemical reaction and for the prevention of smoking.

10. Regulating the removal of rubbish (including ballast, earth or clay or other refuse) and sewerage for vessels in the harbours.

11. The prevention of the disposal of such rubbish and sewerage from vessels, in the harbours.

12. Prohibiting the use of or regulating the use, movement, speed, placing, loading, unloading, driving and parking of vehicles in the harbours and the removal of vehicles from the harbours (including by the Council).

13. Requiring the use of effectual silencers or other similar apparatus and the control of noise generally on vessels in the harbours.

14. Regulating vessels in the harbours and their entry into and departure from the harbours and, without limitation to the generality, for prescribing rules for regulating the speed and manner of navigation or movement and the lights and signals exhibited or made by, or for the benefit of, vessels using, navigating or mooring within the harbours.

15. Regulating the embarkation of persons on to, or their disembarkation from, vessels within the harbours.

16. Regulating the holding of regattas and other public events in the harbours.

17. Prescribing the lights and signals to be exhibited or made—

(a) by vessels aground in the harbours;

(b) by vessels or other devices used for marking obstructions within the harbours.

18. Assisting the navigation of vessels within the harbours, at the entrance to any dock or at any wharf, pier or other work.

19. Preventing nuisances in the harbours.

20. Prohibiting or regulating the discharge by land or sea of any material, substance or thing within the harbours or its approaches.

21. Regulating or prohibiting fishing for marine creatures of any type and by whatever means from any pier, jetty, breakwater, wharf, or other installation or structure of any kind within the harbours, from any vessel within the harbours or from the foreshore where such fishing interferes with the operation of the harbours or the safety of navigation in the harbours.

22. Regulating or prohibiting aquaplaning, water skiing or diving or other similar activities in the harbours.

23. Regulating or prohibiting bathing, and for securing the protection of bathers, within the harbours.

24. Regulating or prohibiting the use of vehicles on the foreshore within the harbours.
25. Regulating the use of ferries within the harbours and the conduct of boatmen, ferry men, and others plying for hire in the harbours and of persons resorting to any works constructed or operated by the Council.
26. Regulating the exercise of powers vested in the harbour master.
27. Regulating vessels, vehicles and persons embarking or disembarking vessels, frequenting or employed in the harbours.
28. The purposes specified in section 83 of the Act of 1847 (byelaws may be made for all or any of the purposes herein named).

SCHEDULE 3

REVOCATION / REPEAL

Ref Article 60

Table 1

BRISTOL CITY DOCKS		
<i>Number</i>	<i>Short Title</i>	<i>Extent of Revocation/Repeal</i>
47 Geo. III. Sess. 2. Cap. 33.	An Act for ascertaining and establishing the Rates and Wharfage, Cannage, Plankage, Anchorage, and Moorage, to be received at the lawful Quays in the Port of Bristol; for the Regulation of the Cranekeepers in the said Port; and for the better regulation of Pilots and Pilotage of Vessels navigating the Bristol Channel.	
6 Geo. IV Cap. cii	Bristol Town Dues Act 1825.	
5 & 6 Will. IV. c. 76.	An Act to provide for the Regulation of Municipal Corporations in England and Wales... 1835.	
1 Vict. Cap. lxxxv.	An Act for removing and preventing Encroachments within the City and County of Bristol, and for better regulating the Shipping, Rivers, Wharfs, Backs, and Quays, and the Markets within the same, and for other Purposes.	
11 & 12 Vict. Cap. xliii.	The Bristol Dock Act, 1848.	
25 & 26 Vict. Cap. clx.	The Bristol Port Railway and Pier Act, 1862.	
27 & 28 Vict. Cap. cclvii.	The Bristol Port Extension Railways Act, 1864.	
28 & 29 Vict. c. xxxiii.	The Bristol Dock Act, 1865.	

29 & 30 Vict. Cap. cxlviii.	The Bristol Harbour Railway Act, 1866.
32 & 33 Vict. Ch. lxiii.	Bristol Harbour Railway Act, 1869.
	Bristol Port Extension Railways Act 1872.
36 Vict. Ch. lxvi.	The Bristol Harbour Railway Act, 1873.
44 & 45 Vict. c. clxviii.	The Bristol Dock Act 1881.
46 & 47 Vict. Ch. lxxv.	Bristol Port and Channel Dock Act, 1883.
47 & 48 Vict. c. cclv.	The Bristol Dock Act 1884.
49 & 50 Vict. c. xcvi.	The Bristol Dock Act, 1886.
56 & 57 Vict. Ch. clxxxiv.	Bristol Dock Act, 1893.
58 & 59. Vict. Ch. clvii.	Bristol Corporation Act, 1895.
60 & 61 Vict. Ch. ciii.	Bristol Dock Act, 1897.
60 & 61 Vict. Ch. ccxxx.	Bristol Corporation Act, 1897.
60 & 61 Vict. Ch. cxci.	Great Western Railway (Bristol Lines) Act, 1897.
1 Edw. 7. Ch. cclxiv.	The Bristol Docks and Railways Act, 1901.
	Bristol Corporation Act 1901.
3 Edw. 7. Ch. ccxi.	Bristol Corporation Act, 1903.
4 Edw. 7. Ch. ccxxiii.	Bristol Corporation Act, 1904.
5 Edw. 7. Ch. ccxi.	Bristol Corporation Act, 1905.
1 & 2 Geo. 5. Ch. xlv.	Bristol Corporation Act, 1911.
4 & 5 Geo. 5. Ch. xcvi.	Bristol Corporation (Various Powers) Act, 1914.
8 & 9 Geo. 5. Ch. xlii.	Bristol Corporation Act, 1918.
16 & 17 Geo. 5. Ch. xcix.	Bristol Corporation Act, 1926.
20 & 21 Geo. 5. Ch. lxiii.	Bristol Corporation Act (No. 1) Act, 1930.
20 & 21 Geo. 5. Ch. clxxx.	Bristol Corporation (No. 2) Act, 1930.
	Bristol Corporation (No. 2) Act, 1934.
1 Edw. 8. & 1 Geo. 6. Ch. cxxv.	Bristol Transport Act, 1937.
1 & 2 Geo. 6. c. lxxix.	Bristol Corporation Act 1938.
14 & 15 Geo. 6. Ch. xxxii.	Bristol Corporation Act, 1951.
4 & 5 Eliz. 2. Ch. lx.	Bristol Corporation Act, 1956.
8 & 9 Eliz. 2. Ch. l.	Bristol Corporation Act, 1960.
9 & 10. Eliz. 2. Ch. xlv.	Bristol Corporation Act, 1961.
1967 Ch. xxxi.	British Transport Docks Act 1967.
1969 Ch. xxiii.	British Transport Docks Act 1969.
1971 c. xliii.	Bristol Corporation Act 1971.
1971 c. ix.	Bristol Corporation (General Powers) Act 1971.
1971. c. lv.	Bristol Corporation (West Dock) Act 1971.
S.I. 1972/1931.	Bristol Port and Harbour Revision Order 1972.

S.I. 1986/1626.	Bristol Port and Harbour Revision Order 1986.
S.I. 1995/421.	Bristol City Docks Harbour Revision Order 1995.
S.I. 1998/1209.	Bristol City Docks Harbour Revision Order 1998.
12 & 13 Geo. 5. Ch. xxx.	Bristol Corporation Act, 1922.

PORTISHEAD PIER

<i>Number</i>	<i>Short Title</i>	<i>Extent of Revocation/Repeal</i>
26 & 27 Vict. Cap. cvii.	The Bristol and Portishead Pier and Railway Act, 1863.	
29 Vict. Cap. lxxxviii.	The Bristol and Portishead Pier and Railway Act, 1866.	
34 & 35 Vict. Ch. cxlii.	The Portishead Docks Act, 1871.	
6 Edw. 7. Ch. cc.	Bristol Corporation Act, 1906.	
1971. c. xliii.	Bristol Corporation Act 1971.	
1992 c. 21.	City of Bristol (Portishead Docks) Act 1992.	
S.I. 1998/1209.	The Bristol City Docks Harbour Revision Order 1998.	

SCHEDULE 4 ACTS AND ORDERS

Ref Article 2

[]

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, made on the application of the Bristol City Council modernises and consolidates the statutory harbour powers applying in relation to Bristol City Docks and Portishead Pier and provides for:

(1) The Jurisdiction (article 4) and General functions (article 5) of the Council as the statutory harbour authority for Bristol City Docks and Portishead Pier and clarity on the limits of the harbours (**Schedule 1**).

(2) Powers to vest in the Council relating to finances including application (article 6), reserve fund (article 7) and borrowing powers (article **Error! Reference source not found.**).

(3) A modern suite of charging powers (articles 10 to 20) including exemptions from harbour dues (article 18), recovery of charges (article 19) and prevention of sailing of vessels (article 20).

(4) Powers of general and special direction on the Council and the harbour master (defined in article 2(1)) for the regulation and management of the harbours (articles 21 to 24).

(5) This Order creates an offence of failing to comply with special or general directions, the penalty for which is a fine on summary conviction not exceeding level 4 on the standard scale (article 25). A defence of due diligence is available to a person charged under article 25(1).

(6) Provisions for the enforcement of directions (article 26) and clarifying the Master's responsibility in relation to directions (article 27)

(7) The Power for a duly authorised officer of the Council to enter and inspect a vessel or vehicle for the purposes of any enactment relating to the harbours or any byelaw or general direction, including enforcement of such (article 28).

(8) Powers to make byelaws (article 29), confirmation of byelaws (article 30) and savings for existing directions and byelaws (article 31).

(9) The establishment of an advisory body consisting of harbours stakeholders with which the Council are required to consult on material matters (article 32).

(10) Powers relating to development of land (article 33), power to grant tenancies and dispose of land (article 34), power to appropriate lands and works for particular uses, etc. (article 35), other commercial activities (article 36), power to delegate functions (article 37).

(11) Powers relating to moorings (article 38) bunkering (article 41), aids to navigation (article 42) power to dredge (article 43), repairing of landing places (article 44).

(12) Restrictions of works and dredging (article 45) and control of certain operations of works of statutory undertakers (article 46).

(13) Powers relating to the licensing of works (article 47), dredging (article 48), appeals of such licences (article 49), and obstruction of works (article 50).

(14) Powers relating to parking places and related facilities (article 51) and the removal of vehicles and vessels from the harbours where left without permission (article 52).

(15) Powers relating to disposal of wrecks (article 53), unserviceable vessels (article 54), removal of obstructions other than vessels (article 55) and notices (article 56).

(16) Savings for Trinity House (article 57) and the Crown (article 58).

(17) To facilitate that above, the Order repeals and revokes the Acts and Orders set out in **Schedule 3** to the Order and amends the Acts of **TBC** and Orders of **TBC** as set out in article **TBC**.

An impact assessment has not been prepared for this Order as there is no, or no significant, impact predicted on businesses, charities, voluntary bodies or the public sector.

An Explanatory Memorandum is available alongside the instrument on the UK legislation website at www.legislation.gov.uk

Equality Impact Assessment [version 2.12]



Title: Harbour Revision Order	
<input checked="" type="checkbox"/> Policy <input type="checkbox"/> Strategy <input checked="" type="checkbox"/> Function <input type="checkbox"/> Service <input type="checkbox"/> Other [please state]	<input type="checkbox"/> New <input checked="" type="checkbox"/> Already exists / review <input type="checkbox"/> Changing
Directorate: Growth and Regeneration	Lead Officer name: Tony Nichols
Service Area: Management of Place	Lead Officer role: Harbour Master

Step 1: What do we want to do?

The purpose of an Equality Impact Assessment is to assist decision makers in understanding the impact of proposals as part of their duties under the Equality Act 2010. Detailed guidance to support completion can be found here [Equality Impact Assessments \(EqIA\) \(sharepoint.com\)](#).

This assessment should be started at the beginning of the process by someone with a good knowledge of the proposal and service area, and sufficient influence over the proposal. It is good practice to take a team approach to completing the equality impact assessment. Please contact the [Equality and Inclusion Team](#) early for advice and feedback.

1.1 What are the aims and objectives/purpose of this proposal?

Briefly explain the purpose of the proposal and why it is needed. Describe who it is aimed at and the intended aims / outcomes. Where known also summarise the key actions you plan to undertake. Please use plain English, avoiding jargon and acronyms. Equality Impact Assessments are viewed by a wide range of people including decision-makers and the wider public.

1. Bristol Harbour is classified as a Statutory Harbour Authority and to ensure that it is operating to modern standards it has carried out an independent Harbour Operational Review. This will enable the Harbour Authority to be governed and managed for the benefit of all for the next 10-15 years in line with best practice and guidance.
2. It has been highlighted through the Harbour Operational Review that the existing harbour legislation is not fit for purpose and needs updating to achieve best practice in line with national government guidance for governance of Municipal Harbours. The current Harbour Revision Order ("HRO") was created 25 years ago in 1998.
3. For a new HRO to be adopted the Harbour Authority must be able to demonstrate that it is "Financially self-sustainable" for the Harbour Undertaking as this is one of the tests which will be applied through the application process. Therefore, the current HRO plan needs to be reviewed and updated if necessary and incorporate land and facilities which make up the harbour and harbour estate, please refer to Appendix A.
4. The review has outlined what operational and legislative changes are needed to help secure the long-term sustainability of Bristol Harbour.
5. To progress a new HRO an application will need to be processed through the Marine Management Organisation (MMO) who manage the application on behalf of the Department for Transport. Amongst many other things the new HRO will include:

- A financial plan to evidence a balanced budget that is intended to make the Harbour self-sufficient.
- A staffing structure that is adequate to support the Docks and Harbour Assets and Estate.
- Up to date compliant legislation dealing with operational and governance requirements for the Harbour Authority to achieve best practice
- Identify extent of Harbour Estate
- Provide the Harbour Authority with modern powers of disposal of any part of the Harbour Estate that is surplus to requirements
- Repeal all historic legislation

6. The Harbour Revision Order requires a 42-day period of public consultation.

7. The HRO will take at least 18 months to process, but this is dependent upon the capacity the MMO have to process the application.

8. The work carried out through the harbour review has also identified the need to establish assured accounts which, as identified in the Ports Good Governance Guidance, would be beneficial to the harbour for submitting annual accounts to the Department for Transport.

9. Appendix A shows the proposed extent of the boundary of the Harbour Estate to be included in the new HRO.

This Proposal

Authorises the Chief Executive to have delegated authority to submit the Harbour Revision Order to the Marine Management Organisation and the creation of assured ring-fenced accounts for the sustainable management and operation of the Harbour

1.2 Who will the proposal have the potential to affect?

<input type="checkbox"/> Bristol City Council workforce	<input checked="" type="checkbox"/> Service users	<input checked="" type="checkbox"/> The wider community
<input type="checkbox"/> Commissioned services	<input checked="" type="checkbox"/> City partners / Stakeholder organisations	
Additional comments:		

1.3 Will the proposal have an equality impact?

Could the proposal affect access levels of representation or participation in a service, or does it have the potential to change e.g. quality of life: health, education, or standard of living etc.?

If 'No' explain why you are sure there will be no equality impact, then skip steps 2-4 and request review by Equality and Inclusion Team.

If 'Yes' complete the rest of this assessment, or if you plan to complete the assessment at a later stage please state this clearly here and request review by the Equality and Inclusion Team.

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	[please select]
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Step 2: What information do we have?

2.1 What data or evidence is there which tells us who is, or could be affected?

Please use this section to demonstrate an understanding of who could be affected by the proposal. Include general population data where appropriate, and information about people who will be affected with particular reference to protected and other relevant characteristics: [How we measure equality and diversity \(bristol.gov.uk\)](https://www.bristol.gov.uk/equality-and-diversity)

Use one row for each evidence source and say which characteristic(s) it relates to. You can include a mix of qualitative and quantitative data e.g. from national or local research, available data or previous consultations and engagement activities.

Outline whether there is any over or under representation of equality groups within relevant services - don't forget to benchmark to the local population where appropriate. Links to available data and reports are here [Data, statistics and intelligence \(sharepoint.com\)](https://www.bristol.gov.uk/data-statistics). See also: [Bristol Open Data \(Quality of Life, Census etc.\)](#); [Joint Strategic Needs Assessment \(JSNA\)](#); [Ward Statistical Profiles](#).

For workforce / management of change proposals you will need to look at the diversity of the affected teams using available evidence such as [HR Analytics: Power BI Reports \(sharepoint.com\)](#) which shows the diversity profile of council teams and service areas. Identify any over or under-representation compared with Bristol economically active citizens for different characteristics. Additional sources of useful workforce evidence include the [Employee Staff Survey Report](#) and [Stress Risk Assessment](#)

Data / Evidence Source [Include a reference where known]	Summary of what this tells us
<p>Internal data on Harbour / Docks</p> <p>Bristol City Council – City Docks 2021/2022 Fees for navigation and berthing of 'craft' as defined in the Corporation Act 1961 https://www.bristol.gov.uk/documents/20182/34144/Navigation+and+berthing+charges</p>	<ul style="list-style-type: none"> • There are approximately 300 leisure boats in the Harbour with annual licences - These boats should only be used for "leisure" purposes and under the 1998 byelaws they are not permitted to be stayed upon for more than a 15 day period. There is no right of tenure, and they are not residential. • Approx. 8 residential boats situated within the docks either at Welsh Backs or Wapping Wharf, these have a rolling 25-year lease for the quayside and have permission to be used as a residence. • Approx. 8 Commercial Vessels (Thekla, Grain Barge, Glassboat, Spyglass, Masons Barges, Under the Stars, Tempora, Kyle Blue) that are licenced for commercial activity within the docks. • Approx. 500 visiting vessels that come to Bristol annually (depending upon weather) to staff on the visitor pontoons, the stays vary from 24 hours to 30 days maximum. These are the tourists. • Charity/organisation vessels (Pride of Bristol, Mayflower, John King, Pyronaught, Balmoral, Lord Nelson) that currently do not pay for mooring in the Harbour. <p>Approx. 70 boats (small dinghy's and canoes) that are stored within the Dinghy Park and Dutch Barn at Underfall Yard.</p> <p>Over 300 Paddleboards that are licenced annually to use the Floating Harbour</p> <p>Over 100 power craft that are licenced to use the Harbour but are stored out of the Harbour Limits</p> <p>Canoe Club</p> <p>Bristol Canoe Polo Club</p>

Gig Clubs (Clevedon, Bristol, Clifton, Bristol Social Rowers)
 Charity Organisations- Tri Services, Sea Cadets, Sea Scouts, All Aboard, Young Bristol, Urban Pursuits, Adventurous Activities.
 Commercial businesses using the Docks- Channel Yacht Sales, Blueprint Marine, Bristol Stand Up Paddle Board.
 Ferries- Bristol Community Ferryboat Company and Number 7
 Trip Boats- Bristol Packet
 Boats moored in private Marinas (Bristol Marina and Pooles Wharf) approx. 50 who use the water and pay for a Navigation (only) fee
 Vessels using the Underfall Yard
 Vessels using the Drydock (Albion Shipyard)
 Commercial Barges and pontoons used by developers to carry out works/construction either in or around the Harbour. This is paid for on a time and per square meter basis

[Quality of Life 2020-21 — Open Data Bristol](#)

The Quality of Life in Bristol Survey shows there are disparities for some citizens in their satisfaction with leisure services/facilities based on their characteristics and circumstances:

Quality of Life Indicator	% satisfied with leisure facilities/services
Characteristic	% Percentage
16 to 24 years	32.8
50 years and older	36.3
65 years and older	34.7
Female	40.6
Male	40.7
Disabled	25.1
Black Asian & Minority Ethnic	39.4
White Minority Ethnic	42.7
White British	40.9
Asian/Asian British	43.4
Black/Black British	39.0
Mixed Ethnicity	35.3
White	41.1
Lesbian Gay or Bisexual	39.4
No Religion or Faith	40.4
Christian Religion	41.6
Other Religions	41.2
Average	39.3

	Full Time Carer	26.6
	Part Time Carer	43.1
	Single Parent	31.3
	Two Parent	49.4
	Parent (all)	47.2
	No Qualifications	30.0
	Non-Degree Qualified	34.8
	Degree Qualified	43.9
	Rented (Council)	25.0
	Rented (HA)	31.6
	Rented (Private)	40.8
	Owner Occupier	42.3
	Most Deprived 10%	29.8
	Bristol Average	40.5
		<i>Source: Quality of Life in Bristol 2020-21</i>
Additional comments:		

2.2 Do you currently monitor relevant activity by the following protected characteristics?

<input checked="" type="checkbox"/> Age	<input checked="" type="checkbox"/> Disability	<input checked="" type="checkbox"/> Gender Reassignment
<input checked="" type="checkbox"/> Marriage and Civil Partnership	<input checked="" type="checkbox"/> Pregnancy/Maternity	<input checked="" type="checkbox"/> Race
<input checked="" type="checkbox"/> Religion or Belief	<input checked="" type="checkbox"/> Sex	<input checked="" type="checkbox"/> Sexual Orientation

2.3 Are there any gaps in the evidence base?

Where there are gaps in the evidence, or you don't have enough information about some equality groups, include an equality action to find out in section 4.2 below. This doesn't mean that you can't complete the assessment without the information, but you need to follow up the action and if necessary, review the assessment later. If you are unable to fill in the gaps, then state this clearly with a justification.

For workforce related proposals all relevant characteristics may not be included in HR diversity reporting (e.g. pregnancy/maternity). For smaller teams diversity data may be redacted. A high proportion of not known/not disclosed may require an action to address under-reporting.

Although our corporate approach is to collect diversity monitoring for all relevant characteristics, there are gaps in the available local diversity data for some characteristics, especially where this has not always historically been included in census and statutory reporting e.g., for sexual orientation.

We also know there are some under-reporting gaps in our workforce diversity information – where personal and confidential information is voluntarily requested from staff.

Although the service requests confidential diversity monitoring feedback from applicants, we have little reliable information about the characteristics of commercial users of the harbour, including residential users and tourists.

"There are approximately 300 leisure boats in the Harbour with annual licences - These boats should only be used for "leisure" purposes and under the 1998 byelaws they are not permitted to be stayed upon for more than a 15-day period. There is no right of tenure and they are not residential. Within engagement process it is understood

that there are many more residential vessels and therefore there is a gap in how many are used for residential purposes.

2.4 How have you involved communities and groups that could be affected?

You will nearly always need to involve and consult with internal and external stakeholders during your assessment. The extent of the engagement will depend on the nature of the proposal or change. This should usually include individuals and groups representing different relevant protected characteristics. Please include details of any completed engagement and consultation and how representative this had been of Bristol's diverse communities.

Include the main findings of any engagement and consultation in Section 2.1 above.

If you are managing a workforce change process or restructure please refer to [Managing a change process or restructure \(sharepoint.com\)](#) for advice on consulting with employees etc. Relevant stakeholders for engagement about workforce changes may include e.g. staff-led groups and trades unions as well as affected staff.

At this stage engagement has been internal only, but the Harbour Service has started engagement sessions and once submitted the Harbour Revision Order will have a 42 day statutory consultation period.

2.5 How will engagement with stakeholders continue?

Explain how you will continue to engage with stakeholders throughout the course of planning and delivery. Please describe where more engagement and consultation is required and set out how you intend to undertake it. Include any targeted work to seek the views of under-represented groups. If you do not intend to undertake it, please set out your justification. You can ask the Equality and Inclusion Team for help in targeting particular groups.

When we have established which recommendations are accepted and are to be implemented, we will carry out further public engagement and consultation as appropriate which may be required to inform this process prior to implementation. We will ensure that this includes local organisations to provide expertise on the specific needs of equalities communities such as older people, disabled people, carers, Black and minoritised communities and faith communities etc.

Step 3: Who might the proposal impact?

Analysis of impacts must be rigorous. Please demonstrate your analysis of any impacts of the proposal in this section, referring to evidence you have gathered above and the characteristics protected by the Equality Act 2010. Also include details of existing issues for particular groups that you are aware of and are seeking to address or mitigate through this proposal. See detailed guidance documents for advice on identifying potential impacts etc. [Equality Impact Assessments \(EqIA\) \(sharepoint.com\)](#)

3.1 Does the proposal have any potentially adverse impacts on people based on their protected or other relevant characteristics?

Consider sub-categories and how people with combined characteristics (e.g. young women) might have particular needs or experience particular kinds of disadvantage.

Where mitigations indicate a follow-on action, include this in the 'Action Plan' Section 4.2 below.

GENERAL COMMENTS (highlight any potential issues that might impact all or many groups)

PROTECTED CHARACTERISTICS

Age: Young People	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	<ul style="list-style-type: none"> • Young people are often under-represented in engagement and consultation and in Bristol are less satisfied than average with the way the council runs things. • Children and young people in Bristol are considerably more ethnically diverse than the overall population of Bristol. • Young people in Bristol are more likely to: <ul style="list-style-type: none"> ○ have poor emotional health and wellbeing ○ find inaccessible public transport prevents them from leaving their home when they want to ○ 6.% of 16-17 year olds (2021/2022) were “not in education, employment or training” (NEET)
Mitigations:	See general comments above
Age: Older People	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	<ul style="list-style-type: none"> • Older people in Bristol are: <ul style="list-style-type: none"> ○ Less likely to be comfortable using digital services ○ more reliant on public and community transport ○ more likely to be an unpaid carer ○ more likely to help out or volunteer in their community ○ less likely to have formal qualifications • Bristol Ageing Better says at least 11,000 older people are experiencing isolation in the city. • We must factor aging and the needs of older people into long term service design
Mitigations:	See general comments above
Disability	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	<ul style="list-style-type: none"> • 17% of Bristol’s population are disabled. There are more disabled women than men living in Bristol.
Mitigations:	See general comments above
Sex	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
Sexual orientation	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
Pregnancy / Maternity	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
Gender reassignment	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
Race	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
Religion or Belief	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
Marriage & civil partnership	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
OTHER RELEVANT CHARACTERISTICS	

Socio-Economic (deprivation)	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	<p>The Quality-of-Life survey indicates that people living in the most deprived areas of Bristol are less satisfied than average with leisure services/facilities.</p> <ul style="list-style-type: none"> • Bristol has 41 areas in the most deprived 10% in England, including 3 in the most deprived 1%. The greatest levels of deprivation are in Hartcliffe & Withywood, Filwood and Lawrence Hill. • In Bristol 15% of residents - 70,800 people - live in the 10% most deprived areas in England, including 19,000 children and 7,800 older people. • 9.8% (approximately 19,572 households) of all households in Bristol are living in fuel poverty (BEIS, 2020) • 34.6% of people in Bristol are dissatisfied with the way the Council runs things, but this is 47.5% for people living in the most deprived areas of the city (QoL 2021).
Mitigations:	See general comments above
Carers	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
Other groups [Please add additional rows below to detail the impact for any other relevant groups as appropriate e.g. asylum seekers and refugees; care experienced; homelessness; armed forces personnel and veterans]	
Potential impacts:	
Mitigations:	

3.2 Does the proposal create any benefits for people based on their protected or other relevant characteristics?

Outline any potential benefits of the proposal and how they can be maximised. Identify how the proposal will support our [Public Sector Equality Duty](#) to:

- ✓ Eliminate unlawful discrimination for a protected group
- ✓ Advance equality of opportunity between people who share a protected characteristic and those who don't
- ✓ Foster good relations between people who share a protected characteristic and those who don't

The proposal will advance equality of opportunity for groups in Bristol who are less likely to be satisfied less satisfied than average with leisure services/facilities by providing improved and increased facilities, including an accessible facility where previously not present.

Step 4: Impact

4.1 How has the equality impact assessment informed or changed the proposal?

What are the main conclusions of this assessment? Use this section to provide an overview of your findings. This summary can be included in decision pathway reports etc.

If you have identified any significant negative impacts which cannot be mitigated, provide a justification showing how the proposal is proportionate, necessary, and appropriate despite this.

Summary of significant negative impacts and how they can be mitigated or justified:
No significant negative impact identified at this stage however we are aware of existing issues for citizens which we will consider as part of the review and recommendations. Such as families and individuals who are residing on vessels against the terms of the licence.
Summary of positive impacts / opportunities to promote the Public Sector Equality Duty:

Harbour is governed and managed to national best practice and ringfenced accounts allow funds that are spent within the Harbour estate to be spent within the harbour service. With up-to-date legislation the Harbour Authority is able to direct service users using modern powers.

4.2 Action Plan

Use this section to set out any actions you have identified to improve data, mitigate issues, or maximise opportunities etc. If an action is to meet the needs of a particular protected group please specify this.

Improvement / action required	Responsible Officer	Timescale
Application for the Harbour Revision Order to Marine Management organisation	Tony Nichols	September 2023


4.3 How will the impact of your proposal and actions be measured?

How will you know if you have been successful? Once the activity has been implemented this equality impact assessment should be periodically reviewed to make sure your changes have been effective your approach is still appropriate.

Harbour Revision Order will be submitted and approved and Assured Accounts will be evident for the service

Step 5: Review

The Equality and Inclusion Team need at least five working days to comment and feedback on your EqIA. EqIAs should only be marked as reviewed when they provide sufficient information for decision-makers on the equalities impact of the proposal. Please seek feedback and review from the [Equality and Inclusion Team](#) before requesting sign off from your Director¹.

Equality and Inclusion Team Review: <i>Reviewed by Equality and Inclusion Team</i>	Director Sign-Off:  Patsy Mellor, Director Management of Place
Date: 27/02/2023	Date: 20/06/2023

¹ Review by the Equality and Inclusion Team confirms there is sufficient analysis for decision makers to consider the likely equality impacts at this stage. This is not an endorsement or approval of the proposal.

Decision Pathway – Report

PURPOSE: Key decision

MEETING: Cabinet

MEETING DATE: 4 July 2023

TITLE	2023/24 Quarter 1 and Financial Outlook Report		
Ward(s)	N/a		
Author: Jemma Prince		Job title: Finance Business Partner – Planning and Reporting	
Cabinet Lead: Cllr Craig Cheney – Deputy Mayor and Cabinet Member for Finance, Governance and Performance		Director Lead: Denise Murray – Director of Finance	
Proposal origin: Other			
Decision maker: Cabinet Member			
Decision forum: Cabinet			
Purpose of Report: The Council budget for 2023/24 was agreed by Full Council 21 February 2023. This report provides information and analysis at Quarter 1 (May 2023 extrapolated) on the Council’s financial performance against the approved budget and forecast use of resources for the financial year. This report also includes a medium term financial outlook for the Council and highlights the significant risks, issues and uncertainties with regards to the current budget assumptions contained within the Medium Term Financial Plan (MTFP) and Capital Strategy and while not being exhaustive sets out a direction of travel for the budget strategy for the coming year. Finally, this report also serves as a mechanism for any finance approvals or adjustments that are required on the Council’s approved budget.			
Evidence Base: The 5 year budget was approved by Council in February 2023. The Council operates Directorate cash limited budgets and Executive Directors are responsible for ensuring that appropriate action is taken to contain both revenue and capital spending in line with the directorate’s overall budget limit. Budget holders forecasting a risk of overspend which can potentially be brought back in line with their budget should, in the first instance, set out in-service options for mitigation. Where these options are considered undeliverable or pressures cannot be contained across the directorate the budget scrutiny process will be triggered and a request may be made for the Executive to consider granting a supplementary estimate redirecting funds from an alternative source. As at Quarter 1 no supplementary estimates have been requested for 2023/24. The Council’s overall annual revenue spend is managed and monitored across a number of areas and at Quarter 1, the forecast financial outturn for 2023/24 is as follows: The General Fund <ul style="list-style-type: none">◦ The General Fund is currently forecasting to deliver an outturn in line with its approved budget of £483.5m.◦ The General Fund savings programme for 2023/24 agreed by Council and included in the General fund budget above is £26.2m (23/24 savings £16.2m and £10.0m carried forward from prior years still requiring delivery). In addition to this £26.2m, there was an additional net £9.3m of savings undelivered at 2022/23’s full year outturn which also carry forward in to 2023/24 for delivery so that a total £35.5m savings are being tracked in the current financial year. Currently £9.0m of these £35.5m savings are reported as being at risk. A number of these savings' delivery risks are captured in the forecast outturn above or in the directorate risk and opportunities logs; however, it should be noted that not all risks are formally acknowledged in the outturn and as such this represents an underlining additional risk.			

The Ring-fenced Accounts

- Housing Revenue Account (HRA) is forecasting an underspend of £1.7m (1.2%) on the £137.4m approved gross expenditure budget. This net underspend is due to energy underspends within the Supervision and Management service and further underspends in both this service and Special services due to delays in recruitment to new staff posts.
- The Dedicated Schools Grant (DSG) approved budget, including amounts recouped by the Education and Skills Funding Agency for Academies, is £453.2m against which it is forecasting an £18.7m (4.1%) in-year deficit. This is primarily driven by High Needs spend increases in EHCP assessments and need. This in-year forecast overspend, when combined with the prior year's carried forward deficit of £39.7m, brings the forecast total accumulated carried forward in to 2024/25 deficit £58.3m.
- The Public Health Grant allocation for 2023/24 is £35.7m and no variation is forecast.

Capital Programme

- The Cabinet recommended Capital programme budget was £298.1m comprising £149.5m for General Fund, £15.3m for projects pending and £133.3m for the HRA. In addition to this is slippage (carry forward) from 2022/23 of £56.3m so that the scheduled revised total budget for 2023/24 is £354.4m. Against this budget, the forecast variation at Quarter 1 is a net £43.3m (12.2%) underspend comprising £24.5 (6.9%) underspend for the General fund and a £13.8m (3.9%) underspend for the HRA, predominantly attributed to delays in major projects and new build and land enabling works. The £5.0m (1.4%) balance of underspend is against pending/contingency budget. The budget is to be revised further to incorporate the 3 amendments as applicable and as approved at Full Council (February 2023).
- The adjustment of the Capital Budget for 2023/24 to reflect the treatment of the recently awarded Clean Air Zone £11m Stretch DfT Grant as capital rather than revenue expenditure.

Further Risks & Opportunities

- Further risks and opportunities to the Council have been identified which could materialise during the financial year. These are a combination of costs, savings delivery, income generation and funding opportunities. Details are outlined within the directorate appendices. The total additional potential weighted net risk, predominantly arising with Adult Social Care, Children and Education directorates, which these present to the Council is currently assessed as £15.2m.

MTFP July Outlook Update

- In addition to the above reported service risks there are also significant additional risks relating to Cost of Living (inflationary) pressures, funding changes and other emerging risks. The Council continues to monitor these emerging risks which are currently projected to amount to £9.9m for 2024/25. The scale of the funding gap is predicted to grow. With a base case assumption of a £24.7m gap by 2028/29 being assessed. The report provides a forecast outlook to aid timely robust and methodical planning and allows the Council to identify and respond to issues early. Details are set out in section 9 of Appendix A1 and in Appendix A10.

External Funding Decision

- N/A

Full detail of Quarter 1 revenue and capital spending and forecast is provided in Appendices A1 to A9.

Cabinet Member / Officer Recommendations:

That Cabinet notes:

- The General Fund forecast outturn in line with the approved budget at Q1 2023/24/
- The General Fund emerging net risk of £15.2m, noting that if overspends against the agreed budgets do emerge, Executive Directors will be required to develop and implement plans to mitigate overspends within 2023/24, in consultation (where required) with elected Members.
- A forecast underspend of £1.7m within the HRA and that over or under spends that materialise on the HRA will be funded by a transfer to or from the HRA general reserve at the end of the financial year.

- A forecast in-year deficit of £18.7m accumulating to a total £58.3m carried forward deficit in the DSG for 2023/24, and the requirement for the Council and the Schools Forum to work together to develop a clear mitigation plan which addresses the High Needs overspend.
- A breakeven position on Public Health services.
- The technical virements since original budget approval (see Tables 3a and 3b of Appendix A1)
- A forecast £43.3m underspend (including £24.5m underspend for the allocated General fund and a £13.8m underspend on HRA) against the revised Capital Programme's Budget
- The treatment of the recently awarded Clean Air Zone £11m Stretch DfT Grant as capital rather than revenue funding.
- The level of outstanding debt as at 31 May 2023 (see section 10 Table 9 in Appendix A1)
- The opening balances on the General Fund and Earmarked Reserves (see section 2.6 in Appendix A1)
- The redirection of reserves totalling £2.2m between Business Transformation, Key Line Of Business and Digital Transformation Reserves as part of and following approval at Extraordinary Cabinet 15 May 2023. (see section 2.66 in Appendix A1)
- The performance on delivery of savings (as summarised in section 4 in Appendix A1)
- The MTFP July Outlook Update which reports significant additional emerging risks currently projected to grow from £9.9m to £24.7m over the MTFP timeframe 2024/25-2028/29 (Appendix A10).

That Cabinet approves:

- Revisions to the approved Capital Budget to incorporate the reprofiling of prior year unspent budget carry forward (see Appendix A9)

Corporate Strategy alignment:

This report sets out progress against our budget, part acting in line with our organisational Theme of Effective Development Organisation, making sure that we are financially competent and resilient, offering good value for money (page 58).

City Benefits:

Cross priority report that covers whole of Council's business

Consultation Details: N/a

Background Documents: N/a

Revenue Cost	See above	Source of Revenue Funding	N/A
Capital Cost	See above	Source of Capital Funding	N/A
One off cost <input type="checkbox"/> Ongoing cost <input type="checkbox"/>		Saving Proposal <input type="checkbox"/> Income generation proposal <input type="checkbox"/>	

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice: The resource and financial implications are set out in the report.

Finance Business Partner: Jemma Prince, Finance Business Partner - Planning and Reporting, 28 June 2023

2. Legal Advice: The report, including the detail set out in the Appendices, will assist Cabinet to monitor the budget position with a view to meeting the Council's legal obligation to deliver a balanced budget. There are no specific legal issues arising from the decisions recommended in the report.

Legal Team Leader: Nancy Rollason, Head of Legal Service, 22 June 2023

3. Implications on IT: Whilst the process of financial monitoring has no IT implications itself, the council continues to carry business continuity and cyber-security risks and the overall financial position (and its capacity for change management) makes it likely that this will continue. The redirection of Key Line Of Business Reserves to the Digital Transformation Reserve is supported because the KLOB reserve was not being utilised; however this is indicative of the organisation's lack of capacity to address its digital deficits and does not indicate that the significant risks related to Line of Business Systems have been addressed

IT Team Leader: Tim Borrett, Director: Policy, Strategy and Digital, 22 June 2023

4. HR Advice: Recruitment controls remain in place, and within the gift of Directors/Executive Directors. There are no plans to further tighten these at this stage, but this will be kept under on-going review. The forecast overspend on the General Fund, coupled with the potential under-delivery of General Fund savings, are significant, and it is

difficult to imagine that keeping spending within budget will not have an impact on the employment of BCC staff.

HR Partner: James Brereton, Head of Human Resources, 22 June 2023

EDM Sign-off	Sarah Chodkiewicz	
Cabinet Member sign-off	CLlr Craig Cheney	
For Key Decisions - Mayor's Office sign-off	Mayor's Office	

Appendix A – Further essential background (A1-A10)	YES
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	NO
Appendix F – Eco-impact screening/ impact assessment of proposal	NO
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO

Bristol City Council

Quarter 1 (Period 2) 2023/24 - Finance Monitoring Report

1. REVENUE SUMMARY POSITION

- 1.1. The Council budget for 2023/24 was agreed by Full Council 21 February 2023. This report provides information and analysis at Quarter 1 (May/Period 2 extrapolated) on the Council's financial performance against the approved budget and forecast use of resources for the financial year.
- 1.2. The Council operates Directorate cash limited budgets and Executive Directors are responsible for ensuring that savings are delivered on a recurrent basis and appropriate action is taken across the directorate to contain revenue and capital spending in line with the directorate's overall budget limit approved by Council. If mitigating proposals cannot be identified in the Directorate, alternative mitigations will need to be identified across the Council to facilitate a Supplementary Estimate whilst ensuring a balance position is achieved for 2023/24.
- 1.3. At Quarter 1 (Q1) (Period 2 (P2)), the Council is forecasting an end of year result in line with the current approved General Fund budget of £483.5m.
- 1.4. There are, however, emerging risks and opportunities within each directorate area that are developing and require further verification. These are excluded from the forecast above but are captured in the report below and in each of the separate appendices. These risks and opportunities present a total weighted additional net risk of £15.2m.
- 1.5. This £15.2m net risk is for the main part driven by emerging risks within the Adult Social Care directorate as well as within the Children and Families and Educational Improvement service areas.
- 1.6. The forecast assumes delivery of the embedded savings plans of £35.5m on the basis of the dedicated focus through the top-4 prioritised transformation programmes being expected to deliver against these targets. Slippage of any of these programme areas would also represent a pressure risk to the forecast outturn.
- 1.7. The forecast outturn on the Housing Revenue Account (HRA) is currently favourable at £1.7m (1.2%) of approved gross budget of £137.4m. Further detail can be found in paragraph 6.2 and appendix A6.
- 1.8. Detailed analysis is underway and remains in its infancy to ascertain the revised Dedicated Schools Grant (DSG), forecast position post the 2022/23 outturn, recent panel decisions and deliverability of proposed mitigations for 2023/24. In the interim period, the forecast for the DSG will remain in line with the unmitigated forecast in the DSG deficit management plan at £18.7m adverse (4.1% of gross revised budget of £453.2m), this is mainly driven by the historic trends in the High Needs Block accelerating. As per the unmitigated deficit management plan, a continuation of this trend would result in the cumulative deficit at year end on the DSG to be £58.3m. Further detail can be found in paragraph 6.5 and appendix A7.
- 1.9. The forecast outturn on the Public Health Grant is in line with budget.
- 1.10. Corporate ownership of the adverse emerging risk and opportunities forecast is now required, with clear management action to alleviate the indicated emerging risks. This will include:
- 1.11. Executive Directors' renewed focus on ensuring delivery, on a recurrent basis, of the savings that have been agreed by Council and their setting out, for the next formal reporting period (Quarter 2), the in-service mitigation options being developed or pursued.

- 1.12. The Council continues to progress work on the DFE's Delivering Better Value in SEND Programme and the DSG Deficit Management Plan to address the DSG deficit challenges.
- 1.13. Reflecting the emerging risk identified at Q1 in the risk & opportunities, corporate risk item 15 around 'Possible In-Year Financial Deficit' has been upgraded to a score of 21 (high risk impact).

2. GENERAL FUND REVENUE POSITION

- 2.1 Table 1 below provides an overview of the Council's Q1 forecast position for the 2023/24 financial year. Additional service detail is provided for each Directorate in individual appendices.

Table 1: Q1/P2 2023/24 Summary Full Year General Fund Revenue Forecast

	2023/24 - Full Year				
SERVICE NET EXPENDITURE SUMMARY	Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	% Outturn Variance
	£000s			£000s	
8 - Adult & Communities					
14 - Adult Social Care	166,508	185,937	185,937	0	0.0%
36 - Communities and Public Health - General Fund	5,853	5,853	5,853	0	0.0%
3B - Communities and Public Health - Other Grants	0	0	0	0	0.0%
Total 8 - Adult & Communities	172,362	191,791	191,791	0	0.0%
9 - Children & Education					
15 - Children and Families Services	89,051	88,382	88,382	0	0.0%
16 - Educational Improvement	21,644	21,978	21,978	0	0.0%
1B - Transformation – Our Families Programme	0	0	0	0	0.0%
Total 9 - Children & Education	110,695	110,360	110,360	0	0.0%
2 - Resources					
21 - Digital Transformation	16,116	16,318	16,318	0	0.0%
22 - Legal and Democratic Services	14,575	14,606	14,606	0	0.0%
24 - Finance	6,142	6,558	6,556	(3)	0.0%
25 - HR, Workplace & Organisational Design	3,155	3,174	3,174	(0)	0.0%
26 - Management - Resources	181	184	184	0	0.0%
28 - Policy, Strategy & Partnerships	4,891	4,786	4,788	2	0.0%
Total 2 - Resources	45,061	45,627	45,626	(1)	0.0%
4 - Growth & Regeneration					
37 - Housing & Landlord Services	20,559	20,459	20,459	0	0.0%
46 - Economy of Place	2,885	2,755	2,755	(0)	0.0%
47 - Management of Place	(1,890)	(1,779)	(1,810)	(31)	1.7%
4A - Management - G&R	(170)	(170)	(170)	0	0.0%
4B - Property, Assets and Infrastructure	40,011	40,222	40,221	(0)	0.0%
Total 4 - Growth & Regeneration	61,395	61,487	61,456	(31)	-0.1%
SERVICE NET EXPENDITURE	389,512	409,265	409,233	(32)	0.0%
X2 - Levies	11,071	11,071	11,071	0	0.0%
X3 - Corporate Expenditure	49,634	31,696	31,696	0	0.0%
X4 - Capital Financing	23,866	23,866	23,866	0	0.0%
X9 - Corporate Allowances	9,440	7,635	7,635	0	0.0%
Corporate	94,011	74,268	74,268	0	0.0%
TOTAL REVENUE NET EXPENDITURE	483,523	483,532	483,500	(32)	0.0%

2.2 Adults, Communities and Public Health Directorate

Adult Social Care

- 2.2.1 Adult Social Care (ASC) is forecasting in line with budget (after savings mitigations to be achieved of £10.7m). ASC budgets continue to experience significant pressure in 2023/24 with adult purchasing budgets being the main cost drivers. These are currently forecasting a risk of overspend of £12.2m (7.8%) against a budget of £157.1m in relation to the number of people being supported and cost of packages of care. The main areas of significant variance relate to adults of working age budgets (18 – 64 years old) in all areas of the service provision for this cohort. Residential and nursing budgets for people over 65 years old are also at risk. This risk is offset to some extent by forecast underspends against employee costs and additional income contributions from people who draw on care and support and for the main part by savings mitigations to be achieved of £10.7m. Work on delivery of these savings to achieve a balanced position will continue throughout the financial year. Further details are provided at Appendix A2 of this report.

Communities and Public Health

- 2.2.2 At the end of Period 2 the Communities and Public Health General Fund are forecasting no variance to budget.

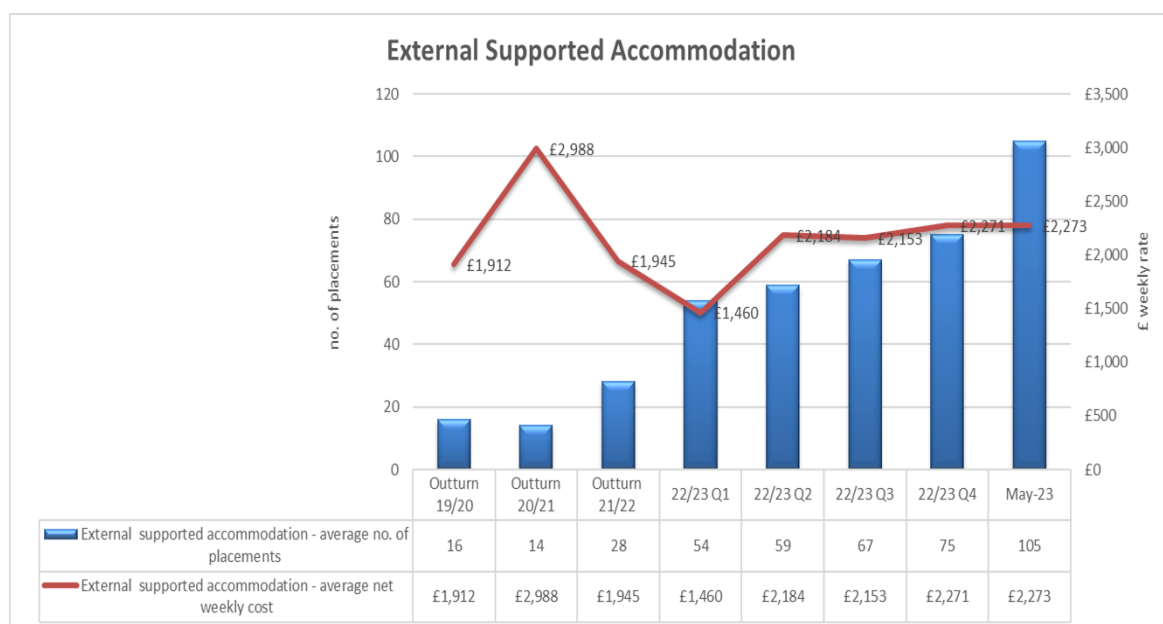
2.3 Children and Education Directorate

- 2.3.1 The Children and Education directorate is forecasting in line with budget at P2.

Children and Families Service

- 2.3.2 The Children and Families service is, however, seeing the emergence of an in-year pressure within the Children's placement budget. Increasing demand, especially in the External Supported Accommodation (ESA), and rising sector unit costs are contributing to a net risk of £5.2m.
- 2.3.3 The chart below shows the growth in ESA placements in recent years.

Table 2: Growth in ESA Placements 19/20 to Present



Education Improvement

- 2.3.4 In addition, the Education service is seeing an emerging in-year pressure of £2.1m due to an increasing demand on the Home to School transport service which has seen significant growth in the first quarter of the current year. The demand is driven by an increasing number of children with Education Health and Care Plans (EHCPs) and the increasing reliance of placement outside the borough.

2.4 Resources Directorate

- 2.4.1 The Resources Directorate is currently reporting no material movement to the revised budget position of £45.6m. Emerging risks to this budget position are captured on the risk and opportunities register which is currently estimated at £0.3m with the main risks being a potential increase in the contract cost for transport of the deceased for the Coroners and Mortuary service within Legal and Democratic Services division and a dependence on agency and interim staff to fill critical vacant positions within the Finance division.

2.5 Growth & Regeneration Directorate

- 2.5.1 The Growth & Regeneration Directorate reports a forecast breakeven position against its revised net expenditure budget of £61.5m (following minor adjustments including the discontinuation of grant funding).
- 2.5.2 The Directorate is also reporting significant emerging risks and opportunities. Within council car parking operations, it is anticipated that recent fees and charges increases may have an adverse effect (of £1.6m) on usage; in addition, while the energy prices are on the decline, there is an anticipated increase in costs (of £2.5m, though still being reviewed) that is being flagged by the service; there is also an anticipated increase in the demand (of £0.4m) for temporary accommodation which is expected over and above the growth provision made as part of budget setting. Following the introduction of Bristol's Clean Air Zone in 2022/23, unbudgeted income of £4.6m is estimated to offset these pressures. These risks are all being monitored over the next quarter alongside opportunities to mitigate any potential shortfalls.

2.6 Corporate Items

- 2.6.1 Corporate budgets are held for capital financing, corporate expenditure such as pensions, levies and contingencies for pay awards, inflation and non-delivery of savings. No variance to budget is forecast at Q1.
- 2.6.2 Pay Awards
Pay awards and NIC cap (£9,100) for local government workers are agreed in negotiations between employers and trade unions through the National Joint Council for Local Government Services. The budget as approved by Full Council in February 2023 included for 2023/24 a pay award/NIC cap (£9,100) of 4% plus small contingency both of which are included in the budget centrally and have only notionally been allocated across directorates at this stage. This budget's eventual distribution will follow once negotiations with Trade Unions have been concluded. Neither the current forecast emerging pressure of £13.7m nor the additional net risk assessed at Q1 of £5.6m include any risk in the case that the eventual pay award is incremental to that budgeted.
- 2.6.3 Non-Pay/Contract Inflation
The budget as approved by Full Council in February 2023 does not include any general inflation uplift to be applied to service expenditure. This approach is thereby assumed to drive in the region of 5% budget efficiency through contract management.
- 2.6.4 Where there are specific services for which inflation is for example index-linked and therefore expected to exceed this general level, an additional corporate provision has been made. Such areas include for example adult and children social care, PFI contracts, energy pricing and other essential services.

- 2.6.5 The approved budget incorporated a contingency of £29.9m for contract inflation. Since the general planning principle is for inflation to be contained and agreed savings to be delivered, these funds are held centrally for specific and significant quantifiable pressures which cannot be mitigated elsewhere within service budgets. Base budgets of £17.1m (per Table 3b) have been released to date (to Adult Social Care for placements).

3. TECHNICAL VIREMENTS

- 3.1. Tables 3a below summarises the inter-directorate technical virements from the budget as approved by Full Council 21 February 2023 to the revised budget standard at Q1 2023/24 with Table 3b detailing the reasons for budget movements.

Tables 3a and 3b: Technical Virements to Q1 2023/24 by directorate and key driver

Directorate	Approved Budget £000's		Revised Budget £000's		Budget Movement
Adults & Communities	172,362		191,791		19,429
Children & Education	110,695		110,360		-335
Resources	45,061		45,627		566
Growth & Regeneration	61,395		61,487		92
Corporate Funding & Expenditure	-389,512		-409,265		-19,752
Total	0		0		0

Reason	Adult & communities £000's	Children & Education £000's	Resources £000's	Growth & Regeneration £000's	Corporate funding & Expenditure £000's
Addition Income/Grant	- 827	-	-	-	-
Other cost centre realignments	333	- 335	566	- 608	- 2,632
Inflation Adjustment	19,923		-	700	- 17,120
Grand Total	19,429	- 335	566	92	- 19,752

- 3.2. Cabinet is asked to note the above technical virements.

4. SAVINGS PROGRAMME – SUMMARY

- 4.1. The General Fund savings programme for 2023/24 agreed by Council and included in the General fund budget is £26.2m (comprising 23/24 savings £16.2m and £10.0m carried forward from prior years still requiring delivery). In addition to this £26.2m, there was an additional net £9.3m of savings undelivered at 2022/23's full year outturn which also carry forward in to 2023/24 for delivery so that a total £35.5m savings will be tracked in the current financial year.

Table 4: Summary of Savings Delivery

Directorate	Total Savings due in 23/24	Savings with net cost in 23/24	Account for savings that were one-off only in 22/23	Rollover of undelivered savings from previous year	Net - savings as per Budget 23/24	2023/24 Savings reported as safe	203/24 Savings reported as at risk	
						£m	£m	%
Children & Education	2.5	-0.4	0.0	-0.1	1.9	1.5	1.0	40%
Adults	9.6	-0.6	0.0	-2.4	6.6	8.2	1.4	15%
Resources (incl. Resources led cross-cutting savings)	11.5	0.0	-0.5	-2.8	8.3	11.0	0.6	5%
Growth and Regeneration (incl. G&R led cross cutting savings)	11.9	0.0	-0.2	-2.2	9.5	5.9	6.0	50%
Total	35.5	-1.1	-0.7	-7.5	26.2	26.6	9.0	25%

- 4.2. As at Period 2, Q1, £26.6m (75%) of savings are considered safe and £9.0m (25%) are reported at risk and are being monitored and reviewed for delivery or in-year mitigation where possible. Detailed information by directorate is provided in the appendices to this report. A number of these saving delivery risks are captured in the forecast outturn above and or directorates' risk and opportunities logs. It should, however, be noted that not all risks are formally acknowledged in the outturn and as such this may represent a small underlying additional risk.

5. RISKS AND OPPORTUNITIES

- 5.1. There are other financial risks and opportunities to the Council which have been identified and could materialise during the financial year. These are not reflected in the forecast. They are a combination of costs, savings delivery, income generation and funding opportunities. Details are outlined within the directorate summaries above (paragraphs 2.1-2.6) and appendices (A2-A8) which follow this report.
- 5.2. The table below summarises the risk and opportunities shown in the directorate appendices. These represent a weighted additional net risk of £15.2m.

Table 5: Summary Risks and Opportunities by Directorate

Directorate	Net Risk/(Opportunity) £'000
Adult	7,569
Children	7,337
Resources	305
G&R	(7)
Corporate	0
Total	15,204

6. RING-FENCED BUDGETS

- 6.1. There are a number of funds held by the Council where the Council must ensure that the income or grant is ringfenced and only spent in specific service areas. The three main activities that are ringfenced through legislation and/or government funding rules and covered in this Q1 report are the HRA, DSG and Public Health.
- 6.2. Table 6 below provides an overview of the Council's Q1 forecast position for the 2023/24 financial year.

Table 6: Q1/P2 2023/24 Summary Full Year Ring-Fenced Fund Forecast

	2023/24 - Full Year			
	Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance
	£000s			£000s
Total Housing Revenue Account	137,365	137,365	135,684	(1,681)
Dedicated Schools Grant	453,226	453,226	471,881	18,655
Public Health Grant	(0)	(0)	0	0
Total Ring fenced budgets	590,591	590,591	607,565	16,974

6.3. Further detail of the financial pressures and variances are summarised at a high level only below, with full details contained in the following appendices:

- HRA – Appendix A6
- DSG – Appendix A7
- Public Health – Appendix A8

6.4. HRA

6.4.1. The Housing Revenue Account (HRA) is a self-financing account and will need to ensure it remains within the resources available, including levels of HRA reserves. The HRA does not directly impact on the council's wider general fund budget and income to the HRA is primarily received through the rents and other charges paid by tenants and leaseholders.

6.4.2. The forecast outturn on the Housing Revenue Account (HRA) is currently favourable at £1.7m (1.2%) when compared to budget. Any overspend reported will be contained within the HRA general reserves at the end of March 2024. The main reasons for the variance against budget are set out in Appendix A6.

6.5. DSG

6.5.1. 2023-24 gross allocation for DSG is £453.2m (net amount £197.6m after deduction for academies recoupment, NNDR and direct funding of high needs places by ESFA) per ESFA announcement on 30th March 2023.

6.5.2. The Dedicated Schools Grant is forecasting to overspend by £18.7m (4.1%) in 2023/24, which is broadly in line with the prior year's in-year overspend position (£15.0m). This is mainly driven by increase in EHCP and the complexity of children with SEN. Overspends are forecast in top-up funding of £5m, special placement (pre- and post-16) of £7.4m, ISP £2m and Teachers pay & pension £1.2m.

6.5.3. Early Years is forecasting an in-year overspend of £1.0m, of which £0.2m is planned overspend on EY improvement programme and £0.8m is due to increase demand in EY top-up funding on SEN.

6.5.4. High Needs Transformation programme is forecasting an in-year overspend of £1.0m which will be covered by carry-forward funding from previous years.

- 6.5.5. Two workstreams funded through a Department for Education Delivering Better Value (DBV) Grant are starting to move from the development to the delivery phase. A tender process for workstream 2 will be completed by the 30 June to identify a delivery partner to review High Needs Block funding which is subject to public consultation. In workstream 1 a steering group has been established to develop the scope of the project and identify schools to take part in a test and learn pilot for the new academic year.

Table 7: Period 2 - DSG Summary Full Year Forecast

Bristol Dedicated Schools Grant 2023/24	b/f balance	Gross DSG funding / Budget 2023/24*	P2 Gross DSG forecast outturn	In-year variance at P2	Cummulative c/f
	£'000				
Schools Block	(787)	323,851	323,851	(0)	(787)
De-delegation	(527)	0	0	1	(526)
Central School services Block	8	2,717	2,717	(0)	7
Early Years	(605)	38,526	39,583	1,057	451
High Needs Block	42,520	86,504	103,123	16,616	59,136
High Needs Transformation	(928)	1,627	2,607	980	52
Funding	0	(453,226)	(453,226)	0	0
Total	39,680	0	18,655	18,655	58,335
* Bristol gross DSG Allocations, <u>before</u> recoupment and deductions for NNDR, and for direct funding of high needs places by ESFA totalling £255.607m as at 30th March 2023.					

6.6. The Public Health Grant

- 6.6.1. Public Health (PH) Grant of £35.7m was awarded for 2023/24 by Public Health England (PHE). At the end of Period 2 Public Health is reporting no variance to budget.

Cabinet is asked to note a forecast underspend of £1.7m within the HRA and the DSG's forecast in-year deficit of £18.7m accumulating to a total £58.3m deficit to be carried forward from 2023/24 in to 2024/25.

7. CAPITAL

- 7.1. The Capital programme budget has been revised and reprofiled since Full Council approval in February 2023 so that at Q1 2023/24 it totals £354.4m. Details of the current revised budget are set out in Table 8 below and in Appendix A9.
- 7.2. The Quarter 1 forecast variance is a net £43.3m (12.2%) underspend comprising £24.5 (6.9%) underspend for the General fund and a £13.8m (3.9%) underspend for the HRA, predominantly attributed to delays in major projects and new build and land enabling works. The £5.0m (1.4%) balance of underspend is against pending/contingency budget. The total budget is still to be revised further to incorporate as applicable the 3 capital amendments as approved at Full Council.
- 7.3. The G&R directorate's capital budget for 2023/24 has been revised since approval to reflect the treatment of the recently awarded Clean Air Zone £11m Stretch DfT Grant as capital rather than revenue expenditure.

Table 8: Capital Programme 23/24 By Directorate

Approved Budget (Feb 23) *	Budget Changes upto P2	Directorate	Revised Budget	Actual Spend to date	Budget Spend to date	Qtr1/P2 Forecast Outturn	Variance
£m	£m		£m	£m	%	£m	£m
2.6	(0.5)	Adults & Communities	2.1	0.0	0%	2.1	0.0
24.7	6.7	Childrens & Education	31.4	1.3	4%	28.4	(3.0)
7.7	0.7	Resources	8.4	0.2	2%	7.2	(1.2)
114.5	52.2	Growth and Regeneration	166.7	12.6	8%	146.4	(20.3)
149.5	59.1	GF service Total	208.6	14.1	7%	184.1	(24.5)
133.3	8.3	Housing Revenue Account	141.6	2.6	2%	127.8	(13.8)
133.3	8.3	HRA service Total	141.6	2.6	2%	127.8	(13.8)
282.8	67.4	HRA & GF Service Total	350.2	16.7	5%	311.9	(38.3)
15.3	(11.1)	Corporate Contingencies & Funds	4.2	0.0	0%	(0.8)	(5.0)
298.1	56.3	Capital Programme Grand Total	354.4	16.7	5%	311.1	(43.3)

* Note, 2023/24 approved budget figures do not yet include the 3 additional Budget Amendments agreed at Full Council Feb 23

- G&R directorate is reporting the majority (82%) of the forecast General Fund underspend, £20.2m against its revised budget of £166.7m. The actual spend to date of £12.6m (8%) represents an average of £6.3m per month. To achieve the forecast target for 2023/24, the directorate will need to increase the average spend per month by almost £7m to an average of £13.3m each month for the rest of the year.
- The directorate is working on an improvement plan that is expected to accelerate the delivery of the Capital programme over the year 23/24 and into the future.
- The G&R directorate's capital budget for 2023/24 has been revised since approval to reflect the treatment of the recently awarded Clean Air Zone £11m Stretch DfT Grant as capital rather than revenue funding.

Cabinet is recommended to approve the reprofiled and revised Budget and asked to note the treatment of the recently awarded Clean Air Zone £11m Stretch DfT Grant as capital rather than revenue funding.

8. FLEXIBLE USE OF CAPITAL RECEIPTS

- 8.1. Update to follow at P4.

9. OUTLOOK UPDATE (EMERGING PRESSURES AND RISKS)

- 9.1. In addition to the above reported service risks there are also significant additional risks relating to cost of living (inflationary) pressures, the interest rate environment, funding changes and other emerging risks.
- 9.2. The Council continues to monitor these emerging risks which are currently projected to amount to £9.9m in 2024/25. The scale of the funding gap is predicted to grow. With a base case assumption of a £24.7m gap by 2028/29 being assessed. The report provides a forecast outlook to aid timely robust and methodical planning and allows the Council to identify and respond to issues early.
- 9.3. In addition, the Council prepares for new legislative and policy changes for example, 'Extended Producer Responsibility' expected to be implemented shortly

10. REGULATORY INCOME

COUNCIL TAX (including preceptor's income)

- 10.1. Bristol City Council set the Council Tax budget for 2023/24 with a 4.99% increase (2.99% for general requirements plus a 2% precept specifically for Adult Social Care). The Council's budgeted income from Council Tax is £258.8m and represents 53.5% of the net budget requirement of £483.5m.
- 10.2. Council tax collection at the end of Quarter 1/Period 2 stands at £48.2m for in-year and arrears, being 18.7% of the budget requirement. This is below the projection of 19.8% after two months.
- 10.3. The service continues to roll out the additional reminder stages of the corporate debt policy and is focusing on supporting citizens in stabilising their existing liability before moving focus to bringing those in arrears up to date.
- 10.4. Recent trends indicate that the council tax reduction/support (CTR) caseload is reducing and is 5% lower than it was 12 months ago (5% reduction in working age households and 3% for pension age households), so that it is now back to pre-pandemic levels

BUSINESS RATES

- 10.5. The council's budgeted business rates income is £153.5m in 2023/24 (net of tariff) and represents 31.7% of the net budget requirement of £483.5m.
- 10.6. In year collection for business rates at the end of Quarter 1/Period 2 stands at £40.8m, 18.4% of collectible debit, just slightly below the planned projection of 19% for this period.
- 10.7. The increasing energy costs, together with the cost of living crisis generally are both adding to the difficulties many businesses are facing, which are expected to impact on collection levels
- 10.8. Although any collection fund shortfalls (should they occur) would impact on the Council's cash position in 2023/24, because of timing differences, the budgetary impact would fall in the following year, 2024/25.

DEBT MANAGEMENT

10.9. During the year the council collects core locally retained funding and income from various areas to fund services provided. A breakdown of the main sources of debt outstanding at the close of Quarter 1/Period 2 is outlined in the table below.

Table 9: Opening and Closing Balances of Outstanding Debt

Type of Debt	Opening Balance (01/04/2023) £m	Movement £m	Closing Balance (31/05/2023) £m
Sundry Debt	76.16	(14.29)	61.87
Council Tax Arrears	50.5	(3.728)	46.772
Business Rates Arrears	21.726	(1.708)	20.018
Overpaid Housing Benefits	19.872	(0.081)	19.791

10.10. HRA housing tenant arrears, housing temporary accommodation and parking penalty charge notices are excluded from the table above. These will be incorporated at Q2.

10.11. Of the £76.2m sundry debt opening balance outstanding, £36.3m (59%) was less than 1 year old and £7.3m (12%) related to invoices less than 30 days old which therefore weren't payable until after 31 March 2023. This is not directly comparable to the billing and collection processes for council tax and business rates.

10.12. Write-offs of aged debt are reported annually to cabinet. During the Quarter 1 period to 31 May 2023 £2.1m was written off in line with the write-off policy and the scheme of delegation. Ethical debt collection and recovery activities are in place and continue.

11. BALANCE SHEET RISKS

- 11.1 Contingent Liabilities. The prospective Bristol Arena operator has challenged the council's termination of their agreement for lease in respect of the Arena on Temple Island and has claimed loss of profits, or costs, over the life of the potential lease. At present, litigation proceedings have not commenced and no claims have been received.

12. RESERVES

- 12.1 The council's General Fund Reserve opening balance as at 1 April 2023 was £35.3m.
- 12.2 Earmarked Reserves totalled £124.8m as at 1 April 2023. These are held for specific purposes.
- 12.3 Following the provisional outturn 2022/23 as reported to Extraordinary Cabinet 15 May 2023, £1.659m from the Business Transformation Reserve and £0.507m from the Key Line Of Business Reserve were redirected as £2.166m to the Digital Transformation Reserve to fund activities in 2023/24 where Flexible Use of Capital Receipts had originally been intended.
- 12.4 Cabinet approval of the Transformation Programme for Temporary Accommodation on 6 June 2023 included approval to forecast the drawdown of £1m from General Fund Reserves.

Cabinet is asked to note the redirection of reserves totalling £2.2m between Business Transformation, Key Line of Business and Digital Transformation Reserves as part of and following approval at Extraordinary Cabinet 15 May 2023.

13. OFFICER EXTERNAL FUNDING

- 13.1. N/A

14. OFFICER EXECUTIVE DECISIONS TAKEN/APPROVED

- 14.1. N/A

Appendix A2 – Adults & Communities

2023/24 – P2 Budget Monitor Report

Section A: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance
P02	£191.8m	£191.8m	£0.0m

May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
0.0									
▲↑									

Position by Division

Quarter 1/Period 2 Budget Monitoring -					
	2023/24 - Full Year				
SERVICE NET EXPENDITURE SUMMARY	Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	% Outturn Variance
	£000s			£000s	
8 - Adult & Communities					
14 - Adult Social Care	166,508	185,937	185,937	0	0.0%
36 - Communities and Public Health - General Fund	5,853	5,853	5,853	0	0.0%
3B - Communities and Public Health - Other Grants	0	0	0	0	0.0%
Total 8 - Adult & Communities	172,362	191,791	191,791	0	0.0%

Key Messages:

Adult Social Care is currently forecasting a nil variance, at Period 2, on a budget of £185.9m. Within this forecast, the main variances are as follow:

Table 1 – Summary of Adult Social Care Revenue Monitor for Period 2, 2023/24

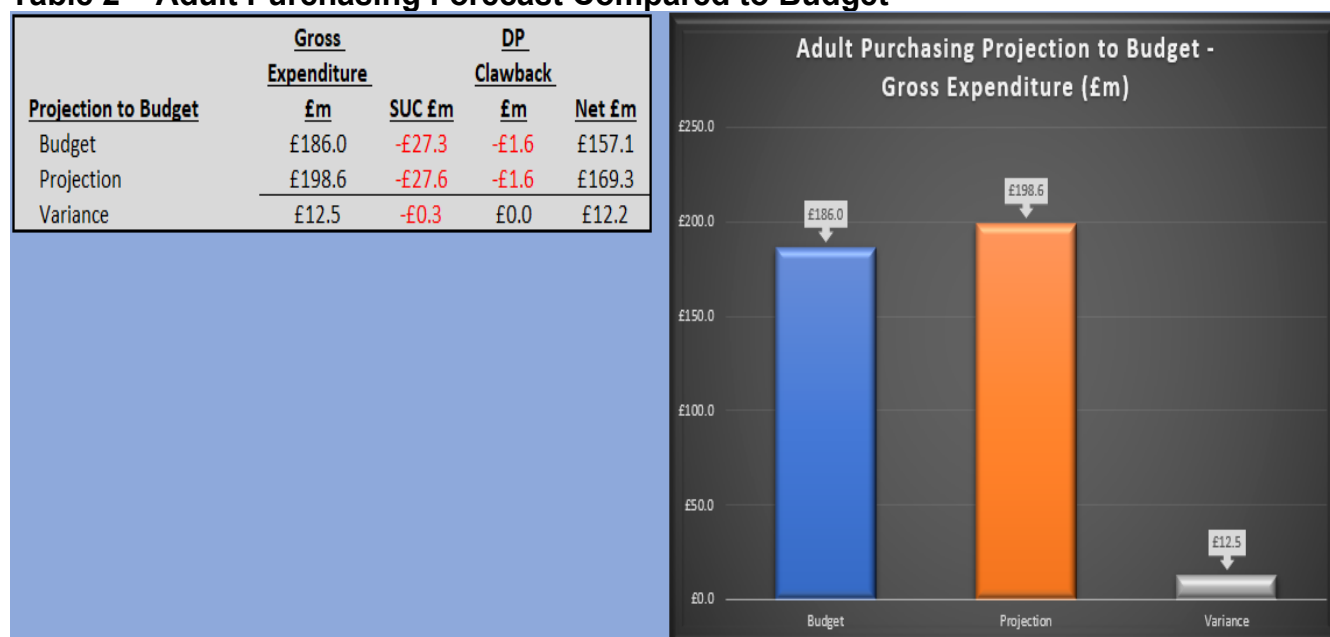
Adult Social Care P2 Forecast			
Financial Year 2022/23	Revised Budget 2023/24 £000s	2023/24 Projection @ P02 £000s	Budget Variance @ P02 £000s
Adult Purchasing			
Older Adults 65+	78,089	82,028	3,939
Working Age Adults 18 - 64	91,882	99,176	7,294
Preparing for Adulthood	11,331	12,273	942
Social Care Support	3,088	3,431	342
Income - Service User Contribution Only	(27,305)	(27,635)	(330)
Per Current ABW	157,086	169,273	12,187
Non Adult Purchasing			
Employees	34,915	33,357	(1,558)
Other - Net	(6,064)	(5,964)	99
ASC Savings/Mitigations 23/24 still to be achieved		(10,728)	(10,728)
	28,852	16,664	(12,187)
Totals per budget report	185,937	185,937	0

Adult Social Care continues to experience significant emerging service risks in its Adult Purchasing Budgets with circa £12.5m risk of overspend. P2 is a very early forecast with only 2 months of data and work is ongoing and will continue throughout the financial year to deliver savings and a balanced budget position. This risk is currently partially offset by forecast underpends on employee costs and additional income contributions with the balance to be offset by assumed savings and mitigations to be achieved of £10.7m.

The following tables show the forecast and associated variances looking at expenditure through different lenses.

Table 2 sets out the overall adult purchasing forecast in comparison to budget.

Table 2 – Adult Purchasing Forecast Compared to Budget



As set out in Table 3, all age groups are currently showing a forecast risk of overspend, with the largest pressure being in Working Age Adults with a circa £7.3m pressure and Older Adults 65+ with a circa £3.9m overspend.

Table 3 – Adult Purchasing Forecast showing the forecast overspend by Age Group

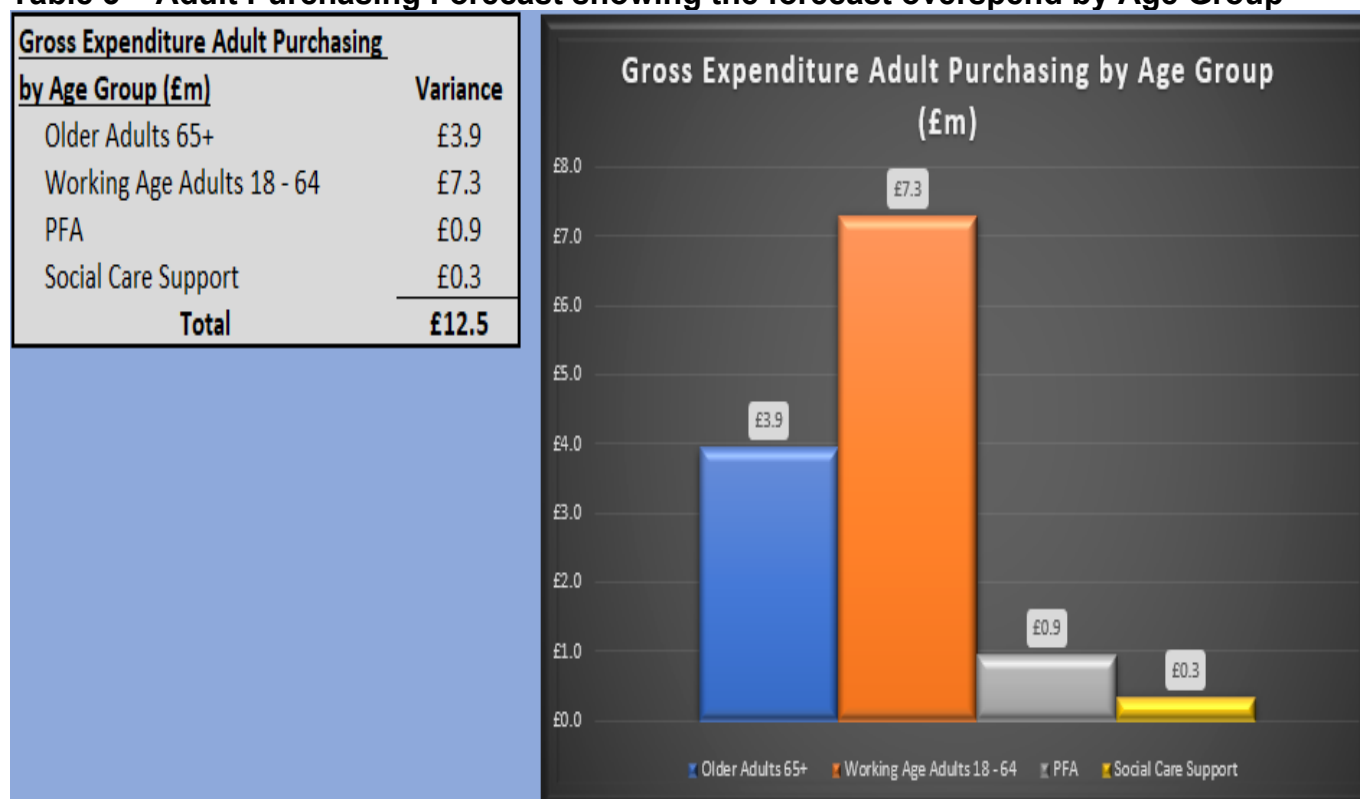


Table 4 analyses the forecast overspend by primary support reason. The largest variance is learning disability support with a circa £4.1m risk of an overspend, physical support circa £3.3m and mental health support circa £2.9m.

Table 4 - Adult Purchasing Forecast, showing the forecast variance in comparison to budget by primary support reason

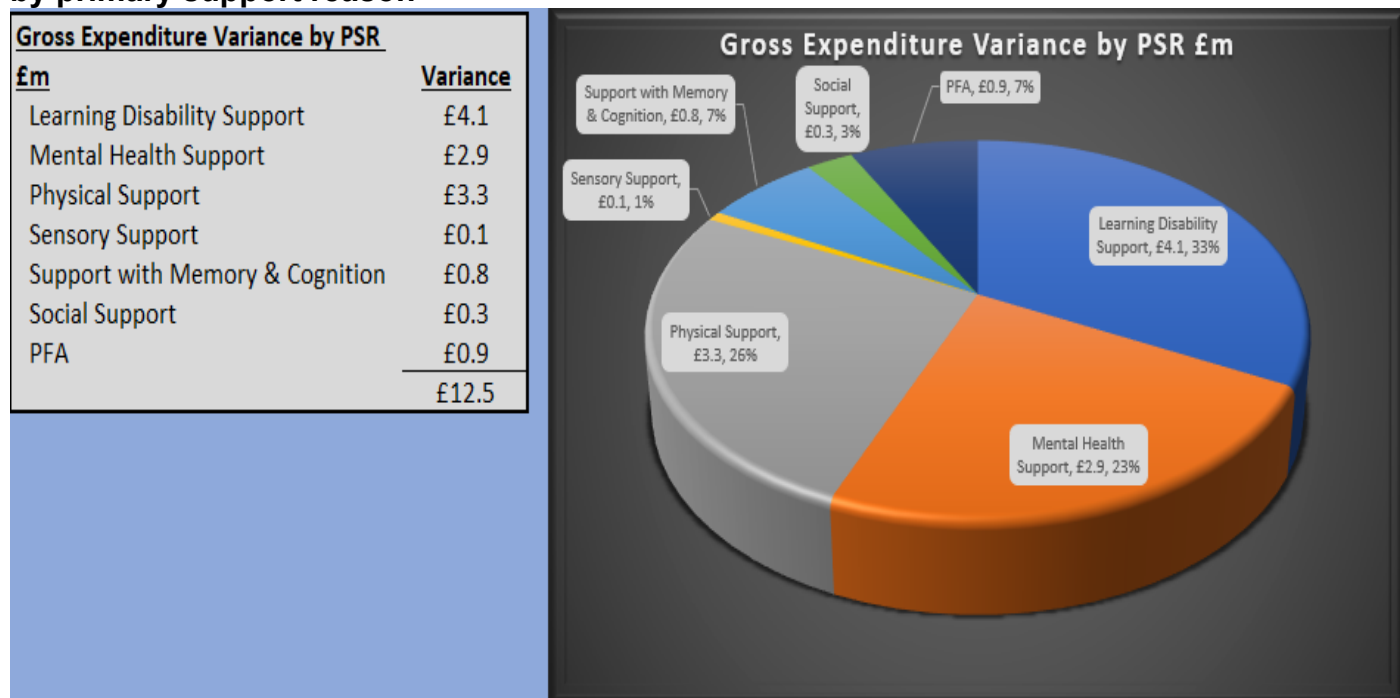


Table 5 analyses the adult purchasing forecast by locality team area. North and West has the largest overspend with a circa £4.4m overspend in comparison to budget, Inner City and East circa £3.7m overspend, South circa £3.5m overspend and Preparing for Adulthood circa £0.9m overspend

Table 5 – Adult Purchasing Forecast Showing the Locality Overspend by Area

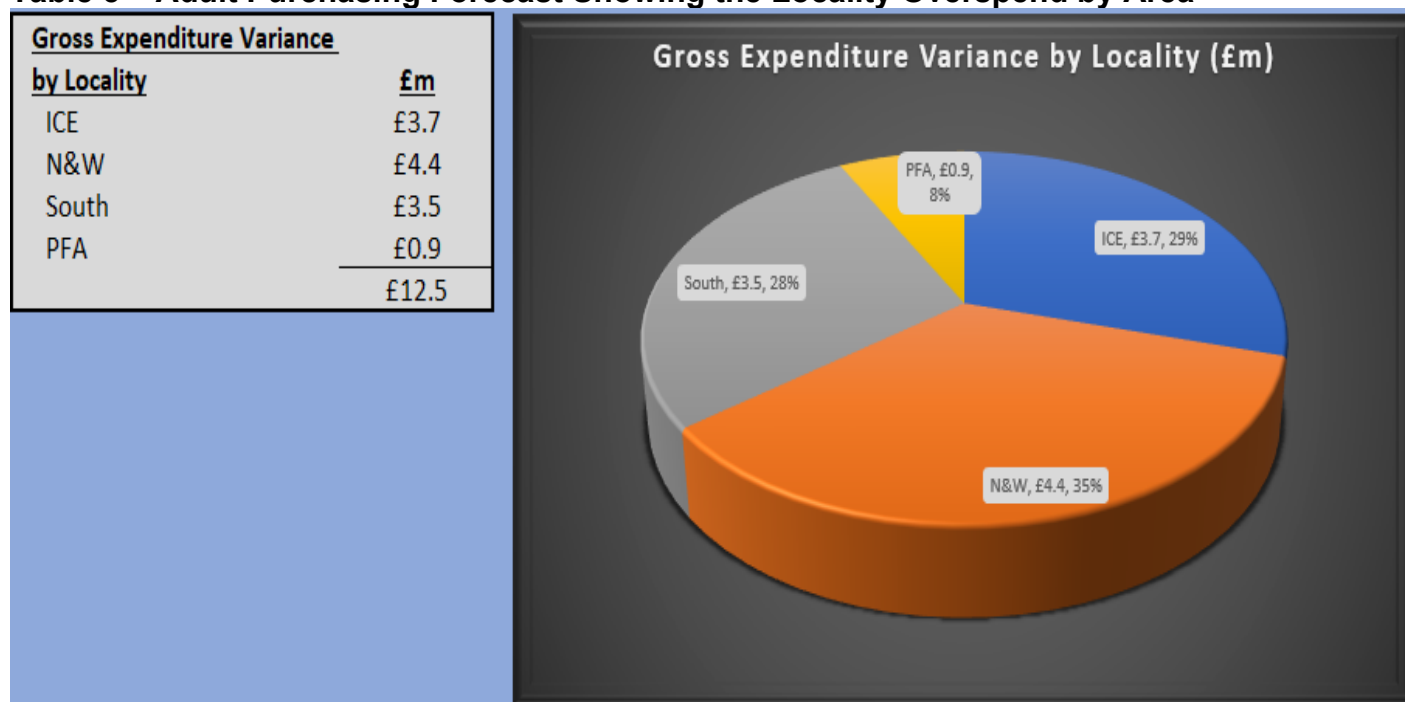


Table 6 analyses the adult purchasing budget forecast by care type and indicates that the largest overspends relate to supported accommodation circa £5.5m, residential care circa £2.6m and nursing care with a forecast overspend of circa £2.7m and supported living circa £1.5m.

Table 6 – Adult Purchasing Budget Overspend Analysed by Care Type

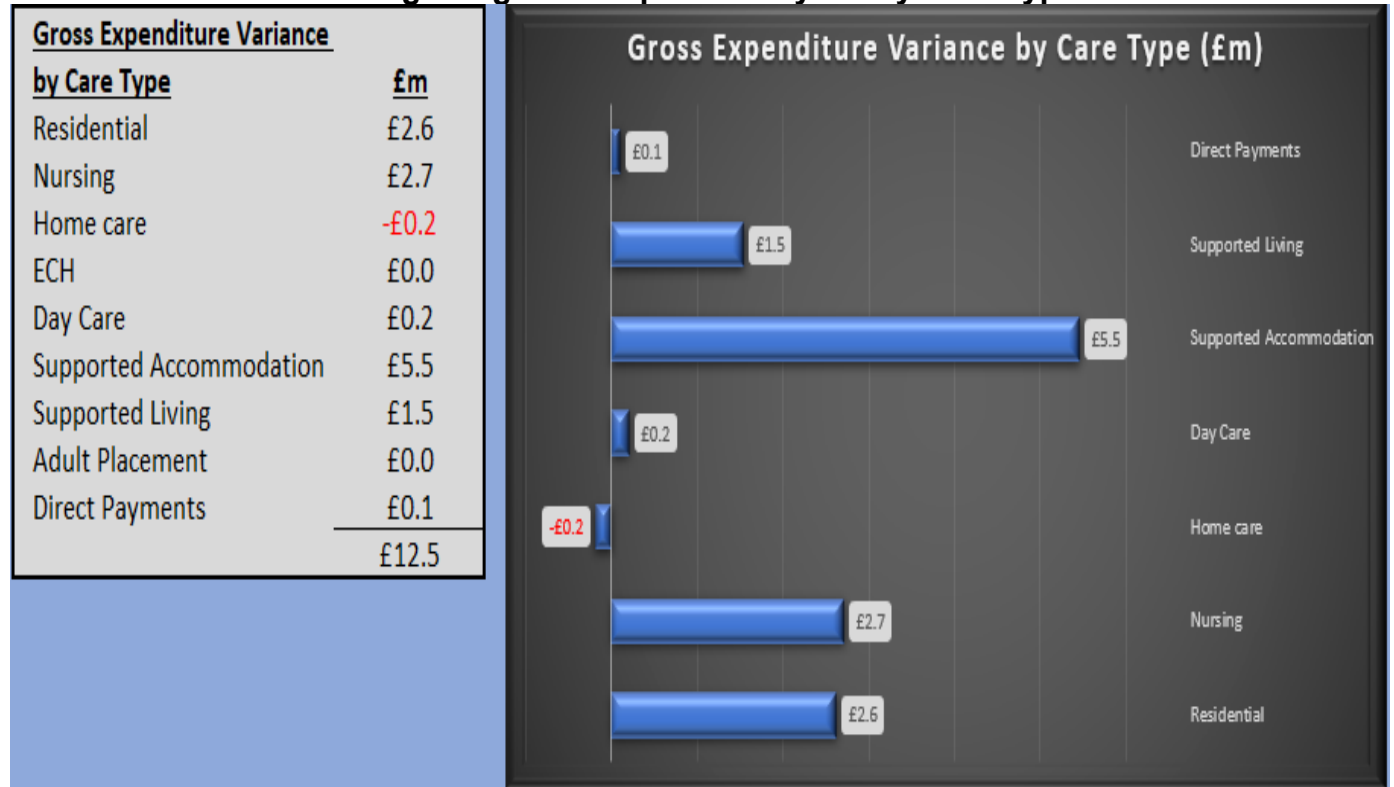


Table 7 – Adult Purchasing Service Users - Trend Analysis From 01/04/2022 To 12/06/2023

Trend analysis – 1/4/2022

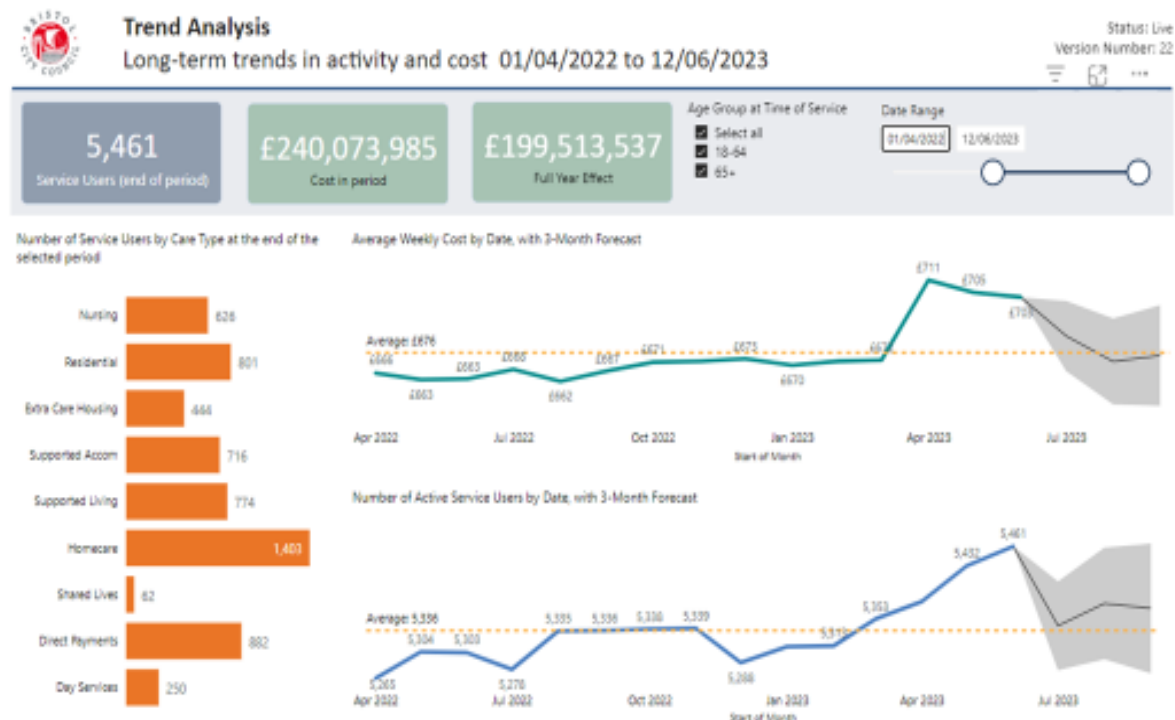


Table 8 – Adult Purchasing Trend Analysis - For Service Users Under 65 Years Old (18 – 64) From 01/04/2022 To 12/06/2023

Trend Under 65 1/4/2022

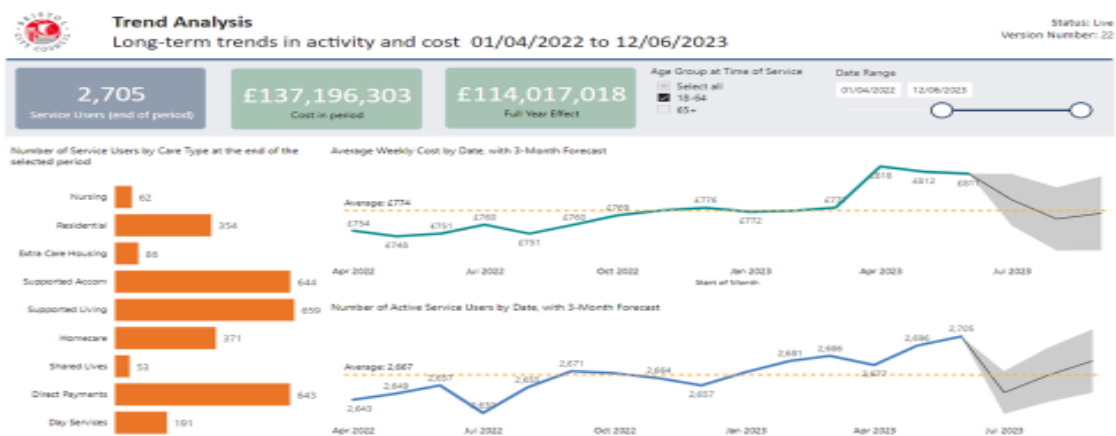
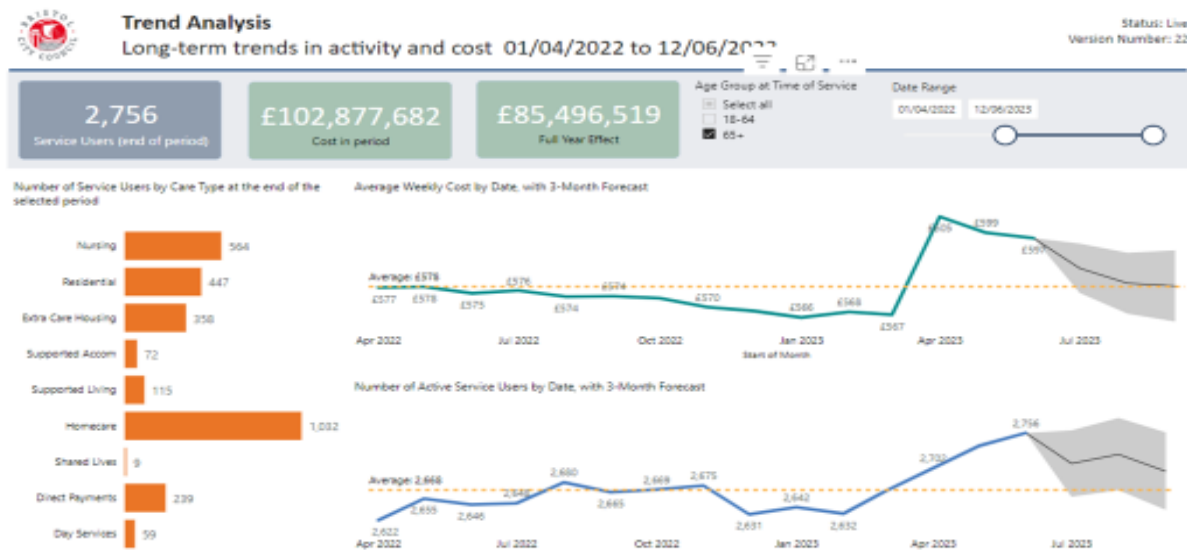


Table 9 – Adult Purchasing Trend Analysis - For Service Users Over 65 Years Old From 01/04/2022 To 12/06/2023

Trend 65+



Savings Delivery

Adult Social Care (ASC) has a significant savings challenge, to deliver a balanced budget position. Based on the current forecast, ASC has circa £4.3m savings still to be achieved plus circa £12m of adult purchasing pressures to be mitigated to deliver a balanced position.

Saved to this PC				23/24 Adults Directorate Savings Target (£'000s):			9,640		
	This month			Last month			Top 5 largest savings at risk in year (ordered by size of saving at risk)		
	Total value of savings (£'000s)	Value at risk (£'000s)	Proportion at risk	Total value of savings (£'000s)	Value at risk (£'000s)	Proportion at risk	ID	Name of Proposal	Value at Risk in 23/24 (£'000)
No - savings are at risk	4,776	1,438	30%	N/A - first month of report in 23/24 - no data for last month			2324-P10	Adult Social Care Purchasing Budget	£ 1,000
Yes - savings are safe	4,864	0	0%				2324-PS	Redfield Lodge	£ 338
SAVING CLOSED - CONFIRMED AS 'SECURED & DELIVERED'	0	0	n/a				NEW2223_ASCL1b	Review the Bristol Community Meals service delivery	£ 100
NO RAG PROVIDED	0	0	n/a						
Grand Total	9,640	1,438	15%						
Represents increased cost rather than saving	-625	0	0%				Mitigated savings from previous years' that remain 'due' for delivery this year (£m)		
n/a - represents last year's saving was due one off only	0	0	n/a				Amount due from previous year(s):		£ 2.41
Grand Total	9,015	1,438	16%				Amount reported at risk:		£ 0.10
n/a - represents a saving was mitigated last year	-2,413								
WRITTEN OFF	0								
Grand Total	6,602	1,438	22%						

Key Changes since last month
1.N/a (first month of reporting for the new Financial year)

Key messages/ Comments
1. The Adults Directorate starts the 23/24 FY year with 14 savings lines targeting £9.6m of savings (£9m when accounting for 3 additional savings which represent £0.6m increased costs in 23/24).
2. Note this target includes £2.4m of undelivered rollovers from last year that remain due - for which there are several large value items worth £0.5m each. The majority of these are reporting as safe/not at risk in 23/24 (only £0.1 of the £2.4m reporting as at risk).
3. The largest savings at risk are shown in the top right corner - which shows the new 23/24 saving "Adult Social care purchasing budget" as the largest reported saving at risk for the Directorate at present (£1m at risk of £4m target). However, further savings will be needed from the purchasing budget in order to deliver a balanced budget in 23/24.
4. The Adult Social Care Transformation Programme supports a range of savings but some savings also sit outside of the core programme as 'service led'.

Note nil reporting for Public Health & Communities savings.

Section B: Risks and Opportunities

Below are the potential risks currently identified by Adult Social Care in respect of 2023/24 savings targets for the service.

Division	Service	Risk or Opportunity	Description of Impact	Risk (Opportunity) £'000	Likelihood %	Net Risk (Opportunity) £'000
14	ASC - Locality Team	Risk	Potential overspend of Adult Purchasing budget which will impact on 2023/24 savings target of £4m not being delivered	4,000	25%	1,000
14	Redfield Lodge	Risk	Potential risk to delivery of income leading to budget overspend.	317	50%	158
14	Concord Lodge	Risk	Potential risk of delay of finalisation and decision on service proposals leading to service overspend.	TBC	TBC	TBC
14	Bristol Community	Risk	Potential risk of delay of finalisation and decision on service proposals leading to service overspend.	TBC	TBC	TBC
14	ASC - Locality Team	Risk	Hospital discharge costs may exceed discharge grant and other funding assumptions resulting in adult purchasing budget pressures	TBC	TBC	TBC
14	ASC - Various	Risk	Adult Purchasing Budgets	6,411	100%	6,411
Total						7,569

Communities and Public Health

At the end of Period 2 both the Public Health Grant and the Communities general fund services continue to report no variance to budget.

Section C: Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
£2.1m	£2.1m	£0.0m 0.00% of Budget	£2.1m 100% of Budget	£0m

Gross Expenditure by Programme

Ref	Scheme	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
£000s						%	
Adult & Communities							
CRF1	Covid Recovery Fund – Community Improvements	1,000	0	1,000	0	0%	100%
PE06B	Adult Social Care – Better Lives at Home Programme	1,116	1	1,116	0	0%	100%
Total Adult & Communities		2,116	1	2,116	0	0%	100%

Key Messages:

There are no significant variances to report on Adult and Communities capital programme.

Appendix A3 – Children & Education

2023/24 – P2 Budget Monitor Report

Section A: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance
P02	£110.4m	£110.4m	£0.0m

May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
0.0									
▲↑									

Position by Division

Quarter 1/Period 2 Budget Monitoring -					
	2023/24 - Full Year				
SERVICE NET EXPENDITURE SUMMARY	Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	% Outturn Variance
	£000s			£000s	
9 - Children & Education					
15 - Children and Families Services	89,051	88,382	88,382	0	0.0%
16 - Educational Improvement	21,644	21,978	21,978	0	0.0%
1B - Transformation – Our Families Programme	0	0	0	0	0.0%
Total 9 - Children & Education	110,695	110,360	110,360	0	0.0%

Key Messages:

Children and Education directorate is forecasting nil variance, at Period 2, on a budget of £110.4m.

Savings Delivery

23/24 Children & Education Directorate Savings Target (£'000s):						2,463
	This month			Last month		
	Total value of savings (£'000s)	Value at risk (£'000s)	Proportion at risk	Total value of savings (£'000s)	Value at risk (£'000s)	Proportion at risk
No - savings are at risk	980	987	101%	N/A - first month of report in 23/24 - no data for last month		
Yes - savings are safe	1,483	0	0%			
SAVING CLOSED - CONFIRMED AS SECURED & DELIVERED	0	0	n/a			
NO RAG PROVIDED	0	0	n/a			
Grand Total	2,463	987	40%			
Represents increased cost rather than saving	-432	0	0%			
n/a - represents last year's saving was due one off only	0	0	n/a			
Grand Total	2,031	987	49%			
n/a - represents a saving was mitigated last year	-144					
WRITTEN OFF	0					
Grand Total	1,887	987	52%			

Top 5 largest savings at risk in year (ordered by size of saving at risk)		
ID	Name of Proposal	Value at Risk in 24/25 (£'000)
NEW2223_CF6b	Review special guardianship order arrangements	984
2324-P23	Early Help in communities, including Children's Centres & Family Hubs	300
2324-P13	Keeping Families Together/ Family Network	46
NEW2223_E2	Introduce nominal charge for first referrals for attendance penalty notices	16
2324-P17	Early Years: Family Information Website	15

Mitigated savings from previous years' that remain 'due' for delivery this year (£m)		
Amount due from previous year(s):	£	0.14
Amount reported at risk:	£	0.13

Key Changes since last month

1.N/a (first month of reporting for the new Financial year)

Key messages/ Comments

- Children & Education directorate starts the 23/24 FY year with 15 savings lines and a target of £2.0m net savings to find (£2.5m when excluding savings which provide an increased cost in 23/24).
- Note this target includes £0.14m of undelivered rollovers from last year that remain due - largest of which relates to 98k rolled over for "Review special guardianship order arrangements".
- The net saving of £1.887m is net of £800k one off investment to deliver savings in Home to School travel. Note nil reporting for P2 for Home to School Travel
- The largest savings at risk are shown in the top right corner - which shows the "Review special guardianship order arrangements" as the largest reported saving at risk for the Directorate at present (this includes the £98k of rollover from previous year), and this is being re-planned with urgency. Early Years: Family Information Service was delivered in 22/23 (expected to be reported green from P3). Further planning activities are underway in relation Family Hubs savings.

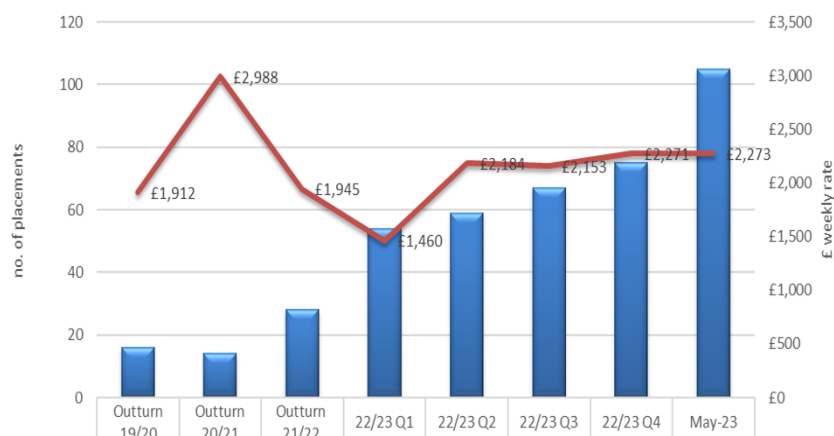
Section B: Risks and Opportunities

Children & Families

The primary area of risk is the placements budget which has seen an increasing number of very high-cost placements and continued reliance on External Supported accommodation (ESA). The emerging risk is assessed as £7.3m.

There has been a significant increase in the number of ESA placements this year as represented in the chart below. This cost of ESA provision is estimated to be £12.2m this year, a 38% increase on last year.

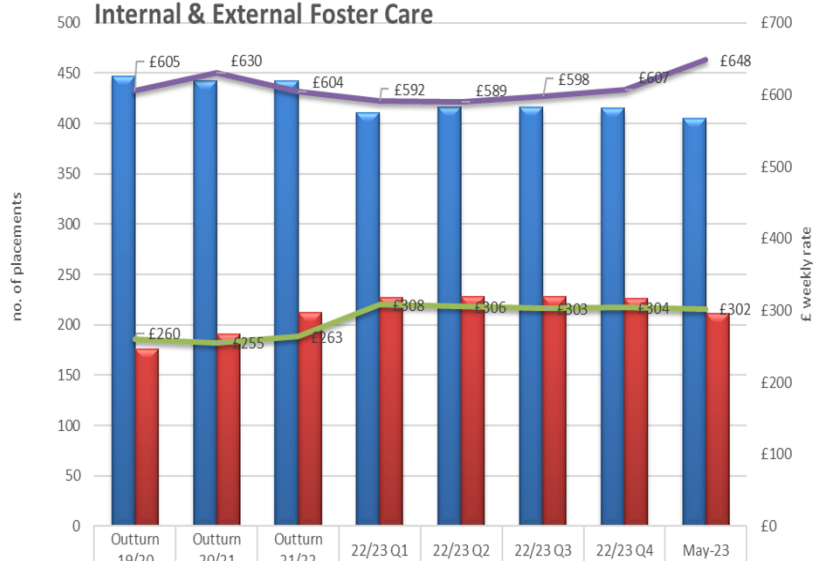
External Supported Accommodation



External supported accommodation - average no. of placements	16	14	28	54	59	67	75	105
External supported accommodation - average net weekly cost	£1,912	£2,988	£1,945	£1,460	£2,184	£2,153	£2,271	£2,273

Conversely, demand for In-house fostering has reduced when compared to the final quarter of the last year.

Internal & External Foster Care



Inhouse foster care - average no. of placements	447	442	442	411	416	416	415	405
Independent foster care - average no. of placements	176	191	212	227	228	228	226	211
Inhouse foster care - £ average net weekly cost	£260	£255	£263	£308	£306	£303	£304	£302
Independent foster care - £ average net weekly cost	£605	£630	£604	£592	£589	£598	£607	£648

Education Improvement

The increasing demand and cost for transport support poses an additional risk to the Home to School Transport Service. The service demand saw 28 new transport routes added so far this year, a 10% increase on the number of routes

The emerging risk is assessed as £2.1m

Division	Service	Risk or Opportunity	Description of Impact	Risk (Opportunity) £'000	Likelihood %	Net Risk (Opportunity) £'000
15	Placements	Risk	Forecast mostly based on steady state. Further work required to factor in net growth and impact	TBC	TBC	TBC
15	Savings delivery	Risk	Risks of some delivery slipping into future years identified on savings tracker. Further risk on delivery of management/workforce and change targets	TBC	TBC	TBC
16	Home to School Transport	Risk	EHCP backlog could impact the level of Home to school transport need during the year. Current forecast takes account of known trends but not the risk of additional spike from queries pending in the inbox	TBC	TBC	TBC
15	Children and Families Service	Risk	Placement Costs	5,209	100%	5,209
16	Educational Improvement	Risk	Home To School Transport Costs	2,128	100%	2,128
Total						7,337

Section C: Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
£31.4m	£31.4m	£1.3m 4% of Budget	£28.4m 90% of Budget	(£3.0m)

Gross Expenditure by Programme		Current Year (FY2023) - Period 2				Performance to budget	
Ref	Scheme	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
		£000s				%	
Children & Education							
CRF2	CRF2 – South Bristol Youth Zone	5,786	53	5,786	0	1%	100%
PE01	School Organisation/ Children's Services Capital Programme	11,785	141	8,763	(3,021)	1%	74%
PE02	Schools Organisation/SEN Investment Programme	10,178	1,054	10,178	0	10%	100%
PE03	Schools Devolved Capital Programme	1,330	0	1,330	0	0%	100%
PE05	Children & Families - Aids and Adaptations	110	0	127	17	0%	116%
PE06	Children Social Care Services	2,232	22	2,232	0	1%	100%
Total Children & Education		31,421	1,270	28,416	(3,004)	4%	90%

Key Messages:

There are no significant variances to report on Children and Education capital programme.

Section A: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance
P02	£45.6m	£45.6m	£0.0m

May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
0.0									
▲↑									

Position by Division

Period 2 Budget Monitoring - Summary

SERVICE NET EXPENDITURE SUMMARY

2 - Resources

21 - Digital Transformation
 22 - Legal and Democratic Services
 24 - Finance
 25 - HR, Workplace & Organisational Design
 26 - Management - Resources
 28 - Policy, Strategy & Partnerships

Total 2 - Resources**2023/24 - Full Year**

Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	
£000s			£000s	Context

16,116	16,318	16,318	0	
14,575	14,606	14,606	0	
6,142	6,558	6,556	(3)	
3,155	3,174	3,174	(0)	
181	184	184	0	
4,891	4,786	4,788	2	
45,061	45,627	45,626	(1)	

Key Messages:

The Resources Directorate is currently reporting no material movement to the revised Budget position of £45.6m. Emerging risks to this budget position are captured on the Risk and Opportunities register which is currently estimated at a net weighted risk of £0.3m with the main risks being a potential increase in the contract cost for transport of the deceased for the Coroners and Mortuary service within Legal and Democratic Services division and a dependence on agency and interim staff to fill critical vacant positions within the Finance division.

Savings Delivery

Resources Led Savings

23/24 Resources Directorate Savings Target (£'000s):

5,076

23/24 Cross Cutting (Resources Led) Savings Target (£'000s):

6,470

In Year (23/24) Total:

11,546

A - Resources Directorate

	This month	Last month	
Total value of savings (£'000s)	Value at risk (£'000s)	Proportion at risk	
No - savings are at risk	737	325	44%
Yes - savings are safe	4,339	0	0%
SAVINGS CLOSED - UNCONFIRMED AS SIGNED OFF & DELIVERED	0	0	n/a
NO RAG PROVIDED	0	0	n/a
Grand Total	5,076	325	6%
Represents increased cost rather than saving	-25	0	0%
n/a - represents last year's saving was due one off only	-150	0	0%
Grand Total	4,901	325	7%
n/a - represents a saving was mitigated last year	-150	0	0%
WRITTEN OFF	0	0	0%
Grand Total	4,751	325	7%

B - Cross cutting (Resources led)

	This month	Last month	
Total value of savings (£'000s)	Value at risk (£'000s)	Proportion at risk	
	500	250	50%
	5,970	0	0%
	0	0	n/a
	0	0	n/a
Grand Total	6,470	250	4%
	0	0	n/a
	-350	0	0%
Grand Total	6,120	250	4%
	-2,620	0	0%
	0	0	0%
Grand Total	3,500	250	7%

Top 5 largest savings at risk in 23/24 (ordered by size of saving at risk)

ID	Cross cutting ?	Name of Proposal	Value at Risk in 23/24 (£'000)
NEW2223_CEN05b	Y	Strategic Business Review of Fees and Charges	£ 250
2324-R18	N	Workforce and Change service	£ 200
2324-R7	N	Mayor's Office	£ 75
NEW2223_R8	N	Review democratic engagement to modernise service delivery	£ 50

Mitigated savings from previous years' that remain 'due' for delivery this year (£m)

	Amount due from previous year(s)	£
	2.77	2.77
	Amount reported at risk:	0.29

Key changes since last month

1.Na (first month of reporting for the new Financial year)

Key messages/ Comments

1. Resources starts the 23/24 FY year with a target of £11.5m savings to find (30 savings lines) - of which £5.1m are Resources specific, and £6.5m are cross cutting in nature (of which £5.5m relates to the Management & Capacity review).

2. Note this £11.5m target includes £2.8m of undelivered rollovers from last year that remain due - this comes primarily from rolled over Management & Capacity savings (£2), but also rollovers from fees and charges review, Common Activities, and several smaller items.

3. The largest savings at risk are shown in the top right corner - with Workforce and Change currently reporting the highest amount at risk (£0.2m) - although a recent update to Delivery Executive board suggested confidence in the full saving being achieved.

4. Note that these figures above exclude additional savings committed in summer 2022 relating to recurring mitigations and others signed-off in business cases - specifically Digital Transformation programme which has a net £428k net savings due this year (assuming some rollover from last year) It is understood the programme is looking to rebaseline the timeline and phasing of savings.

5. In total Resources has 35 separate savings due in 23/24 (including business case related savings) and an increased target of £12.3m (excl. lines with increased costs in 23/24).

Note nil reporting for Common Activities saving, and Workforce & Change.

Top 5 largest savings at risk in 23/24 (ordered by size of saving at risk)			
ID	Cross cutting?	Name of Proposal	Value at Risk in 23/24 (£'000)
NEW2223_CEN05b	Y	Strategic Business Review of Fees and Charges	£ 250
2324-R18	N	Workforce and Change service	£ 200
2324-R7	N	Mayor's Office	£ 75
NEW2223_R8	N	Review democratic engagement to modernise service delivery	£ 50

Mitigated savings from previous years' that remain 'due' for delivery this year (£m)		
Amount due from previous year(s):	£	2.77
Amount reported at risk:	£	0.29

Section B: Risks and Opportunities

Division	Service	Risk or Opportunity	Description of Impact	Risk (Opportunity) £'000	Likelihood %	Net Risk (Opportunity) £'000
Resources	Finance - ARI	Risk	Risk due to recruitment challenges in finance and requirement to use interim resource at a higher price point than anticipated to cover urgent and critical areas including HRA.	300	75%	225
Resources	Finance - Rev & Benefits	Risk	Annual approved Local Authority errors on DWP subsidy	226	100%	226

			payments above the lower threshold for 2021/22 resulting in loss of subsidy payments			
Resources	Finance - Rev & Benefits	Opportunity	Reserves earmarked to fund loss in subsidy payments to be used to mitigate risk above	(226)	100 %	(226)
Resources	Legal & Democratic Services - Statutory registrations	Risk	Coroners contract for transport of the deceased is up for renewal and early indications of an increase in cost	100	80%	80
Total						305

Section C: Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
£8.4m	£8.4m	£0.2m 2% of Budget	£7.2m 85% of Budget	(£1.2m)

Gross Expenditure by Programme

Ref	Scheme	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
£000s						%	
RE01	ICT Refresh Programme	1,795	0	1,795	0	0%	100%
RE03	ITTP – IT Transformation Programme	0	(2)	0	0		
RE07	Digital Transformation - Networks - Pending Business Case Development	4,511	2	3,522	(989)	0%	78%
RE08	Digital Transformation Programme	1,053	173	747	(306)	16%	71%
RE09	Expansion of Flax Bourton Mortuary	1,066	15	1,125	59	1%	105%
Total Resources		8,425	188	7,189	(1,237)	2%	85%

Key Messages:

- **(RE07) Digital Transformation – Networks** – The project has re-profiled its 23/24 spend, requesting £0.989m budget be moved back into 24/25.
- **(RE08) Digital Transformation Programme** – Telephony / Contact Centre has re-profiled its 23/24 spend, requesting £0.273m budget be moved back into 24/25. In addition, eDiscovery for SARS is forecasting an in-year underspend of £0.043m due to the project being descope.
- **(RE09) Expansion of Flax Bourton Mortuary** – Expansion has now been approved and the project is now moving ahead with its remaining budget forecasted to be spent in 23/24. Currently, the project is showing a £0.059m overspend, and discussions with the Budget Manager will be held to find how this can be mitigated within the financial year.

Section A: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance
P02	£61.5m	£61.5m	(£0.0m) underspend

May (0.0)	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
▲↑									

Position by Division

Period 2 Budget Monitoring - Summary

SERVICE NET EXPENDITURE SUMMARY	2023/24 - Full Year				
	Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	
	£000s			£000s	Context
4 - Growth & Regeneration					
37 - Housing & Landlord Services	20,559	20,459	20,459	0	
46 - Economy of Place	2,885	2,755	2,755	(0)	
47 - Management of Place	(1,890)	(1,779)	(1,810)	(31)	
4A - Management - G&R	(170)	(170)	(170)	0	
4B - Property, Assets and Infrastructure	40,011	40,222	40,221	(0)	
Total 4 - Growth & Regeneration	61,395	61,487	61,456	(31)	

Key Messages:

The Growth & Regeneration Directorate is reporting a forecast breakeven position against a revised net expenditure budget of £61.5m (following minor adjustments since budget setting).

The Directorate is also reporting net Risks shows a breakeven position. This is driven predominantly by energy costs, shortfall in parking income, as well as anticipated increase in the demand for Temporary accommodation. These are offset by underspends resulting from staff vacancies, as well as anticipated net increase in CAZ revenue, some of which is likely to offset the management review savings.

Housing & Landlord Services

The division is reporting a breakeven position against a revised budget of £20.5m. Work is ongoing to address the demand pressure in Temporary Accommodation from subsidy loss and this is expected to deliver £1.9m cashable savings in 23/24.

Economy of Place

The division is reporting a breakeven position against a revised budget of £2.8m. The contribution from this division towards cross-cutting savings will be reflected in the P3 report. Cabinet should note that budget virements have been executed to right size the grant funding for the Frome gateway feasibility work within the Regeneration service; while the net impact is zero, the revised budget is now set at £0.071m.

Management of Place

The division is reporting a £0.03m favourable variance against a revised budget of (£1.8m). The contribution from this division towards cross-cutting savings will be reflected in the P3 report. The Division has flagged in the Risk & Opportunities register potential risk to Car parking income totalling £1.6m based on trends for the first two months, which is likely to be offset by additional revenue from the CAZ scheme. This will be monitored over the next quarter and opportunities to mitigate any potential shortfall explored.

Property, Asset Strategy and Investment

The division is reporting a breakeven position against a revised budget of £40.2m. The contribution from this division towards cross-cutting savings will be reflected in the P3 report. The Division has flagged in the Risk & Opportunities register potential risk (after allowing for inflation provision that is currently held corporately) totalling £2.5m relating to Energy costs. Further analysis is in progress and the results will be reported at P3 or in the next quarter report at the latest. It is anticipated that the estate rationalisation project will help address some of this pressure. This will be monitored over the next quarter and opportunities to mitigate any potential shortfall explored.

Savings Delivery

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Section B: Risks and Opportunities

GROWTH & REGENERATION						
Division	Service	Risk or Opportunity	Description of Impact	Risk (Opportunity) £'000	Likelihood %	Net Risk (Opportunity) £'000
47 - MOP	Highways	Risk	Income Deficit - Parking inc. MSCP, RPS, On-St, PCNs	2,168	75%	1,626
4B - PAI	Energy	Risk	Expenditure Pressure - Increased energy costs	2,166	85%	1,841
4B - PAI	Energy	Risk	Income Deficit - Energy PPA and FIT income	593	85%	504
37 - HLS	Housing Options	Risk	Expenditure Pressure - Temporary accommodation	521	85%	443
46 - EOP	Sustainable Transport	Risk	Income Deficit	272	85%	231
46 - EOP	City Design	Risk	Income Deficit	185	85%	157
4B - PAI	Energy	Risk	Expenditure Pressure - Maintenance of energy assets	140	85%	119
4B - PAI	Energy	Risk	Income Deficit	65	85%	55
47 - MOP	Library Service	Opportunity	Saving - Vacancy Management	(175)	100%	(175)
4B - PAI	Asset Strategy	Opportunity	Expenditure underspend	(474)	50%	(237)
46 - EOP	Sustainable Transport	Opportunity	Saving - Vacancy Management	(479)	85%	(407)
47 - MOP	Highways	Opportunity	Clean Air Zone - net revenue	(4,900)	85%	(4,165)
Total				82		(7)

The net risks and opportunities flagged by service managers shows a breakeven position. This is driven predominantly by energy costs, shortfall in parking income, as well as anticipated increase in the demand for Temporary accommodation. These are offset by underspends resulting from staff vacancies, as well as anticipated net increase in CAZ revenue, some of which is likely to offset the management review savings.

Detailed reviews are in progress to better assess these pressures. Any unmitigated pressure will be escalated as part of Q2 reporting.

Section C: Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
£166.7m	£166.7m	£12.7m	£146.5m	(£20.3m)
		8% of Budget	88% of Budget	
2022/23	Comparator			
£170.0m	£170.0m	£4.3m	£181.3m	(£11.3m)

Gross Expenditure by Programme

Ref		Scheme	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
£000s							%	
Growth & Regeneration			1,366	60	1,366	0	4%	100%
GR01	Strategic Property – Temple Meads Development		16,647	367	7,110	(9,537)	2%	43%
GR03	Economy Development - ASEA 2 Flood Defences		8,236	(983)	7,600	(636)	-12%	92%
GR05	Strategic Property - Hawkfield Site		122	3	122	0	3%	100%
GR05A	South Bristol Light Industrial Workspace Redevelopment		2,548	660	2,465	(84)	26%	97%
GR07	Areas for Growth & Regeneration - Pending Business Case Development		1,500	0	1,500	0	0%	100%
GR08	Delivery of Regeneration of Bedminster Green		6,884	2,527	7,874	990	37%	114%
GR09	Clean Air Zone Programme		16,388	(308)	10,386	(6,002)	-2%	63%
GR10	Improvements to Local Centres		1,500	0	500	(1,000)	0%	33%
NH01	Libraries for the Future		49	(29)	12	(37)	-59%	24%
NH02	Investment in parks and green spaces		3,307	251	2,440	(868)	8%	74%
NH02A	Invest in Parks Sports Outdoor Equipment & Facility Improvements		500	0	250	(250)	0%	50%
NH03	Cemetries & Crematoria - Pending Business Case Development		1,022	1	192	(830)	0%	19%
NH04	Third Household Waste Recycling and Re-use Centre		348	(110)	348	0	-32%	100%
NH06A	Bristol Operations Centre - Phase 2		443	98	443	0	22%	100%
NH07	Private Housing		4,173	231	4,173	(0)	6%	100%
PL01	Metrobus		2,766	(132)	1,110	(1,657)	-5%	40%
PL02	Passenger Transport		196	(95)	268	73	-49%	137%
PL03	Residents Parking Schemes		650	0	650	0	0%	100%
PL04	Strategic Transport		10,521	1,377	12,918	2,396	13%	123%
PL05	Sustainable Transport		1,441	1,365	3,449	2,008	95%	239%
PL06	Portway Park & Ride Investment		(1,195)	(306)	500	1,695	26%	-42%
PL09	Highways infrastructure - bridge investment		467	28	467	0	6%	100%
PL09A	Highways infrastructure - Cumberland Road Stabilisation Scheme		1,241	153	1,241	0	12%	100%
PL10	Highways & Traffic Infrastructure - General		15,141	846	15,039	(103)	6%	99%
PL10B	Highways & Traffic - Street Lighting		3,760	1,418	3,760	0	38%	100%
PL10C	Transport Parking Services		398	57	398	0	14%	100%
PL11A	Cattle Market Road site re-development		1,874	23	935	(939)	1%	50%
PL15	Environmental Improvements Programme		38	0	38	0	0%	100%
PL17	Resilience Fund (£1m of the £10m Port Sale)		19	0	18	(1)	0%	97%
PL18	Energy services - Renewable energy investment scheme		3,716	0	3,710	(6)	0%	100%
PL18A	Energy Services – Bristol Heat Networks expansion		0	(16)	0	0		
PL18B	Energy Services - School Efficiencies		186	0	186	0	0%	100%
PL20	Strategic Property		105	0	30	(75)	0%	29%
PL21	Building Practice Service - Essential H&S		3,617	230	3,427	(190)	6%	95%
PL24	Bristol Beacon		29,317	4,434	26,469	(2,848)	15%	90%
PL27	Vehicle Fleet Replacement Programme		2,681	2	2,402	(279)	0%	90%
PL30	Housing Delivery Programme		20,478	441	18,399	(2,078)	2%	90%
PL32	Western Harbour Design Development		280	0	280	0	0%	100%
PL34	Strategic property - Community investment scheme		749	0	749	0	0%	100%
PL35	Harbour Operational Infrastructure		2,774	11	2,774	0	0%	100%
PL36	Investment in Markets infrastructure & buildings		455	57	455	0	13%	100%
Total Growth & Regeneration			166,708	12,661	146,453	(20,255)	8%	88%

Key Messages:

G&R are reporting an underspend of **£20.2m** against a Budget of **£166.7m**. The year-to-date spend of **£12.6m** (8%) represents an average of £6.3m per month. To achieve the forecast target for 2023/24, the directorate will need to increase the average spend per month by **£7m** to an average of **£13.3m** each month for the rest of the year.

The Directorate is working on an improvement plan that is expected to accelerate the delivery of the Capital programme over the year 23/24 and into the future.

Below are comments provided for variances over £0.5m:

Gross Expenditure by Programme

Ref	Scheme	Variance	
		£'000	Comments on Variance
Growth & Regeneration			
PL24	Bristol Beacon	(2,848)	Underspend reflects latest assessment of projected costs, full commercial opening expected by November 23.
PL30	Housing Delivery Programme	(2,078)	Awaiting comments.
GR01	Strategic Property – Temple Meads Development	(9,537)	Temple Development £5.5m to be slipped to 24/25 as the existing proposition is being reviewed. Engine shed 2 £4m also under review and budget to move to 24/25.
GR09	Clean Air Zone Programme	(6,002)	Slippage expected as take-up of financial support by Residents and Businesses are below expected levels
PL04	Strategic Transport	2,396	Overspend forecast on Hengrove Park after recent procurement exercise. This will need to be mitigated.
GR03	Economy Development - ASEA 2 Flood Defences	(636)	Anticipated underspend - further review required
GR08	Delivery of Regeneration of Bedminster Green	990	Anticipated overspend due to River Malago restoration project.
NH02	Investment in parks and green spaces	(868)	Area committee and CIL funded schemes slipped into 24/25
PL01	Metrobus	(1,657)	Forecasting error by service, late update suggests this project will deliver to budget.
PL11A	Cattle Market Road site re-development	(939)	Reflects current estimated cost after dispute resolution, however decision on dredging could change final cost.
GR10	Improvements to Local Centres	(1,000)	Parks schemes slipped into 24/25
PL05	Sustainable Transport	2,008	Grant funding is yet to be loaded on system, project will deliver to budget.
NH03	Cemeteries & Crematoria - Pending Business Case Development	(830)	Due to planning issues, and wider discussions window for construction phase has moved to 24/25.
PL06	Portway Park & Ride Investment	1,695	Grant funding is yet to be loaded on system, project will deliver to budget.
Total Growth & Regeneration		(19,304)	

Section A: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance
P02	£0.0m	£1.7m	(£1.7m) underspend

May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
(1.7)									
▲↑									

Position by Division

Period 2 Budget Monitoring - Summary

HOUSING REVENUE ACCOUNT SUMMARY

	2023/24 - Full Year			
	Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance
	£000s			£000s Context
Housing Revenue Account				
321 - Strategy, Planning & Governance	19,726	19,726	19,684	(42)
322 - Responsive Repairs	31,292	31,292	33,259	1,968
323 - Planned Programmes	29,897	29,897	28,436	(1,461)
324 - Estate Management	(116,988)	(116,988)	(118,085)	(1,097)
326 - Estate Regeneration	0	0	0	0
X10 - HRA - Funding & Expenditure	4,815	4,815	5,977	1,162
X12 - HRA - Year-end transactions	31,258	31,258	29,047	(2,211)
Total Housing Revenue Account	0	0	(1,681)	(1,681)

Key Messages:

The Housing Revenue Account at the end of period 2 is reporting underspend of £1.7m (detail of which is shown in the table below). Any instance of an overspend on the HRA will be funded by a transfer from the HRA general reserve at the end of the financial year. The main reasons for the positive variance against budget are set out below.

Summary – Housing Revenue Account

HOUSING REVENUE ACCOUNT	Approved Budget £M	Current Forecast £M	Outturn Variance £M	Previous Forecast £M	Movement £M
Income	(137.5)	(135.7)	1.8	(137.5)	1.8
Repairs & Maintenance	38.4	41.5	3.1	38.4	3.1
Supervision & Management	45.5	43.3	(2.2)	45.5	(2.2)
Special Services	15.8	13.7	(2.1)	15.8	(2.1)
Rents, rates, taxes and other charges	0.9	0.8	(0.0)	0.9	(0.0)
Depreciation and bad debt provision	32.6	32.5	(0.2)	32.6	(0.2)
Total expenditure - core services	133.1	131.8	(1.3)	133.1	(1.3)
Net cost of core HRA services	(4.4)	(3.9)	0.5	(4.4)	0.5
(Surplus) / Deficit for the year on HRA services		4.9	(1.7)	6.5	(1.7)
Drawn down from HRA reserves		(4.9)	1.7	(6.5)	1.7
Net		0.0	0.0	0.0	0.0

Income is reporting a shortfall of £1.8m at the end of P2 compared budget. The main contributing factor to the negative variance is due to handover of certain new schemes being behind schedule because of project delays, negatively impacting the dwelling rent income forecast.

The forecast for **repairs & maintenance**, was running £3.1m behind the budget at the end of P2. There are overspends in the budgets for; Re-let Repairs where recharged maintenance costs to capital is lower than anticipated and there are significant waste management costs.

The **supervision and management service** are forecasting an underspend of £2.2m in P2. Major savings are due to underspends in salary costs due to new roles which haven't been filled yet.

Special Services are reporting a £2.1m underspend in P2 reflecting underspends in energy costs and again where new staff roles which haven't yet been filled.

Section B: Risks and Opportunities

Division	Risk or Opportunity	Detailed Comment	Net Risk / (Opportunity) £
HRA	Opportunity	The Energy Price Guarantee set maximum consumer prices from October 2022 to June 2023. A lower price cap from July 23 means energy prices are likely to fall for the first time in around 20 months.	TBC
HRA	Risk	CPI Inflation continues to be significantly high. As at April 2023, this was 8.7%, this means that Repairs & Maintenance costs may be slightly higher than forecast.	TBC

Section C: Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
£141.6m	£141.6m	£2.6m 2% of Budget	£127.8m 90% of Budget	(£13.8m)

Gross Expenditure by Programme

Ref		Current Year (FY2023) - Period 2				Performance to budget	
		Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
£000s						%	
Housing Revenue Account							
HRA1	Planned Programme - Major Projects	69,756	1,250	57,583	(12,173)	2%	83%
HRA2	New Build and Land Enabling	70,015	1,332	68,399	(1,616)	2%	98%
HRA4	HRA Infrastructure	1,789	0	1,789	0	0%	100%
Total Housing Revenue Account		141,560	2,583	127,770	(13,790)	2%	90%

Key Messages:

The HRA are reporting an underspend of £13.8m against a budget of £141.6m. The year-to-date spend of £2.6m (2%) represents an average of £1.3m per month. To achieve the forecast target for 2023/24, the directorate will need to increase the average spend per month by £10.2m to an average of £12.5m each month for the rest of the year.

Section A: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance
P02	£197.6m	£216.3m	£18.7m overspend

May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
18.7									
▼↓									

Summary of 2023/24 DSG forecast position as at P2

Bristol Dedicated Schools Grant 2023/24	b/f balance	Gross DSG funding / Budget 2023/24*	P2 Gross DSG forecast outturn	In-year variance at P2	Cummulative c/f
	£'000				
Schools Block	(787)	323,851	323,851	(0)	(787)
De-delegation	(527)	0	0	1	(526)
Central School services Block	8	2,717	2,717	(0)	7
Early Years	(605)	38,526	39,583	1,057	451
High Needs Block	42,520	86,504	103,123	16,616	59,136
High Needs Transformation	(928)	1,627	2,607	980	52
Funding	0	(453,226)	(453,226)	0	0
Total	39,680	0	18,655	18,655	58,335

* Bristol gross DSG Allocations, before recoupment and deductions for NNDR, and for direct funding of high needs places by ESFA totalling £255.607m as at 30th March 2023.

Key Messages:

2023-24 gross allocation for DSG is £453.2m as approved at Full Council in February 2023 (or net amount £197.6m after deduction for academies recoupment, NNDR and direct funding of high needs places by ESFA) per ESFA announcement on 30th March 2023.

The DSG is forecasting to overspend by £18.7m in 2023/24, while transformation work is underway, as benefits still to be quantified, this is unmitigated forecast position. This is mainly driven by increase in EHCP and complexity of Children with SEN, overspend was forecasted in top up funding of £5m, special placement (pre- and post-16) £7.4m, ISP £2m and Teachers pay & pension £1.2m.


Early Years is forecasting an in-year overspend of just over £1.0m, of which £0.2m was planned overspend on EY improvement programme and £0.8m was due to increase demand in EY top up funding on SEN.

High Needs Transformation programme is forecasting an in-year overspend of £1.0m which will be covered by carry-forward funding from previous years.

Two workstreams funded through a Department for Education Delivering Better Value (DBV) Grant are starting to move from the development to the delivery phase. A tender process for workstream 2 will be completed by the 30 June to identify a delivery partner to review High Needs Block funding which is subject to public consultation. In workstream 1 a steering group has been established to develop the scope of the project and identify schools to take part in a test and learn pilot for the new academic year.

Section A: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance
P02	£42.5m	£42.5m	£0.0m

May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
0.0									
									

Communities and Public Health

Public Health (PH) Grant of £35.7m was awarded for 2023/24.

At the end of Period 2, Public Health continues to report no variance to budget.

The Public Health grant is awarded annually to the local authority. It is ring fenced for the purposes of public health. The grant funds a range of mandated public health services and supports the Directors of Public Health to discharge their statutory duties for protecting health, improving health, promoting health equity, and reducing health inequalities through the funding of locally identified public health priorities.

Bristol's local priorities include reducing harms from drugs and alcohol, improving mental health, reducing harms from domestic abuse, food equality and community health action. 74.9% of Public Health functions and services are externally commissioned with 15.1% internally commissioned. The breakdown of the planned externally commissioned programmes is set out in Table 3 below.

An annual return must be provided by the authority to Public Health England. This is audited against the grant regulations.

PH also hold general fund budget and other partnership grants of £6.2m which support domestic abuse and sexual violence, Health Watch, substance misuse, rough sleeping, drug and alcohol treatment, sports projects, Hengrove and Leisure Centres.

The tables below provide a breakdown as follows:

- Table 1: The budget for 2023/24 and the current forecast at Period 2
- Table 2: Further information on the Internally commissioned services for 2023/24
- Table 3: Further information on the Externally commissioned services for 2023/24

Table 1 – Summary of Budget and Forecast

Public Health Grant	Revised Budget 2023/24	Forecast as at P2	Variance
	£'000	£'000	£'000
Salaries	3,168	3,168	0
Running Costs & Overheads	1,113	1,113	0
Internal Commissioned Services	6,408	6,408	0
External Commissioned Services	31,853	31,853	0
Gross Cost	42,542	42,542	0
Funding:			
Public Health Grant	(35,716)	(35,716)	0
Joint-Partnership Funding	(6,628)	(6,628)	0
Transfer to/from PH Reserve	(198)	(198)	0
Total Funding	(42,542)	(42,542)	0
Net Spend	0	0	0

Table 2 – Planned Internally Commissioned Programmes

Public Health Grant - Internal Commissioning intentions	Directorate	Planned 2023/24	Forecast as at P2	Variance 2023/24
		£'000	£'000	£'000
Gypsy and Traveller Health	Growth & Regeneration	12	12	0
Healthy Homes	Growth & Regeneration	70	70	0
Prevention Homelessness - Substance Misuse Pathway	Growth & Regeneration	750	750	0
Breast Feeding Support Team	People	83	83	0
Children's Centres	People	1,220	1,220	0
Community Use of school sports facilities	People	775	775	0
Children and Young People Substance Misuse	People	242	242	0
Domestic Abuse	People	998	998	0
Impact Fund - Grants to Voluntary Community and Social Enterprise (VCSE)	People	728	728	0
Community Development	People	1,085	1,085	0
Suicide & Drug Death Audit	Resources	12	12	0
Quality of Life	Resources	10	10	0
Public Health Campaigns	Resources	51	51	0
Health Equity	Resources	49	49	0
Safety at Night (mental health, drugs & alcohol, water safety)	Growth & Regeneration	50	50	0
Public Health Communication Engagement & Insight	Resources	51	51	0
Health in all Policy	Resources	50	50	0
Public Health Procurement & Contracting	Resources	143	143	0
One City Partnerships for Health	Resources	30	30	0
Total - Internal Commissioned Services		6,408	6,408	0

Table 3 - Planned Externally Commissioned Programmes

Public Health Grant - External Commissioning Intentions	Planned 2023/24	Forecast as at P2	Variance 2023/24
	£'000	£'000	£'000
Sexual Health Services - STI testing and treatment, Contraception (prescribed functions) Promotion, prevention & advice (non-prescribed functions)	9,402	9,402	0
National Health Service (NHS) - Health Check programme (prescribed functions)	394	394	0
Obesity - Children & Adults	30	30	0
Physical Activity - Children & Adults	186	186	0
Substance misuse - Treatment for drug & Alcohol misuse in adults, Preventing & Reducing harm from drug & Alcohol misuse in adults, children, and young people	8,410	8,410	0
Smoking and tobacco - Stop smoking services and interventions and wider tobacco control	320	320	0
National child measurement programme (prescribed functions) & Children 0-19 public health programmes (including schools nursing and other health programmes)	13,111	13,111	0
Total External Commissioning Intentions	31,853	31,853	0

Gross Expenditure by Programme

Ref		Current Year 2023/24 - Period 2				Performance to budget	
		Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
		£000s				%	%
Adult & Communities							
CRF1	Covid Recovery Fund – Community Improvements	1,000	0	1,000	0	0%	100%
PE06B	Adult Social Care – Better Lives at Home Programme	1,116	1	1,116	0	0%	100%
Total Adult & Communities		2,116	1	2,116	0	0%	100%
Children & Education							
CRF2	South Bristol Youth Zone	5,786	53	5,786	0	1%	100%
PE01	School Organisation/ Children’s Services Capital Programme	11,785	141	8,763	(3,021)	1%	74%
PE02	Schools Organisation/SEN Investment Programme	10,178	1,054	10,178	0	10%	100%
PE03	Schools Devolved Capital Programme	1,330	0	1,330	0	0%	100%
PE05	Children & Families - Aids and Adaptations	110	0	127	17	0%	116%
PE06	Children Social Care Services	2,232	22	2,232	0	1%	100%
Total Children & Education		31,421	1,270	28,416	(3,004)	4%	90%
Resources							
RE01	ICT Refresh Programme	1,795	0	1,795	0	0%	100%
RE03	ITTP – IT Transformation Programme	0	(2)	0	0		
RE07	Digital Transformation - Networks	4,511	2	3,522	(989)	0%	78%
RE08	Digital Transformation Programme	1,053	173	747	(306)	16%	71%
RE09	Expansion of Flax Bourton Mortuary	1,066	15	1,125	59	1%	105%
Total Resources		8,425	188	7,189	(1,237)	2%	85%
Growth & Regeneration							
CRF3	Covid Recovery Fund – Economic Infrastructure	1,366	60	1,366	0	4%	100%
GR01	Strategic Property – Temple Meads Development	16,647	367	7,110	(9,537)	2%	43%
GR03	Economy Development - ASEA 2 Flood Defences	8,236	(983)	7,600	(636)	-12%	92%
GR05	Strategic Property - Hawkfield Site	122	3	122	0	3%	100%
GR05A	South Bristol Light Industrial Workspace Redevelopment	2,548	660	2,465	(84)	26%	97%
GR07	Areas for Growth & Regeneration - Pending Business Case Development	1,500	0	1,500	0	0%	100%
GR08	Delivery of Regeneration of Bedminster Green	6,884	2,527	7,874	990	37%	114%
GR09	Clean Air Zone Programme	16,388	(308)	10,386	(6,002)	-2%	63%
GR10	Improvements to Local Centres - Pending Business Case Development	1,500	0	500	(1,000)	0%	33%
NH01	Libraries for the Future	49	(29)	12	(37)	-59%	24%
NH02	Investment in parks and green spaces	3,307	251	2,440	(868)	8%	74%
NH02A	Invest in Parks Sports Outdoor Equipment & Facility Improvements	500	0	250	(250)	0%	50%
NH03	Cemetries & Crematoria	1,022	1	192	(830)	0%	19%
NH04	Third Household Waste Recycling and Re-use Centre	348	(110)	348	0	-32%	100%
NH06A	Bristol Operations Centre - Phase 2	443	98	443	0	22%	100%
NH07	Private Housing	4,173	231	4,173	(0)	6%	100%
PL01	Metrobus	2,766	(132)	1,110	(1,657)	-5%	40%
PL02	Passenger Transport	196	(95)	268	73	-49%	137%
PL03	Residents Parking Schemes - Pending Business Case Development	650	0	650	0	0%	100%
PL04	Strategic Transport	10,521	1,377	12,918	2,396	13%	123%
PL05	Sustainable Transport	1,441	1,365	3,449	2,008	95%	239%
PL06	Portway Park & Ride Investment	(1,195)	(306)	500	1,695	26%	-42%
PL09	Highways infrastructure - bridge investment	467	28	467	0	6%	100%
PL09A	Highways infrastructure - Cumberland Road Stabilisation Scheme	1,241	153	1,241	0	12%	100%
PL10	Highways & Traffic Infrastructure - General	15,141	846	15,039	(103)	6%	99%
PL10B	Highways & Traffic - Street Lighting	3,760	1,418	3,760	0	38%	100%
PL10C	Transport Parking Services	398	57	398	0	14%	100%
PL11A	Cattle Market Road site re-development	1,874	23	935	(939)	1%	50%
PL15	Environmental Improvements Programme	38	0	38	0	0%	100%
PL17	Resilience Fund (£1m of the £10m Port Sale)	19	0	18	(1)	0%	97%
PL18	Energy services - Renewable energy investment scheme	3,716	0	3,710	(6)	0%	100%
PL18A	Energy Services – Bristol Heat Networks expansion	0	(16)	0	0		
PL18B	Energy Services - School Efficiencies	186	0	186	0	0%	100%
PL20	Strategic Property	105	0	30	(75)	0%	29%
PL21	Building Practice Service - Essential H&S	3,617	230	3,427	(190)	6%	95%
PL24	Bristol Beacon	29,317	4,434	26,469	(2,848)	15%	90%
PL27	Vehicle Fleet Replacement Programme	2,681	2	2,402	(279)	0%	90%
PL30	Housing Delivery Programme	20,478	441	18,399	(2,078)	2%	90%
PL32	Western Harbour Design Development	280	0	280	0	0%	100%
PL34	Strategic property - Community investment scheme	749	0	749	0	0%	100%
PL35	Harbour Operational Infrastructure	2,774	11	2,774	0	0%	100%
PL36	Investment in Markets infrastructure & buildings	455	57	455	0	13%	100%
Total Growth & Regeneration		166,708	12,661	146,453	(20,255)	8%	88%
Total General Fund service Total		208,669	14,120	184,173	(24,495)	7%	88%
Housing Revenue Account							
HRA1	Planned Programme - Major Projects	69,756	1,250	57,583	(12,173)	2%	83%
HRA2	New Build and Land Enabling	70,015	1,332	68,399	(1,616)	2%	98%
HRA4	HRA Infrastructure	1,789	0	1,789	0	0%	100%
Total Housing Revenue Account		141,560	2,583	127,770	(13,790)	2%	90%
HRA & GF Service combined Total		350,229	16,702	311,943	(38,285)	5%	89%

Gross Expenditure by Programme

Gross Expenditure by Programme		Current Year 2023/24 - Period 2				Performance to budget	
		Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
Ref	Scheme						
£000s						%	%
Corporate Contingencies & Funds (General Fund)							
CP03	Corporate Contingencies	3,965	0	3,965	0	0%	100%
CP05	Decarbonisation Fund - Pending Business Case Development	6,000	0	1,000	(5,000)	0%	17%
CP06	Assumed level of capital programme slippage (2023-24 Budget Report)	(5,741)	0	(5,741)	0	0%	100%
Total Corporate Contingencies & Funds (General Fund)		4,224	0	(776)	(5,000)	0%	-18%
Capital Programme Grand Total		354,453	16,702	311,168	(43,285)	5%	88%

1. Introduction

- 1.1. This report provides a medium-term financial outlook for the council, reviewing and highlighting the significant risks, issues and uncertainties around the current budget assumptions within the Medium Term Financial Plan (MTFP) and Capital Strategy, to provide the context around the budget strategy for the coming financial year.
- 1.2. The MTFP and Capital Strategy are key parts of the council's Policy and Budget Framework and financial planning process, which set out the council's strategic approach to the management of its finances and provide a framework within which delivery of the council's priorities will be progressed. They are refreshed annually to ensure they remain relevant and accurate and presented to Council in the autumn for approval. In line with good practice and given the continued uncertainty in the financial and economic environment, the financial planning assumptions are kept under regular review, this early financial outlook is a snap-shot of that review provided for members.
- 1.3. The medium-term financial outlook is reviewed regularly to be responsive to changing context including national factors, local priorities and conditions, and it takes account of emerging pressures, risks and opportunities to the council's financial position. It provides a forecast outlook to aid timely robust and methodical planning and allows us to identify and respond to issues early. It also seeks to protect the financial health of the council, considering the appropriate level of reserves that the council holds to mitigate current and longer-term risks and ensure sustainable services.
- 1.4. It must be recognised that the economic climate remains uncertain, with inflation and interest rates remaining stubbornly high, and it therefore remains extremely difficult to make a full, definitive and comprehensive assessment of the ongoing financial impact on the council. As such, the figures in this report are based upon best estimates and forecasts and will therefore be subject to change. However, the significance of the potential financial challenge cannot be underestimated and over time, the council needs to continue with its development of measures and strategy to maintain a commitment to strong financial resilience and sustainability.
- 1.5. The medium-term outlook encompasses the following:
 - New legislative and policy change
 - Recommendations for Cabinet to note
 - Additional inflationary pressures
 - Changes in business rates and council tax funding
- 1.6. The medium-term financial outlook was last fully reviewed and approved by Council in February 2023 as part of the annual budget setting cycle. Budgets were balanced over the first three years of the medium term, with a budget gap remaining for the latter two years at that time. The following fundamental assumptions were embedded within the last review:
 - Net planned savings of £43.9 million are delivered on a permanent / recurrent basis over the 5 year term.
 - Emerging pressures are managed within directorate cash limited budgets as set by Council.
- 1.7. Since February 2023 there have been changes in the external context, in particular the continuity of high levels of inflation and the cost of living crisis, along with increased interest rates, that further exacerbate the challenges being experienced from the fundamental assumptions above. As a result, whilst there is significant work underway in terms of transformation and the underlying position on forecast outturn is that in 2023/24 the budget will be maintained, the council's financial position is outlining risk to delivery of the budget amounting to £15.2 million. This risk is reflected within the worst-case scenario outlined in the financial outlook.

1.8. The outlook includes an update of estimates of assumptions and the potential recurrent impact of the 2023/24 financial position and emerging risks. At this stage, the figures do not include any additional savings or mitigations for the future years over and above those previously built into the MTFP. Work to identify additional transformation, efficiencies and savings will be undertaken in the coming months alongside further MTFP update.

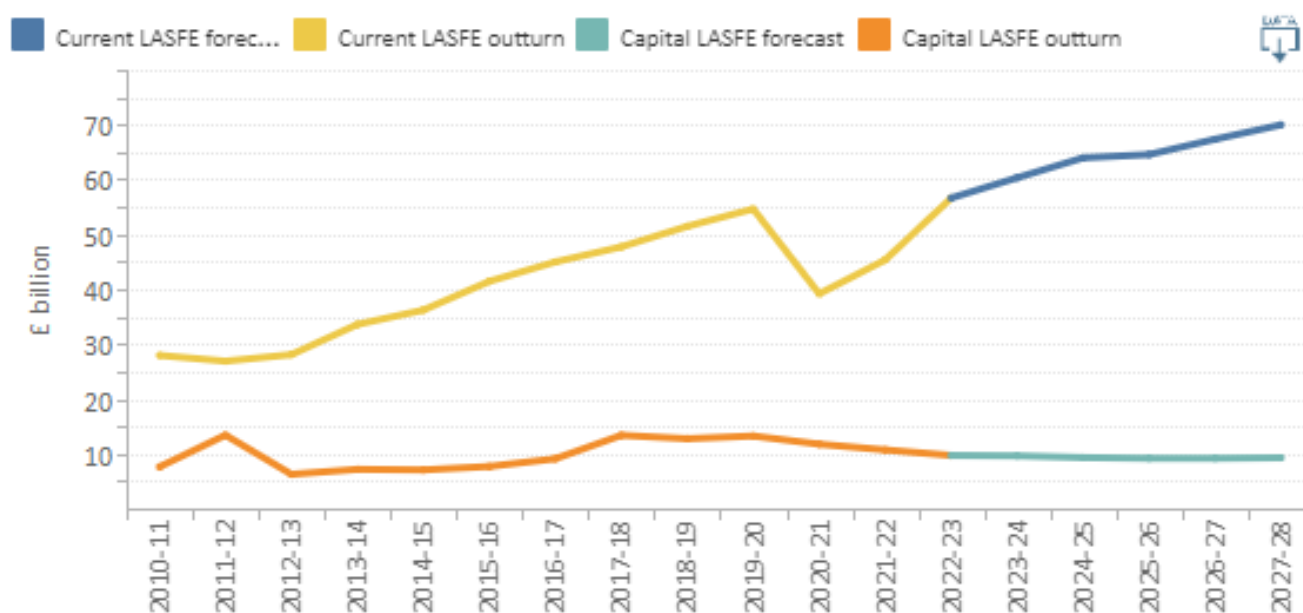
- The refreshed outlook indicates a potential range of a further £8.97 million of cost pressures in 2024/25 to £5.94 million in 2028/29, being above the budget gap in the latter years outlined in the budget report to Council in February 2023.
- The Council anticipates an in year drop in funding for 2024/25, however there follows anticipated increases in available funding of £1.912 million from 2025-26.
- This results in a net increase in resource requirement of £9.931 million from 2024/25 and by 2028/29 a likely revised budget gap of £24.725 million in 2028/29.

1.9. The financial outlook does not constitute a formal budget or financial framework. It does provide an early indication of the evolving financial projections and challenges ahead, reinforcing the need for continued strong financial management and early action within the financial planning cycle to ensure a financially balanced MTFP. A full Medium-Term Financial Plan and Capital Strategy will be presented to Council in the autumn, setting out the financial strategy to manage the council's financial resources, and ensure we continue to balance the 2024/25 budget.

2. Background Context

- 2.1. Council approved the current budget and five-year outlook in February 2023. In the four months since, the rate and pace of change in external events, particularly the cost-of-living crisis, continue to influence the economic context upon which the council bases its planning.
- 2.2. Inflationary pressures continue to be high and are not decreasing at the pace expected, with the council now operating in a higher than typical inflationary environment, albeit with signs that inflation is starting to ease (April 2023, 8.7%, March 2023, 10.1%).
- 2.3. On 15 March 2023 the Chancellor presented his Spring Budget before parliament. The spring announcement provided for a number of new measures including employment support, additional road funding and an easing of borrowing rates for housing capital projects. The statement was an update with limited fiscal (spending and tax) policies included.
- 2.4. In the weeks following the Spring Budget the Bank of England's Monetary Policy Committee raised interest rates in May and June, rising from 4.25% to 4.5% and now 5%. These base rate rises feed through into an overall increase in government spending over the medium term driven by the rising cost of debt interest costs but also increased costs driven by a mixed picture on inflation.
- 2.5. Figure 1 shows the projection of local authority spending to 2027/28. The **Error! Reference source not found.**projection outlines an increasing day-to-day revenue spend projection and a broadly cash flat capital spend projection over the medium term.

Figure 1: Current and Capital Local Authority Self Financed Expenditure (LASFE)

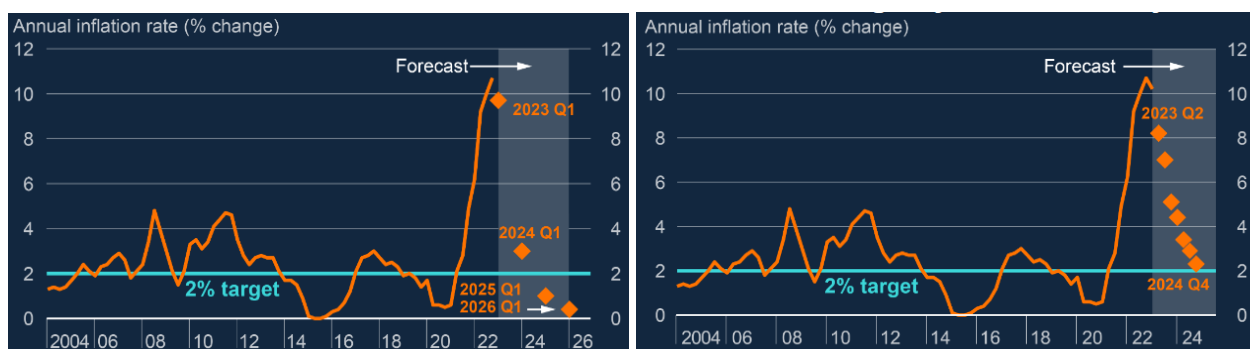


Source: HMT, OBR

Economic Context

- 2.6. Inflation remains of significant impact to the general economic context. Inflation has a direct impact on the cost of goods and services delivered by the council but also the cost-of-living crisis impacts on citizens who rely on the services provided by the council.
- 2.7. As at February 2023 the Bank of England were predicting a sharp decline in inflation over the coming year, with <2% inflation by Q1 of 2025. The more recent projections as at May 2023 continue to predict inflation will decrease in the coming year significantly, although reflect that this journey has started at a slower pace with a slightly greater than 2% level anticipated by Q4 of 2024.

Figure 2: February and May 2023 inflationary projects from the Bank of England Monetary Policy Reports



Source: Bank of England Monetary Policy reports

- 2.8. The drop in inflation to 8.7% (from 10.1%) left inflation still at the higher end of market expectations. Whilst electricity and gas prices contributed 1.42 percentage points to the fall in annual inflation in April 2023, food and non-alcoholic beverage prices continued to rise in April. However, the annual inflation rate of food and non-alcoholic beverages remain broadly unchanged with a minor movement, from

19.2% in the year to March 2023, to 19.1% in the year to April 2023. Core CPI (excluding energy, food, alcohol and tobacco) rose to 6.8% in the 12 months to April 2023, up from 6.2% in March, which is the highest rate since March 1992, and the CPI services annual rate rose from 6.6% to 6.9%.

- 2.9. Set amongst the pattern of rising non pay costs is the economic impact of labour market pressures. Shortage of supply in labour has an impact through council services as managers aim to deliver outcomes with more expensive and fewer skilled and non-skilled employees in the market. The council is not alone in finding recruitment and retention of staff challenging, with pressures across social care.
- 2.10. In an attempt to tackle the high level of inflation, central banks have increased interest rates, seeking to balance the desire to reduce inflation with not impacting economic growth and causing recession. Market reaction to this data led to increased gilt yields and a forecast peak of bank rates between 5.25% and 5.5%, with little prospect of those rates coming down before the second quarter of 2023/24.

3. New Legislative and Policy Change

- 3.1. The King's Speech, which will set out the governments' programme of legislation, has been delayed until the autumn of 2023. The current parliamentary session has been extended to enable the previous legislative programme to be progressed.
- 3.2. No changes have yet been announced on several of the proposals that were included in the July 2022 Outlook, while some have been updated. The planned legislation will have an impact on the council, which needs to be considered in terms of business planning and financial planning.

Schools Bill

- 3.3. This no longer coming forward in this session. Government is continuing to implement measures in the schools' white paper, published in March 2022, that did not require legislation e.g. minimum week length, higher targets.

Strikes (Minimum Service Levels) Bill

- 3.4. This is in final stages of progression and makes provision for minimum service levels in connection with the taking by trade unions of strike action relating to certain services. Sectors include health, education, fire and rescue, and transport.

Illegal Migration Bill

- 3.5. Currently going through parliament. Potential impacts on councils of the bill include accommodation, support and long-term planning for unaccompanied children, and changes to the current asylum system including powers of detention and consultation on the resettlement cap.

Renters (Reform) Bill

- 3.6. This has been published and is at early stages of the parliamentary process. Changes would introduce new enforcement powers and duties for councils including abolition of section 21 'no fault' evictions and a move to periodic tenancies; a tenant appeal process for above-market rent increases; a new Private Rented Sector Ombudsman; and a new Privately Rented Property Portal to help landlords understand their legal obligations and demonstrate compliance.

Supported Housing (Regulatory Oversight) Bill

- 3.7. This is in the final stages of process and is regarding the regulation of supported exempt accommodation. The LGA has raised concerns about the potential capacity challenges for councils if

new responsibilities are introduced. Resource will need to be given to a licensing scheme and enforcement of new National Supported Housing Standards.

Social Housing Regulation Bill

- 3.8. This makes provision for the regulation of social housing around the terms of approved schemes for the investigation of housing complaints. It will enable tenants to better hold their landlords to account on consumer issues. The bill is in final stages and awaiting Royal Assent.

Procurement Bill

- 3.9. In remaining stages in the House of Commons. Government has indicated that the new procurement regime will go live in October 2024 and will consult on secondary legislation that will sit under the Procurement Act, once on statute.

Retained EU Law (Revocation and Reform) Bill

- 3.10. This is in final stages in parliament. The bill will enable government to implement policies in its Benefits of Brexit report (Jan 2022) allowing it to repeal or assimilate retained EU law (REUL) and remove its supremacy in the UK legal system by the end of 2023, including its usage by courts and SMEs.

Non-Domestic Rating Bill

- 3.11. This has been introduced and completed its passage through the Commons and will now go to the Lords. This bill should make the process of getting information from ratepayers easier, supporting business rates revaluations once every three years.

Draft Mental Health Bill

- 3.12. The joint committee on the bill published its report in January 2023 that included a recommendation for strengthened duties for Integrated Care Boards and local authorities, to ensure adequate supply of community services for people with learning disabilities and autistic people to avoid long-term detention. The final bill has not yet been published and unlikely to see parliamentary time this session.

Draft Audit Reform Bill

- 3.13. No set date for publication. The intent is to establish new statutory regulator - the Audit, Reporting and Governance Authority, that will protect and promote the interests of investors, other users of corporate reporting and the wider public interest. It is highly unlikely to feature within the session.

Energy Bill

- 3.14. In Committee Stage in Commons. Includes proposals for regulation of the heat network market and heat network zoning; creation of a Heat Network Authority; and creation of Future System Operator, an independent and first-of-a-kind body to coordinate and ensure strategic planning across the gas and electricity sector.

Levelling Up and Regeneration Bill

- 3.15. This is progressing through the final stages in parliament. Proposals include risk-mitigation measures potentially giving the Secretary of State powers to intervene in a local authority, and a breadth of measures around reforms of the planning system as well as new powers for local authorities around commercial and residential empty premises.

Council Tax Premium on Second Homes

- 3.16. The government is proposing that billing authorities have the power to charge a 100% premium on second homes or empty dwellings, Full Council has already approved the change. The outcome of implementation could be expected to increase the Council Tax funding available to the council by £4.6 million. The new bill can apply the second home charge in 12 months rather than two years. Implementation date will likely be April 2025 subject to the final laying of legislation. There is proposed to be a 12 month notice period to implement the policy of an earlier levying of the second home charge, although this too is subject to the actual details in the legislation. Medium term financial planning assumptions included implementation from April 2024.

Planning

- 3.17. In 2022 planning system reforms were expected with the aim that “more homes can be built” .. “simplifying and standardising the process for local plans.” To improve capacity in the planning system, planning fees will be increased for “minor and major applications by 35% and 25% respectively, subject to consultation”.
- 3.18. The reforms further propose a new “locally set, non-negotiable levy to deliver infrastructure” aimed at capturing more of the financial value created by development of the infrastructure communities needs. Thresholds and rates will be set in local charging schedules. The new infrastructure levy is expected to largely replace the current system of Community Infrastructure Levy (CIL) and section 106 payments. This should result in greater certainty around costs for developers. Although still not implemented, plans remain in place for parliament to move forward.

White and Green Papers and Other Policy Measures

- 3.19. White (information report or proposals for future legislation) and Green (preliminary report of government proposals for discussion) papers are often published, seeking views before proceeding with formal legislation. It is important that the council is aware of and feeds into these as well as other policy measures. Two major publications impacting areas of high financial risk to the council relate to special educational needs and disabilities services and adult social care.

People at the Heart of Care: Adult Social Care Reform White Paper

- 3.20. The government remains committed to a 10-year vision for adult social care as set out in the white paper published in December 2021. The paper is proposing to reform the following four key charging elements:
- increased assessments, reviews, and care management responsibilities
 - increase in both the lower and higher thresholds which affect when the public sector starts to pay for care and how much it contributes
 - the introduction of the cap which limits the amount that individuals might contribute towards their care
 - that self-funders can ask the local authority to commission care at local authority fee levels on their behalf
- 3.21. A ‘Next steps to put People at the Heart of Care’ plan has now been published (April 2023), which details continued transformation of the adult social care system in England through:
- improved access to care and support
 - recognising skills for careers in care
 - driving digitisation and technology adoption
 - data and local authority oversight
 - support to enable people to remain independent at home
 - encouraging innovation and improvement
 - joining up services to support people and carers

- 3.22. The council continues actively working to understand the anticipated impact of the care charging reforms on both the council and our local area provider market and is planning for successful implementation in October 2023.

SEND

- 3.23. On 29 March 2022, the government published a special educational needs and disabilities (SEND) green paper and consultation called "SEND Review: right support, right place, right time". Following consultation and feedback a Special Educational Needs and Disabilities (SEND) and Alternative Provision (AP) Improvement Plan was published in March 2023, setting out the next steps for reform.
- 3.24. The improvement plan sets out a system with new evidence-based national standards to improve early identification of needs and intervention and will include aspects such as standardised EHCPs. By the end of 2025 it is expected that the first three practice guidance will have been issued.

Extended Producer Responsibility (EPR) for Packaging

- 3.25. The EPR involves a major reform to Waste Management. Producers, mostly business paying into a scheme involving incentives for packaging reforms resulting in less waste and recycling. The EPR represents a potential new funding stream for councils with lower tier responsibilities including Bristol.

4. Medium Term Financial Outlook

- 4.1. The budget approved by council in February 2023 outlined a 5-year position that, while balanced in the first three years through reserves contributions, projected a gap by 2026/27 of £8.1 million, rising to £9.8 million by 2027/28.
- 4.2. This section summarises the impact of changes to previously agreed assumptions in the five-year financial outlook as outlined in the budget set by Full Council in February 2023. For avoidance of doubt, this includes 100% delivery of all previously agreed savings over the medium term (net of optimism bias but including the carried forward legacy savings from previous years that have previously been mitigated on a non-recurrent basis); increases in funding where early indications are available; and inflation and emerging risks already included within the quarter 1 financial report.
- 4.3. The medium-term position since Budget Council is less favourable predominantly because of inflation. Review of options to mitigate and review of recurrent further savings and efficiencies is now to be undertaken to manage these emerging risks, therefore the position outlined in this outlook will be impacted by this process in future months.
- 4.4. A note of caution should be applied to many of the assumptions and economic forecasts because projections into the medium or longer term are speculative. It was assumed interest rates would peak at 4.5% but the MPC announcement of a 5% base rate on 22 June 2023 has already overshoot that benchmark. This outlook base case outlined is assessed against the best information that is available at the current time, however, by nature of being an early indication contains significant uncertainty and is subject to volatility. There is risk and opportunity inherent in the assumptions taken to build this projection and further clarity in the coming months will inform a full sensitivity review of these projections and ultimately the Medium-Term Financial Planning.
- 4.5. Scenario testing, applied to the July Outlook, modelled 'base case', 'best case' and 'worst case' scenarios indicate that there will be a probable deficit in 2024/25 and onwards to 2028/29. The 'best case' from 2024/25 up to 2028/29 presents an emerging risk of between £3 million to £12.777 million of quantified risk whilst the 'base case' maintains that from 2024/25 there is a quantified risk of £9.931 million rising to £24.725 million by 2028/29. The 'worst case' scenario points to a £21.031 million risk from 2024/25 increasing to £35.825 million by 2028/29. These scenarios will help planning and focus

the council on the key variables to track, and where unfavourable, mitigations can be put in place to bring these variables in line.

- 4.6. Forecasts at P2/Q1 2023/24, is broadly in line with budget, however there are signs the emerging risks identified in the base case (estimated to be £9.931 million), predominantly in Adults and Children's services where demand and inflation are presenting potential pressures, will materialise. At this point in the year this emerging risk requires further validation and investigation, it is therefore assumed that this will be closely reviewed and managed through the transformation programmes and further mitigations. In terms of a worst-case scenario on financial outlook this could present a further recurrent pressure into the 5 year MTFP period.
- 4.7. The financial outlook based on the presently available information and other assumptions (excluding reserves, for example, allowing clearer illustration of the gap) is therefore that the council could face a £9.931 million budget gap in 2024/25, rising to £24.725 million by 2028/29.

Table 1: Movement in forecast budget gap (£m)

2023/24		2024/25	2025/26	2026/27	2027/28	2028/29
(3.929)	February Budget	4.156	(8.863)	(8.131)	(9.777)	(9.777)
3.929	Contribution to Reserves	(4.156)	8.863			
(0.000)	Forecast gap	(0.000)	-	(8.131)	(9.777)	(9.777)
-	Change in Funding	(0.960)	1.912	1.912	1.912	1.950
-	Changes in Costs	(8.971)	(7.322)	(6.845)	(6.598)	(5.940)
(0.000)	Total July 2023 Forecast Gap	(9.931)	(5.410)	(21.195)	(24.240)	(24.725)

- 4.8. The February Budget includes a position with has planned use of reserves (£4.1 million) in 2024/25 and £8.8 million in 2025/26 which if adjusted can support council balances in 2024/25 bringing the gap down to £1.1 million for one year. The effect however will be to increase the forecast gap in 2025/26 to £14.273 million. The table above excludes these reserves movements.

General Fund - Indicative Available Funding

- 4.9. The forecast level of overall general fund resources available to the council, including retained business rates, central grants, and council tax income, over the next financial year is projected to be £505.13 million (this figure includes a deterioration of £0.96 million in funding since the February forecast) and is detailed in **Error! Reference source not found.** below.
- 4.10. The forecast funding is based on assumptions of changes in residential properties in Bristol and forecast demographic shifts. It also makes assumptions about specific increases in council tax rate or decisions on discounts and premiums and it is important to note it sets out available funding, however actual funding available will depend on decisions taken as part of the annual budget setting process.
- 4.11. The changes to assumptions since the budget in relation to each of the funding categories are outlined in the subsequent sections.

Table 2: Funding available - changes since February 2023 (£m)

2023/24		2024/25	2025/26	2026/27	2027/28	2028/29
479.594	February 2023 Forecast Core Funding	506.090	502.424	514.914	527.009	537.549
479.594	July 2023 Forecast	505.130	504.336	516.826	528.921	539.499
0.00	Changes since March 2023	(0.960)	1.91	1.91	1.91	1.95
	<i>Of which:</i>					
0.0	Collection Fund	0.00	0.0	0.0	0.0	0.0
0.0	Council Tax Second Home Premium	(2.872)	0.0	0.0	0.0	0.0
0.0	Business Rates Multiplier	0.15	0.15	0.15	0.15	0.15
0.0	Additional Grants	1.76	1.76	1.76	1.76	1.76

Council Tax Reduction Scheme (CTRS) – Working Age

- 4.12. There are various discounts and exemptions to council tax such as single person discount, student exemptions and the Local Council Tax Reduction Scheme. Most of these are set at a national level, with the exception of the Local Council Tax Reduction Scheme. The pensioner element of this scheme is set nationally and replicates the level of support under Council Tax benefit (ie the lowest income pensioners do not pay any council tax). Local authorities are required to design their own schemes for low income council taxpayers of working age and for Bristol this broadly replicates that for pensioners, in that those on the lowest income do not pay council tax.
- 4.13. Council estimates of the cost of the scheme are linked to unemployment trends. Long term forecasts for unemployment remain broadly consistent with current levels and the current assumptions in the budget remain broadly constant for 2024/25 with the current scheme in place. In the context of a council tax uplift of 5% it might have been expected that costs would increase, however, despite this, current data hasn't shown the same lift in CTRS. Costs will continue to be monitored.
- 4.14. The CTRS is currently under review in line with the approved February budget. This outlook continues to apply the principles outlined in that approval, noting that this review requires consultation.

Business Rates Multiplier and Settlement Funding

- 4.15. Local authorities have retained 50% of business rates real terms changes in business rates revenue (growth) through the business rates retention scheme since 2013/14. The government's original intention was to reset local authority baselines (the target level of business rates it expects each local authority to collect each year) in 2020. In 2015, the government set out ambitions to allow local authorities to retain 100% of business rates growth by 2020 and several pilots were established which are now running as routine, including for the West of England Combined Authority, which includes Bristol City Council.
- 4.16. In line with the principles of business rates retention, business rates for business are assumed neutral. With the Council's business rate multiplier increasing in line with inflation. An Under-Indexing Multiplier Grant would be applied to ensure that local authorities' shares of income are not impacted by changes. The current estimates in the MTFP provides for an improvement in estimated business rates from 2024/25 over the medium term, however it is also assumed any compensation for ratepayers frozen business rates to the Council remains also index linked.

- 4.17. The exact position remains uncertain, and the council is carrying significant risks in relation to business rates. From the changes in the economic context there is particularly significant uncertainty regarding business rates appeals. The council provides annually a share of its net business rates to cover appeals, a potential national benchmark could be 3.3% and might be considered for future years.
- 4.18. The collection fund outturn for 2022/23 shows local tax income surpluses were less than estimated in the budget, driven by treatment of S31 grant funding. The actual movement from the budget estimates for 2023/24 surpluses will impact on the 2024/25 budget as they are included in the collection fund estimates for 2024/25 later in the year.

Table 3: Breakdown of carry forward deficit from 22/23 collection fund (£m)

	Council Tax	Business Rates	Total
Movement in 22/23 Outturn	(0.076)	3.083	3.007

- 4.19. At this point the collection fund for 2023/24 is assumed to be balanced, however there is a risk there could be a further deficit from 2023/24 collection fund.

Grant Funding

- 4.20. The December 2022 Provisional Government Funding Settlement confirmed arrangements for devolution business rates retention pilots such as Bristol's to continue; an increase of 1% to the council tax referendum threshold; social care precept of 2% and a further period of social care grants until reforms are implemented and councils await plans on future local government grant income. Indications are that local government funding reforms such as Fair Funding (aimed at designing a new system for allocating funding between councils via a renewed methodology) and business rates reviews (100% to 75% retention and wider reforms of the business rates system) will be introduced for 2025/26. These reforms will set new funding baselines for every authority and present a significant risk to future funding for the council's financial planning.
- 4.21. The 2023/24 budget assumed £5.7 million of non ring-fenced service grants as one-off. Due to delays in local government funding reform, for 2024/25 these have been assumed in the funding available in the medium-term outlook but reduced. The New Homes Bonus is expected to cease after 2024/25. It was also announced that the lower tier services grant redistribution method would change – the revised grant for Bristol City Council is a nil allocation. The government recognises the position of the lower tier in relation to grants is to be re-considered, therefore the 2024-25 position of grant funding for lower tier authorities like Bristol will also be reviewed in the context of a possible interaction with the EPR scheme (see above).

Table 4: Breakdown of 2024/25 one-off grants

Grant Name	£'m
2023/24 Services Grant	3.932
Lower Tier Services Grant (Ended)	0
New Homes Bonus	1.599
Total	5.561

5. Emerging Financial Risks

Summary

- 5.1. The review undertaken to inform the financial outlook refresh has indicated a range of emerging general fund risks, presenting challenges which may not be readily contained within existing resources and therefore requiring mitigating action, additional funding or broader transformational interventions.
- 5.2. The emerging risks over the next planning period total £15.0 million as shown in **Error! Reference source not found.** The underpinning assumptions in relation to each of the categories of emerging pressures are outlined in the subsequent sections.

Table 5: Emerging pressures (£m)

2023/24		2024/25	2025/26	2026/27	2027/28	2028/29
483.523	March 2023 Annual Budget	501.934	511.288	523.045	536.786	547.522
483.523	July 2023 Forecast	510.905	518.610	529.890	543.384	554.252
0.0	Changes since March 2023	8.97	7.32	6.84	6.60	5.94
	Of which:					
0.0	Pay Award	1.90	1.90	1.90	1.90	1.90
0.0	Emerging risk and savings	2.74	2.74	2.74	2.74	2.74
	Additional inflation	3.00	3.00	3.00	3.00	3.00
0.0	Capital Financing	1.33	(0.32)	(0.80)	(1.04)	(1.70)

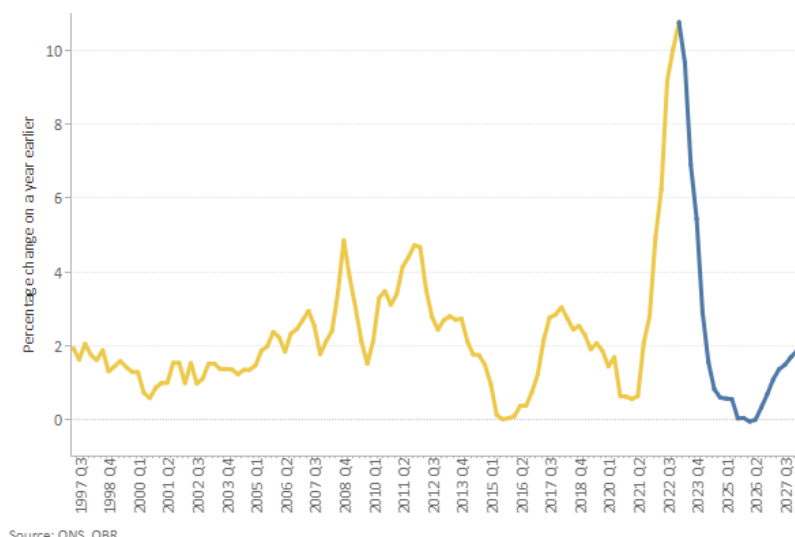
Pay Inflation

- 5.3. The annual budget and medium-term outlook include provision for an annual pay award/NIC capped at £9,100 (which equates to approximately 4%) plus small contingency. The current year's pay discussions are underway. The pay award for 2023/24 has not yet been finalised. Once complete the impact on budgets will be known and consequently planned for. An additional 1% increase in pay award typically results in additional costs of £1.9 million per annum. Beyond 2023/24 the outlook assumes that pay inflation reduces, returning to previous levels from 2025/26.

Non-Pay Inflation

- 5.4. Services are expected to absorb annual inflationary pressures within existing budgets. Corporately provision is made in each year to allow for material contractual inflationary cost pressures which cannot be managed within a service. An additional £2 million additional contract inflation contingency was set aside in 2023/24, the cost impact to be monitored in the year then drawn down after reconciliation.
- 5.5. Industry specific pressures where either there are contract commitments or evidenced industry specific inflationary pressures, such as energy, accommodation, transport, waste disposal and social care are continuously monitored.
- 5.6. Inflation has begun to decline but remains at higher than planned levels and higher than government had expected. This will require close monitoring during the year and further delays to inflation decreases present a further risk to the Medium-Term Financial Planning.

Figure 3: OBR forecast for CPI inflation



Savings Delivery

- 5.7. The savings programme agreed by Council in February 2023 included savings totalling £43.9 million over the medium term of which £26.2 million is attributed to 2023/24. In addition, £9.3 million of savings still requiring delivery were carried forward from previous years.
- 5.8. When the budget was set some of the savings remained at early development stage and as such a suitable optimism bias was applied. As at Q1, the value of savings at risk exceeds the value of the optimism bias, however critical focus is placed on the transformation work streams on-going to implement the savings plans and improve the proportion of 'safe' savings. As such there is both a risk and opportunity to the financial outlook dependent on the delivery of these savings which is included in the downside and upside scenarios, respectively.
- 5.9. The Quarter 1 financial forecast position reports savings as still planned for delivery by outturn and as such this forward look also assumes delivery of the ambitious programme, however this is a clear risk that requires continued assessment as we move through the financial year and if slippage or under delivery becomes apparent, this will present a pressure on the figures presented in this outlook for the development of the MTFP later in the financial year.

Capital Financing and Interest Rates

- 5.10. This time last year the Bank of England base rate was 1.25% and is now 5%. The increase of 3.75% is having a profound effect on every aspect of the economy, for individuals, for public sector entities and for business. The impact of further variations to interest rates, both in terms of investment returns and borrowing costs presents a corporate risk. Interest rate risks are managed through effective treasury management and the use of fixed rate loans where appropriate.
- 5.11. Figures below show the change in medium term forecasts for base interest rate and PWLB 50 year borrowing rates between December forecasts, used to inform the budget, and the latest forecasts. The increase in forecast interest rates above the previous forecasts has increased the cost of borrowing through Public Works Loan Board (PWLB) for long term borrowing, with the fixed rate for 50 year loans now resting at just under 5.5%, which is almost 1% above the previous assumptions at February Budget approval.
- 5.12. A key influencer of the level of planned borrowing in later years is the growing scale of the council's Capital Programme. Debt funded growth in the programme adds additional financing costs. If the growth is greater than that already assumed in the medium-term financial plan this will add additional interest costs every year and in the current environment this could step up substantially if interest rates

continue to remain high. The current estimate is that financing costs remain broadly as expected given the capital programme has not at this time been expanded, to manage within the overall debt caps.

- 5.13. The council's capital strategy includes strict criteria around affordability, including that the capital financing costs are no more than 10% of net revenue budget in the General Fund. The position on the capital programme will require review and if necessary reprioritisation to ensure that this is maintained in the current climate of high interest rates.
- 5.14. From a practical standpoint the council will focus on optimising cashflow and, given the elevated level of interest rates, the council can lend balances to other local authorities or place short-dated deposits into institutions. While there is a financial benefit to the council placing deposits, with gains that contribute to the MTFP, generally this tends to be only a short-term contribution. Longer-term rates are forecast to be lower over the duration of the five-year horizon.

Adult Social Care Reform

- 5.15. The Adult Social Care white paper 'People at the Heart of Care' issued last year sets out the direction of travel for the government's Adult Social Care plans (a care cap, means testing update, 'Fair Cost of Care' and 'care brokerage').
- 5.16. There is a risk the full cost of implementing these reforms will not be fully compensated to local authorities, that funding will not reflect the full new burdens, and work is being undertaken across the sector to ensure the cost of these changes is fully understood at a local level and sufficient funding is made available. It is important to note any financial impact on the council is not modelled into the above figures as this remains uncertain.
- 5.17. In wider developments for Integrated Care, on June 14 2023, the government published its [response to independent review](#) of ICSs that was led by Rt Hon Patricia Hewitt. The [review published its findings](#) in April 2023. The response included themes such as autonomy and support for ICSs and finance and funding across the system

Ring Fenced Funds

Public Health (PH) Grant

- 5.18. Public health services are funded by a ring-fenced grant to the council which for 2024/25 is to be £36.2 million, an increase of 1% in comparison to the current year (£35.7m 2023/24). The grant is likely to continue to be subject to conditions on what it funds, including a ring-fence requiring local authorities to use the grant exclusively for public health activity which may include public health challenges arising directly or indirectly from Covid-19.
- 5.19. Previously, in 2021, government committed to increase the Public Health grant in real terms for the period of the spending review, however considering the significant inflationary increases it appears this is not the reality. The council plans to ensure any increased costs of services are contained within the envelope provided, however, this is particularly challenging given the increases to the NHS Agenda for Change pay, which represents a significant pressure on many of the contractual arrangements within Public Health services.

Dedicated Schools Grant (DSG)

- 5.20. The 2021 Spending Review committed real terms increases to education spending over the next two years. The High Needs Block received a 7.0% increase in 2023/24 and recommended future budget funding assumptions of 3% for subsequent years thereafter. Increasing inflation and number of children

and young people with Educational, Health and Care (EHC) plans will clearly erode the impact of this additional funding in terms of a real terms increase on costs.

- 5.21. The indicative allocation for 2023/24 and a 3% uplift for subsequent years is built into the deficit management plan. The five-year cumulative unmitigated DSG deficit position is estimated to be £128 million in 2027-28, per latest projections for the Delivering Better Value (DBV) programme. Whilst it is recognised that managing the DSG deficit requires a long term plan, subject to public consultation, the stretch-confidence DBV 5 year benefits could achieve annual break even by 2025/26 with a total cost reduction of £80 million over the medium term. This could leave a potential cumulative legacy deficit of £48 million in 2027/28, being mitigated over the longer term.

Housing Revenue Account (HRA)

- 5.22. The HRA includes all expenditure and income incurred in managing the council's housing (circa 29,000) and, in accordance with government legislation, operates as a ring-fenced account with a 30-year business plan. This means that the HRA does not receive any subsidy from government or from council tax. The legislation sets out those items that can be charged to the HRA and it is not permitted to subsidise the General Fund.
- 5.23. The HRA is required to be self-financing over time with demonstrable sufficient resources to meet future operational commitments, any potential financial pressures or risks identified and approved investment plans. Surpluses or deficits generated in each year will be transferred to / from the HRA general reserve.
- 5.24. The energy and inflationary pressures noted above are also felt across the HRA services, further impacted by required fire safety works. In particular, inflation impacts on construction, repairs, increased spending on existing stock and the cost of borrowing. The rent standard currently allows rents to increase by 1% above inflation (CPI + 1%), however due to the higher than expected levels of inflation, the government has capped this at 7% for 2023/24. Further caps to increases remain a risk to the 30-year business plan should inflation remain higher than expected later in the year.
- 5.25. Whilst the decrease in HRA borrowing rates was welcomed as a positive impact on the HRA 30-year plan, we are now seeing interest rates rising to a generally higher level than anticipated. Whilst in 2023/24 development is funded through a combination of major repairs and revenue reserves, capital receipts and external income, if the interest rates do not return to the lower values originally anticipated this will present a risk to the HRA's ability to develop and invest where capital is debt funded in future years.
- 5.26. During 2023/24 government has enabled 100% retention of right-to-buy receipts for sales from 2022/23 and 2023/24. This is with the intention to boost social housing construction and the council has a period of 5 years in which to apply these receipts to development. These receipts can be used to support up to 40% of new stock development or purchase cost. This therefore presents both an opportunity to the Council in terms of the additional funding source and a risk in terms of the funding gap required to be met. There is also a risk to the HRA projected position should these receipts ultimately require repayment for underuse as there is an interest charge payable in that instance.

Capital Programme

- 5.27. Capital investment in the programme covers significant and ambitious plans for the coming years expenditure, which includes construction and infrastructure costs, labour and material costs, all of which have been impacted by inflationary pressures. Ongoing supply disruptions and material price increases, compounded by the increase in energy costs, which are a high proportion of cost base for material supply, is unfavourably affecting overall total cost estimates for the programme.
- 5.28. The increase in National Insurance rates, the availability of labour and cost of living crisis is having an impact on labour costs within the construction industry. With inflation remaining stubbornly high there

is a view that construction inflation specifically will continue above general levels of inflation in the medium term.

- 5.29. The funds available to finance capital investment are set out in the current capital programme which also provides a level of contingency against emerging pressures such as inflation. A level of inflation contingencies is also expected to be included in business cases. Any further pressures due to inflation would need to be contained within the funds available, and any capital schemes not able to contain this additional cost will need to reconsider prioritisation, scope, and delivery timeline to ensure increased costs don't impact on the revenue position and require additional borrowing, which would put strain on the affordability ratios required through the capital strategy.
- 5.30. The outlook continues to assume that our investments will remain within the affordability thresholds set in the capital strategy.
- 5.31. The outlook continues to assume a 10% slippage factor, reflecting historic optimism bias in the delivery of programmes.

6. Financial Planning Timetable

- 6.1. Outlined below is the indicative timetable for the development of the Medium-Term Financial Plan & Capital Strategy and the 2024/25 Annual Budget for the General Fund including Public Health, Housing Revenue Account, Dedicated Schools Grant, and the council's Capital Programme. Please note that in some instances the dates are indicative or to be confirmed and as such may be subject to change.

Table 6: Draft budget timetable

Activities	Date
Planning and commencing service planning	Jul – Sep 2023
Medium Term Financial Plan and Capital Strategy	Oct 2023
Public consultation of budget proposals	Oct – Nov 2023
Approval of Council Tax Base and Collection Fund Estimates	Dec – Jan 2024
Budget Proposals recommended by Cabinet	Jan 2024
Approval of 2023/24 Budget and setting of Council Tax	Feb 2024