

Summons to attend meeting of Full Council



Date: Tuesday, 12 March 2024

Time: 6.00 pm

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

To: All Members of Council

Issued by: Oliver Harrison, Democratic Services

City Hall, PO Box 3399, Bristol, BS1 9NE

Tel: 0117 3526162

E-mail: democratic.services@bristol.gov.uk

Date: Friday, 1 March 2024



Agenda

1. Welcome and Introductions

(Pages 9 - 12)

2. Apologies for Absence

3. Declarations of Interest

To note any declarations of interest from the Councillors. They are asked to indicate the relevant agenda item, the nature of the interest and in particular whether it is a **disclosable pecuniary interest**.

Any declarations of interest made at the meeting which is not on the register of interests should be notified to the Monitoring Officer for inclusion.

4. Minutes of the Previous Meeting

To agree the minutes of the previous meeting as a correct record.

(Pages 13 - 23)

5. Lord Mayor's Business

To note any announcements from the Lord Mayor

6. Public Petitions, Statements and Questions

Public forum items can be about any matter the Council is responsible for or which directly affects the city. Submissions will be treated in order of receipt and as many people shall be called upon as is possible within the time allowed within the meeting (usually 30 minutes).

Further rules can be found within our Council Procedure Rules within the Constitution.

Please note that the following deadlines apply to this meeting:

a. Public petitions and statements: Petitions and written statements must be received by 12 noon on Friday 8 March 2024 at latest. One written statement per member of the public is permitted.

b. Public questions: Written public questions must be received by 5pm on



Wednesday 6 March 2024 at latest. A maximum of 2 questions per member of the public is permitted. Questions should be addressed to the Mayor or relevant Cabinet Member.

Public forum items should be e-mailed to democratic.services@bristol.gov.uk

7. Petitions Notified by Councillors

Please note: Up to 10 minutes is allowed for this item.

Petitions notified by Councillors can be about any matter the Council is responsible for or which directly affects the city. The deadline for the notification of petitions to this meeting is **12 noon on Monday 11 March 2024.**

8. Petition Debate: Objections to Bristol City Council's Changes to Allotment Rules and Rent

Recommendation: That Full Council debates the petition and refers it to the Mayor / relevant Cabinet member for a formal response. **(Pages 24 - 26)**

9. Living Rent Commission

Recommendation: That Full Council note the Bristol Living Rent Commission report recommendations. **(Pages 27 - 39)**

10. External Audit Annual Report 2021/22 and 2022/23

Recommendation: That Full Council note Grant Thornton's Interim Auditors Annual Report for 2021/22 and 22/23, focusing on their value for money assessment, along with an action plan agreed by management. **(Pages 40 - 95)**

11. Audit Committee Annual Review of Effectiveness

Recommendations: **(Pages 96 - 165)**
That Full Council note the Audit Committee Self-Assessment Report for 2023/24.

That Full Council consider the issues raised in this report in setting up future Council committees.



12. Parental Leave Policy

Recommendation: That Full Council endorses the Parental Leave Policy for Councillors.

(Pages 166 - 171)

13. Pay Policy Statement

Recommendation: That Full Council adopts the Pay Policy Statement for 2024/25 to take effect from 1 April 2024.

(Pages 172 - 180)

14. Appointment of Interim Director of Finance (Section 151 Officer)

Recommendation: That Full Council confirms the designation of Tony Kirkham as Interim Section 151 Officer with effect from 1 April 2024.

(Pages 181 - 184)

15. Motions

Note:

Under the Council's constitution, 30 minutes are available for the consideration of motions. In practice, this realistically means that there is usually only time for one, or possibly two motions to be considered.

(Pages 185 - 210)

With the agreement of the Lord Mayor, motion 1 below will be considered at this meeting, and motion 2 is likely to be considered, subject to time.

Details of other motions submitted, (which, due to time constraints, are very unlikely to be considered at this meeting) are also set out for information.

MOTIONS RECEIVED FOR FULL COUNCIL

GOLDEN MOTION (LABOUR): The Caring Economy

This Council notes:

- The UK is one of the most expensive countries in the world for childcare. Parents continue to face huge difficulties finding the right care for their children. Likewise, carers face a number of challenges.
- The West of England Combined Authority has adopted a local industrial strategy, and Bristol City Council is in the early stages of developing an economic strategy. Research has found that a 2% investment in care produces double the number of jobs for women and almost as many jobs



for men as the same investment in construction.

- Following a campaign from Labour MPs, the Government now recognises childcare as a form of infrastructure, meaning the Community Infrastructure Levy could be spent on capital costs for childcare provision.

This Council believes:

- Further action needs to be taken to ensure that children across Bristol get the best start in life, regardless of the post-code and economic background they were born into.
- Early years intervention is crucial for improving life outcomes. The council and its partners should continue to prioritise the outcomes of Bristol’s children and young people and embed their interests in all its work.
- Childcare remains far too expensive, and it is unacceptable that in 2023, some parents are unable to go back to work due to childcare costs.
- Likewise, action needs to be taken to support carers, both through the council, through its partners, and throughout Bristol.
- Bristol needs a National Care Service introduced, that follows the principles outlined in the Fabian Society’s pamphlet ‘A National Care Service for all’

This Council resolves to:

- Call on members of the Strategy and Resources Committee to continue to protect maintained nurseries as a priority and reject any proposals to reduce funding for them in budgets put forward to Full Council in future. Furthermore, work alongside the Schools Forum to explore reforming the budget setting model by moving to a benchmarked model based on final summer term registrations from each September, giving nurseries the flexibility they need to maintain the best possible provision for our children.
- Call on Party Group Leaders to write to the Government to ask it recognises state nursery provision a statutory service and provide additional funding to local government to fund this, and lobby the Government to follow the lead of the Welsh Government and exempt nursery schools in Bristol from paying business rates.
- Call on the Children and Young People committee to explore other ways of making childcare more accessible in Bristol.
- Call on the Mayor to instruct appropriate officers to explore allocating future Strategic Community Infrastructure Levy raised in regeneration areas towards capital costs of new establishing new childcare centres and / or nursery schools.
- Call on the Mayor to request West of England Combined Authority explores options of using its investment fund to offer grants to new childcare providers and subsidise the salaries of new employees in the childcare sector. Should this not be viable, call on Party Group Leaders to lobby the Government to do so, with council officers supporting these efforts.



- Recognise childcare as infrastructure and have it included referenced as such in Bristol’s upcoming economic strategy.
- Call on the Mayor to instruct officers to adopt the asks of the Caring Economy campaign and request officers report back to Full Council on its progress in future.

Motion Submitted 29 February 2024
Proposed by Councillor Amal Ali

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SILVER MOTION (KNOWLE COMMUNITY PARTY): VALUING THE COMMUNITY SECTOR

This council is facing a considerable financial shortfall and there is general concern that even more valued community services will be closed. In some cases, a much better solution is to encourage the community to take over the service with an asset transfer or to let the community become involved in managing the venture or facility.

Too often the option of community management is considered late in the day after the salami slicing council department has made the task twice as hard.

Cllrs from all parties will no doubt have examples from their own wards of ventures that are working or others that could be given a chance. I have added in notes a list of the ventures within Knowle ward as an example.

Asset transfers give the new owners access to grants that the council could not and are able to tap into enthusiasm and willingness to volunteer. Customers become more flexible and forgiving of small errors.

This Council has the services of a very good specialist officer to deal with asset transfers but there is concern that the back-up is not always as positive as it should be and a short consideration of asset transfers by Communities Scrutiny has led to the need for a second report. This could be done by extending time available to Communities Scrutiny or even better by a scrutiny enquiry day.

In the meantime, some positive factors that should provide encouragement:

1. We should look at the community value and not just a narrow and potentially misleading financial calculation as it affects the council in the short term.
2. we should look at how partners (e.g. police and NHS) can be



involved.

3. we should be encouraged if the income is commercial from the public and not purely grants.
4. we must have the option of a responsive licensing facility prior to actual CAT.
5. we should be encouraged if a recognised problem is being tackled that has not been effectively up until now.
6. help in kind in early stages should be considered by the council.

This Council therefore calls for the Administration to show a more positive attitude towards asset transfers and community management and taking into account points 1-6, calls for action to follow a scrutiny enquiry and that a regular review be set up to consider progress and potential new opportunities.

NOTES

Examples from Knowle Ward:

1. Arnos Vale Cemetery - compulsorily purchased for £1 from “developer” and handed to trust formed by campaigners. Huge grants attracted and successful commercial and community activity. Voted one of the best cemeteries in the country.
2. The Park Daventry Road - old Merrywood school on closure 20+ years ago given to trust that brought together charities investing in training, education and community benefit. Turbo charged by asset transfer and recently completed a new £10M + new community building and a key partner in new secondary school opening shortly on part of the site. A good example of council cooperation.
3. Redcatch community centre - some 20+ years ago a group of local people took over a dilapidated unwanted council building and with grants and local effort turned it into a massively popular, high quality community centre with low hourly charges. All volunteer, no wages taken by anybody involved. Asset transfer followed and used as an example by officers of a successful CAT in report to scrutiny.
4. Jubilee pool - council failed to run this much-loved community facility efficiently. Despite unfriendly conditions imposed by Mayor and severe challenges of energy costs memberships has doubled and there is a trading profit. Cat completed 30/9/22.
5. Redcatch Community Garden - took over redundant bowling green 5 years ago. Have attracted grants, despite failure of council to extend license efficiently and attract 200,000 visits a



year for training, social activity and environmental and horticultural education. Asset transfer finally after much delay getting started.

6. Redcatch Park Pavillion- parks department a few years back aborted investment plans for urgent repairs and said they wanted to asset transfer instead. Partnership formed between community garden and The Park football club who needed extra facilities because of Daventry Rd developments. Parks department have failed to progress CAT or even licence and sports changing facilities unusable. In the biggest irony, the football club had previously done exactly the sort of renovation needed and the lowest bidder for the aborted scheme is a local sponsor of the club and stands ready to do the work for them for free. One of the most successful sporting organisations in Bristol with an emphasis on disabled and female teams frozen out.
7. There are many other community organisations, including our parks group, that have transformed Redcatch Park, that do excellent work and what binds the vast majority of them together is a desire to benefit the local community, roll up their sleeves and contribute positively. Being held back by the council is very frustrating.

Proposed by Councillor Gary Hopkins (Knowle Community Party)

Received 29 February 2024

Signed



Proper Officer
Friday, 1 March 2024



Public Information Sheet - Full Council

Inspection of Papers - Local Government (Access to Information) Act 1985

You can find papers for all of our meetings on our website at www.bristol.gov.uk.

Attendance at Full Council

Bristol City Council welcomes public attendance and participation at Full Council. When attending the meeting please behave with courtesy, tolerance and respect at all times to Councillors, Council Officers and other meeting participants. Attendees who cause disturbance may be asked to leave or, may be removed from the meeting.

Members of the press and public who plan to attend Full Council are advised that you will be **required to sign in** when you arrive and you will be issued with a visitor pass which you will **need to display at all times**.

Please be advised that you may be asked to watch the meeting on a screen in another room should the numbers attending exceed the maximum occupancy of the meeting venue.

Fire Safety Information

In event of a fire alarm please calmly leave by the nearest fire exit. The assembly point is by the side of the Cathedral.

COVID-19 Prevention Measures

We request that no one attends a Council Meeting if they:

- are suffering from symptoms of COVID-19 or
- have tested positive for COVID-19

Public Forum – Full Council

Members of the public who live or own a business in Bristol may present a petition, make a written statement or ask a question at Full Council meetings. Please ensure that any submissions made are respectful, factual, and relevant.

Petitions, Statements and Questions must be about a matter the Council has responsibility for or which directly affects the city. Please submit it to democratic.services@bristol.gov.uk



- By contributing to the public forum process the participant acknowledges that any content submitted is at the authors own risk and the Council disclaims any obligation or responsibility for it.
- Questions, Statements and Petitions should be factually based and should not contain anything that could be construed as being defamatory, frivolous or offensive. Any submission including such information shall be redacted prior to publication without notice to the author.
- The Council reserves the right to reject any submission it deems defamatory, frivolous or offensive at its sole discretion.
- Sensitive personal information may be deleted or redacted
- Officer's names below Head of Service, will be replaced by the Officer's job title
- Company names may be deleted or redacted

For further information about procedure rules please refer to our Constitution

<https://www.bristol.gov.uk/how-council-decisions-are-made/constitution>

Petitions from members of the public

- Petitions will be presented to the Council first.
- Petitions must include name, address and details for the wording of the petition.
- The person presenting a petition will be asked to read out the objectives of the petition with one minute allowed.
- A written reply will be provided to the lead petitioner within 10 working days of the Full Council meeting.

Statements

- Statements should be received no later than **12.00 noon two working days before the meeting.**
- There can be one statement per person and subject to overall time constraints, a maximum of one minute is allocated for presentation.
- Any statement submitted should be no longer than one side of A4 paper.
- For copyright reasons, we are unable to reproduce or publish newspaper or magazine articles that may be attached to statements.

Questions

- Questions should be received no later than **three clear working days before the meeting.**
- A maximum of two written questions per person can be submitted.
- At the meeting, a maximum of one supplementary question per question may be asked, arising directly out of the original question or reply.

By participating in public forum business, we will assume that you have consented to your name and the details of your submission being recorded and circulated to the Committee and published within the minutes. Your statement or question will also be made available to the public via publication on the Council's website and may be provided upon request in response to Freedom of Information Act requests in the future.



We will try to remove personal and identifiable information. However, because of time constraints we cannot guarantee this, and you may therefore wish to consider if your statement contains information that you would prefer not to be in the public domain. Committee information on the council's website may be searchable on the internet.

Process during the meeting:

- The Lord Mayor will call each submission in turn. When you are invited to speak, please make sure that your presentation focuses on the key issues that you would like Members to consider. This will have the greatest impact.
- If there are a large number of submissions on one matter a representative may be requested to speak on the groups behalf.
- There will be no debate on statements or petitions.
- If you do not attend or speak at the meeting at which your public forum submission is being taken your statement will be noted by Members.
- As part of the drive to reduce single-use plastics in council-owned buildings, please bring your own water bottle in order to fill up from the water dispenser.

Other formats and languages and assistance for those with hearing impairment

You can get committee papers in other formats (e.g. large print, audio tape, braille etc) or in community languages by contacting the Democratic Services Officer. Please give as much notice as possible. We cannot guarantee re-formatting or translation of papers before the date of a particular meeting.

Committee rooms are fitted with induction loops to assist people with hearing impairment. If you require any assistance with this please speak to the Democratic Services Officer.

Arrangements for Full Council

The public gallery in the Council chamber is available for members of the public to observe the Full Council meeting.

The Lord Mayor has determined:

- Attendees should please be quiet and not interrupt proceedings.
- Large bags will be left at reception.
- All loud hailers, banners, and placards must be left at the main entrance and will not be permitted to be brought into the building.
- The Council reserves the right to remove any person who disrupts the proceedings. In appropriate circumstances, the police may be called.

Under our security arrangements, all members of the public (and bags) will be searched. This applies to all members of the public attending the meeting in the interests of helping to ensure a safe meeting environment for all attending. Visitors' bags are liable to be searched prior to entry, and entry is conditional upon visitors consenting to be searched. Searches are carried out to



ensure that no items which may interrupt proceedings are brought into the building. Small notices may be acceptable if they are not obstructive or offensive (no more than A4 size).

The privacy notice for Democratic Services can be viewed at www.bristol.gov.uk/about-our-website/privacy-and-processing-notice-for-resource-services



Bristol City Council Minutes of the Full Council

28 February 2024 at 2.00 pm



Members Present:-

Councillors: Mayor Marvin Rees, Amal Ali, Lesley Alexander, Kerry Bailes, Nicola Beech, Mark Bradshaw, Fabian Breckels, Andrew Brown, Craig Cheney, Jos Clark, Sarah Classick, Asher Craig, James Crawford, Carla Denyer, Kye Dudd, Tony Dyer, Richard Eddy, Emma Edwards, Tessa Fitzjohn, Martin Fodor, Lorraine Francis, John Geater, Paul Goggin, Geoff Gollop, Zoe Goodman, John Goulandris, Katy Grant, Fi Hance, Tom Hathway, Helen Holland, Gary Hopkins, Katja Hornchen, Jonathan Hucker, Philippa Hulme, Chris Jackson, Ellie King, Tim Kent, Heather Mack, Mohamed Makawi, Brenda Massey, Henry Michallat, Patrick McAllister, Yassin Mohamud, Graham Morris, Paula O'Rourke, Steve Pearce, Ed Plowden, Guy Poultney, Kevin Quartley, Tom Renhard, Tim Rippington, James Scott, Sharon Scott, Steve Smith, Ani Stafford-Townsend, Lisa Stone, Christine Townsend, Andrew Varney, Mark Weston, David Wilcox, Chris Windows and Tim Wye

1 Welcome and Introductions

The Lord Mayor welcomed all attendees to the meeting and issued the safety information.

2 Apologies for Absence

Apologies for absence were heard from Councillors Don Alexander, Bartle, Bennett, Davies, English and Parsons.

3 Declarations of Interest

None received.

4 Minutes of the Previous Meeting

On the motion of the Lord Mayor, seconded by the Deputy Lord Mayor, it was

RESOLVED:



That the minutes of the meeting of the Full Council held on the 20th February 2024 be confirmed as correct record and signed by the Lord Mayor.

5 Lord Mayor's Business

Full Council noted the recent passing of former Councillor Jane Painter, who served Brislington West from 1994 to 1997 and Knowle from 1999 to 2003.

6 Public Petitions and Statements

Public Petitions:

There were no public petitions received.

Public Statements:

The Full Council received and noted the following statement (which was also referred to the Mayor for his consideration and information):

Ref No	Name	Title
PS01	David Redgewell	Full Council Budget Setting

7 Budget Report 2024/25

The Full Council considered a report setting out the Mayor's 2024-2025 altered budget recommendations.

The Lord Mayor drew Members attention to the budget procedure to be followed. At this point, on the motion of the Lord Mayor, it was:

RESOLVED That the relevant standing orders be suspended, noting that the procedure to be followed at this meeting is at variance with the Council's standing orders.

The Mayor introduced the altered budget report.

Councillor Cheney, Deputy Mayor for Finance, Governance and Performance seconded the altered budget report.

The leaders of each party group, Councillors Edwards, Renhard, Weston, Clark and Hopkins each responded to the budget proposals.

There was a round of debate and it was:

RESOLVED that Full Council NOTED



- a) The report from Overview and Scrutiny Management Board (OSMB) and/or the Resources Scrutiny Commission that will be published separately.
- b) The budget consultation process that was followed and feedback as outlined in Section 18 and Appendix 6.
- c) The categorisation of earmarked reserves and provisions set out in Section 15.
- d) That the budget consultation feedback and equality impact assessments have been taken into consideration and have informed the final budget proposals.
- e) The feedback provided by Bristol Schools Forum for Cabinet and Council, for consideration in making final decisions on the Dedicated Schools Budget for 2024/25 as set out in Appendix 14.
- f) The Section 25 Statement of the Chief Finance Officer (s151 Officer) on the robustness of the budget and adequacy of reserves as set out in Section 17.

RESOLVED that Full Council APPROVED recommendations G to O (32 For, 19 Against, 10 Abstentions)

- g) Subject to (h) below, the Bristol City Council levels of Council Tax increase of 4.99%; which includes 2% precept to support Adult Social Care, noting the precepts of the Police and Crime Commissioner for Avon and Somerset and the Avon Fire Authority.
- h) In relation to determination of Council Tax, in the event that Avon Fire Authority has not set its precept by 20 February, Full Council agrees to constitute a subcommittee of the Council, with membership to be agreed, and to delegate authority to the committee to note the precept subsequently set by Avon Fire Authority and approve the calculations for determining the Council Tax requirement for the year 2024/25 (the levels of council tax as set out in recommendation g) to be outlined in an updated Appendix 11 and in accordance with the Local Government Finance Act 1992.
- i) The Council's General Fund net revenue budget for the year 2024/25 as £530.1 million and expenditure allocations as set out in Appendix 1; subject to any budget amendments properly notified to and approved by the council in line with the Constitution.
- j) That supplementary estimates be approved as part of the Budget 2024/25 Report in the case that they are required to meet Q3/P8 2023/24 full year forecast spending requirements (see Appendix 15)
- k) The council's capital budget and programme for the years 2024/25 – 2033/34, totalling £2.7 billion for the General Fund and Housing Revenue Account.
- l) The strategic Community Infrastructure Levy allocations in section 13 (Table 28) are approved.
- m) The proposed Treasury Management Strategy for 2024/25 in Appendix 4, incorporating the Minimum Revenue Provision policy and the prudential indicators and limits.
- n) To approve the Strategy for the Flexible use of Capital Receipts as set out in Appendix 5.
- o) To approve the changes to Council Tax for empty homes (long term empty dwellings that are substantially unfurnished) and for second homes (dwellings that are occupied only periodically and are



substantially furnished) in Appendix 12 be applied from 1 April 2024, or as soon as possible thereafter, subject to the required legislation being in place.

RESOLVED that Full Council APPROVED recommendation P (60 For, 1 Against, 0 Abstentions)

p) The distribution of the 2024/25 Dedicated Schools Grant of £491.7 million as recommended by Cabinet and the Schools Forum, summarised below, and set out in Section 9.

i. The Schools Block budget set at £342.6 million, after transferring £1.7 million of the overall Schools Block to the High Needs Block as a contribution to the accumulated High Needs deficit.

ii. The Growth Fund for established schools expanding in September 2024 be set at £2.0 million (a component of the total Schools Block budget).

iii. The basis for distributing the funding to mainstream schools as set out and agreed by Schools Forum

iv. The High Needs Block budget be set at £91.3 million, after receiving transfers of £1.7 million from Schools Block.

v. The Early Years Block budget be set at £55.2 million and distributed in line with the arrangements agreed with the Schools' Forum, noting that spend and income will fluctuate, according to participation levels in each of the three school terms.

RESOLVED that Full Council APPROVED recommendation Q (60 For, 1 Against, 0 Abstentions)

q) With regards to the Housing Revenue Account (HRA)

i. The HRA Revenue budget of £151.0 million for 2024/25 as set out in Section 11.

ii. A rent increase of 7.7% with effect from April 2024, applicable to HRA dwelling and non-dwelling rent.

iii. Note the refreshed HRA 30-year outline business plan and finance model established within the affordability principles in the capital strategy, and that this will be subject to annual review and in-depth review on a rolling 5-year basis, summarised in Section 11.

RESOLVED that Full Council APPROVED recommendation R to U

r) To the Director of Finance after consultation with Designated Deputy Mayor with responsibility for Finance, Governance and Performance and the Mayor, to make any necessary technical adjustments that may be required to the budget with transfers to and or from reserves as appropriate.

s) To the Corporate Leadership Board to align the transformation funding of £6.1 million to the agreed transformation programmes across the council to enable the delivery of agreed benefits and improved outcomes.

t) To the Executive Director of Growth and Regeneration, in consultation with the Designated Deputy Mayor with responsibility for Finance, Governance and Performance, to set HRA service charges in line with the anticipated and actual cost of running each service.



u) To Cabinet to approve (subject to consultation where required) any further DSG mitigation proposals for commencement in 2024/25.

Recommendations G to O			
Councillor	For	Against	Abstain
Don Alexander			
Lesley Alexander	X		
Amal Ahmed Ali	X		
Kerry Bailes	X		
Jenny Bartle			
Nicola Beech	X		
Marley Bennett			
Mark Bradshaw	X		
Fabian Breckels	X		
Andrew Brown			X
Craig Cheney	X		
Jos Clark			X
Sarah Classick			X
Amirah Cole			
Asher Craig	X		
James Crawford		X	
Chris Davies			
Carla Denyer		X	
Kye Dudd	X		
Tony Dyer		X	
Richard Eddy	X		
Emma Edwards		X	
Jude English			
Tessa Fitzjohn		X	
Martin Fodor		X	
Lorraine Francis		X	
John Geater	X		
Paul Goggin			
Geoff Gollop	X		
Zoe Goodman		X	
John Goulandris	X		



Katy Grant			X
Fi Hance			X
Tom Hathway		X	
Helen Holland	X		
Gary Hopkins			X
Katja Hornchen	X		
Jonathan Hucker	X		
Philippa Hulme	X		
Farah Hussain			
Christopher Jackson	X		
Hibaq Jama			
Tim Kent			X
Ellie King	X		
Heather Mack		X	
Mohamed Makawi		X	
Brenda Massey	X		
Patrick McAllister		X	
Henry Michallat	X		
Yassin Mohamud		X	
Graham Morris	X		
Paula O'Rourke			X
Barry Parsons			
Steve Pearce	X		
Ed Plowden		X	
Guy Poultney		X	
Kevin Quartley	X		
Thomas Renhard	X		
Tim Rippington	X		
James Scott	X		
Sharon Scott	X		
Steve Smith	X		
Ani Stafford-Townsend		X	
Lisa Stone		X	
Christine Townsend		X	
Andrew Varney			X
Mark Weston	X		
David Wilcox		X	



Chris Windows	X		
Tim Wye			X
Marvin Rees	X		
TOTAL	32	19	10

Recommendation P			
Councillor	For	Against	Abstain
Don Alexander			
Lesley Alexander	X		
Amal Ahmed Ali	X		
Kerry Bailes	X		
Jenny Bartle			
Nicola Beech	X		
Marley Bennett			
Mark Bradshaw	X		
Fabian Breckels	X		
Andrew Brown	X		
Craig Cheney	X		
Jos Clark	X		
Sarah Classick	X		
Amirah Cole			
Asher Craig	X		
James Crawford	X		
Chris Davies			
Carla Denyer	X		
Kye Dudd	X		
Tony Dyer	X		
Richard Eddy	X		
Emma Edwards	X		
Jude English			
Tessa Fitzjohn	X		
Martin Fodor	X		
Lorraine Francis	X		
John Geater	X		
Paul Goggin			
Geoff Gollop	X		



Zoe Goodman		X	
John Goulandris	X		
Katy Grant	X		
Fi Hance	X		
Tom Hathway	X		
Helen Holland	X		
Gary Hopkins	X		
Katja Hornchen	X		
Jonathan Hucker	X		
Philippa Hulme	X		
Farah Hussain			
Christopher Jackson	X		
Hibaq Jama			
Tim Kent	X		
Ellie King	X		
Heather Mack	X		
Mohamed Makawi	X		
Brenda Massey	X		
Patrick McAllister	X		
Henry Michallat	X		
Yassin Mohamud	X		
Graham Morris	X		
Paula O'Rourke	X		
Barry Parsons			
Steve Pearce	X		
Ed Plowden	X		
Guy Poultney	X		
Kevin Quartley	X		
Thomas Renhard	X		
Tim Ripington	X		
James Scott	X		
Sharon Scott	X		
Steve Smith	X		
Ani Stafford-Townsend	X		
Lisa Stone	X		
Christine Townsend	X		
Andrew Varney	X		



Mark Weston	X		
David Wilcox	X		
Chris Windows	X		
Tim Wye	X		
Marvin Rees	X		
TOTAL	60	1	0

Recommendation Q			
Councillor	For	Against	Abstain
Don Alexander			
Lesley Alexander	X		
Amal Ahmed Ali	X		
Kerry Bailes	X		
Jenny Bartle			
Nicola Beech	X		
Marley Bennett			
Mark Bradshaw	X		
Fabian Breckels	X		
Andrew Brown	X		
Craig Cheney	X		
Jos Clark	X		
Sarah Classick	X		
Amirah Cole			
Asher Craig	X		
James Crawford	X		
Chris Davies			
Carla Denyer	X		
Kye Dudd	X		
Tony Dyer	X		
Richard Eddy	X		
Emma Edwards	X		
Jude English			
Tessa Fitzjohn	X		
Martin Fodor	X		
Lorraine Francis	X		
John Geater	X		
Paul Goggin			



Geoff Gollop	X		
Zoe Goodman		X	
John Goulandris	X		
Katy Grant	X		
Fi Hance	X		
Tom Hathway	X		
Helen Holland	X		
Gary Hopkins	X		
Katja Hornchen	X		
Jonathan Hucker	X		
Philippa Hulme	X		
Farah Hussain			
Christopher Jackson	X		
Hibaq Jama			
Tim Kent	X		
Ellie King	X		
Heather Mack	X		
Mohamed Makawi	X		
Brenda Massey	X		
Patrick McAllister	X		
Henry Michallat	X		
Yassin Mohamud	X		
Graham Morris	X		
Paula O'Rourke	X		
Barry Parsons			
Steve Pearce	X		
Ed Plowden	X		
Guy Poultney	X		
Kevin Quartley	X		
Thomas Renhard	X		
Tim Rippington	X		
James Scott	X		
Sharon Scott	X		
Steve Smith	X		
Ani Stafford-Townsend	X		
Lisa Stone	X		
Christine Townsend	X		



Andrew Varney	X		
Mark Weston	X		
David Wilcox	X		
Chris Windows	X		
Tim Wye	X		
Marvin Rees	X		
TOTAL	60	1	0

Meeting ended at 3.00 pm

CHAIR _____



Full Council

12 March 2024



Report of: Tim O’Gara, Director Legal and Democratic Services

Title: Petition Debate: Objections to Bristol City Council Changes to Allotment Rules and Rent

Recommendation

That Full Council debates the petition and refers it to the Mayor / relevant Cabinet member for a formal response.

Summary

Under the Council’s petitions scheme, where a petition has 3,500 or more signatures from people who live, work or study in Bristol, the petition organiser can request a Full Council debate.

The Council has received a petition in relation to Objections to Bristol City Council Changes to Allotment Rules and Rent

The petition organisers have requested that Full Council debates the petition.



Details of the petition

1. The wording of the petition is as follows:

Petition title / subject: **Objections to Bristol City Council Changes to Allotment Rules and Rent**

Petition wording: Bristol City Council have begun a consultation on proposed changes to rules across their allotment sites, as well as proposing significant rental increases. Full information around these changes and the ability to respond directly to the Council during the consultation are available via this link:

<https://www.ask.bristol.gov.uk/bristol-allotment>

These changes would see enormous rent increases for plot-holders, with rents more than doubling for many plots on sites with water access. In attempts to show that they are not just doing this for profit, they are proposing to increase availability to discounts for tenants on Universal Credit and other benefits - negating to mention that even with these discounts plot prices for eligible tenants will still be higher than they are currently and therefore will not be any more accessible than they are right now.

There are also proposed additional fees that cover everything from setting up a new tenancy to applying for permission to keep hens and bees, or to erect a greenhouse or shed. There's even a proposed additional charge for requesting permission to install a pond - despite the huge positive benefits these have for wildlife and nature across our allotment sites. Currently none of these items are charged as additions, and there is no possible justification for adding charges onto items that the Council should already be handling as part of their management responsibility and are already paid for. There is also the proposal to charge sites for holding events, which would have a hugely detrimental impact on the community and deter sites from doing this. Our site, for example, holds an annual bat walk - this is a free event which we all look forward to and brings the allotment site together, but would be unlikely to go ahead if we were expected to find funds to pay the Council for an event we organise and that they have no involvement with. There is absolutely no cost to the Council in us holding such events, and therefore no justification in charging sites other than purely for greed.

In terms of amendments to the rules, I'm sure I've not spotted every single change and would urge people to read through the Council's information carefully before replying to their consultation. Those that I've particularly noticed include expecting tenants to remove/replace all glass across their plot within the next 5 years or at the end of their tenancy. Not only would this be enormously wasteful in terms of destroying perfectly good greenhouse structures, but would also be potentially very expensive for tenants having to re-glaze frames with the required twin-wall plastic - with no financial assistance from the Council. Hedges and fences must be removed, as well as large play equipment for children.

For me, the worst of these proposed rule changes is that all trees, except dwarf root stock fruit trees, must be removed. The implications for this are huge, both environmentally and financially, and in many cases would result in absolutely no positive benefits whatsoever. The cost and responsibility of removing these trees seems to be suggested as lying with the current plot

holder, who has 3 years to perform this work. Not to mention the devastating environmental impact this would have. If you are an allotment lover yourself, you'll be aware of the enormous array of wildlife that these sites are home to and each tree will be supporting an entire ecosystem which the Council are now demanding to be destroyed. In a time where we are more aware than ever of issues with climate change and the impact we have had on our planet, massacring established trees across Bristol's allotment sites can have no possible positive benefit and will only ever make our sites poorer.

As I say, I'm sure there are many, many further issues in the proposed changes which I haven't highlighted or haven't even yet picked up but I hope the above makes the need to object to the Council's proposals clear. Please do sign this petition if you agree that access to space to grow your own food should be for everyone and not the reserve of more affluent households, that destroying mature trees in a time of climate emergency benefits no-one, and that charging tenants additional fees for the work that Councils are already being paid for is inherently wrong. Please check out the link above and respond to the Council's consultation, and if you've managed to stick with my ramblings this far - thank you!

2. The petition has been organised by Holly Wyatt.
3. The petition has secured 6414 signatures to date, 3,965 from Bristol residents. Verified as of 21 February 2024.
4. Full Council is asked to debate the petition.
5. Under the petition scheme, the petition organiser is permitted up to 5 minutes to present and speak to the petition. The petition scheme allows a further period of up to 15 minutes for discussion of the petition by councillors at the Full Council meeting.
6. The Full Council has agreed the following in relation to dealing with petitions with over 3500 signatures: The topic of the debate should be referred to the Mayor/Cabinet, or other relevant body with the petitioner's views and Full Council's views.

RECOMMENDATION

Following the debate, the Full Council is recommended to refer the petition to the Mayor, in order that the Mayor can consider his response, in liaison with the relevant Cabinet member.



Full Council

12 March 2024

Report of: Tim O’Gara, Director Legal and Democratic Services

Title: Bristol Living Rent Commission report recommendations

Recommendation

That Full Council note the Bristol Living Rent Commission report recommendations.

Summary

On 3 October 2023, the Bristol Living Rent Commission report recommendations were approved by Cabinet. Full Council passed a motion on private renting in January 2023, which included a commitment to bring the findings of the Living Rent Commission to a later Full Council meeting. Full Council is asked to note the report.

The Living Rent Commission was launched in July 2022 to help tackle issues within Bristol’s Private Rented Sector (PRS). Commissioners were made up of sector experts, tenants, and landlords. The Commission developed 29 recommendations, with 23 of these for the specific attention of the Council.

The Cabinet report and the list of recommendations are set out in the appendices.



Consultation

1. **Internal**
See attached Cabinet report.
2. **External**
See attached Cabinet report.

Context

3. See attached Cabinet report.

Proposal

4. That Full Council note the Bristol Living Rent Commission report recommendations.

Other Options Considered

5. None.

Risk Assessment

6. None.

Public Sector Equality Duties

- 10a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
 - i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
 - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);

- encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

- iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
 - tackle prejudice; and
 - promote understanding.

10b) An Equality Impact Assessment was carried out as part of the Cabinet report.

Legal and Resource Implications

Legal

See attached Cabinet Report.

Financial

(a) Revenue

See attached Cabinet Report.

(b) Capital

See attached Cabinet Report.

Land

See attached Cabinet Report.

Personnel

See attached Cabinet Report.

Appendices:

A – Bristol Living Rent Commission report recommendations Cabinet Report 3 October 2024.

B – List of Recommendations and the Council’s proposed responses.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: None.

Decision Pathway – Report

PURPOSE: Key decision

MEETING: Cabinet

DATE: 03 October 2023

TITLE	Bristol Living Rent Commission report recommendations		
Ward(s)	City Wide		
Author: Tom Gilchrist	Job title: Head of Private Sector Housing and Accessible Homes		
Cabinet lead: Councillor Tom Renhard, Cabinet Member for Housing Delivery and Homes	Executive Director lead: John Smith, Interim Executive Director Growth and Regeneration		
Proposal origin: Other			
Decision maker: Cabinet Member			
Decision forum: Cabinet			
Purpose of Report: For Cabinet to approve the findings and recommendations of the 'One City' Bristol Living Rent Commission (LRC) report published on 27 June 2023, and endorse the council's work to consider and implement the report's recommendations and engage in dialogue with central Government on them.			
Evidence Base:			
<ol style="list-style-type: none"> 1. Bristol's Private Rented Sector (PRS) is in crisis and faces affordability, quality, and access issues. The city's population is the fastest growing among the UK Core Cities, increasing 10% between 2011 and 2021. 2. Over the last ten years, the average house price in England and Wales increased by 67%. Bristol has experienced this increase especially sharply: house prices over the same period rose by 93%, around £161,000. 3. Over 134,000 people privately rent in Bristol - almost one-third of the city's population. This is significantly higher than the national average of 20% and places pressure on social housing stock, with more than 19,000 households on the social housing waiting list and 1,200 households in temporary accommodation. Rents in the city increased by 52% in the decade following 2011, whereas wages grew by just 24%. 4. Rents in Bristol have also risen faster for cheaper properties. Even after adjusting for flat size, rents for cheaper properties in 2018 grew between two and four times as fast as rents for more expensive properties. This impacts the lower end of the rental market harder, with 'cheaper' studios and one-bedroom flats experiencing over 40% growth over the two-year period. Median advertised rent increased by 25% from 2018 to 2020. This reflects the change in "entry price" for private renting in Bristol. 5. The supply of properties listed to rent declined by nearly two-thirds from 2018 to 2020, even after adjusting for seasonal variation. The Commission found when a property gets re-listed on the market, its rent increases by roughly 6%. This reflects the typical experience of Bristol tenants. 			
Living Rent Commission:			
<ol style="list-style-type: none"> 6. The Mayor's 2021 manifesto included a pledge to make Bristol a "living rent city" and campaign for rent control powers to be devolved to local authorities. The Council has been using existing powers to try and improve the Private Rented Sector. This includes the roll out of licensing schemes and building houses - 2,563 new homes were built in 2021/22, including the largest number of affordable homes in more than a decade. Despite this, rent levels remain the highest of all Core Cities in England. 7. The 'One City' Bristol Living Rent Commission was formed to explore issues in the Bristol PRS and consider what role devolution could play in addressing them. The Commission was launched in July 2022, following a Renters' Summit in March 2022. Commissioners were made up of sector experts, tenants, and landlords. 8. Co-chaired by Professor Alex Marsh and Cllr Tom Renhard, the Commission provided an opportunity to bring 			

partnership-focused organisations together to explore the issues facing renters, with an evidence base to help develop an approach for Bristol.

9. Over six months, the Commission heard multiple evidence sessions and conducted two surveys, which received roughly 2,500 responses (see Appendix B). Overall responses highlighted that the design of rent control policy was crucial to the effect it has on the market. Respondents indicated out of the potentially negative consequences a rent control policy could have, the most important to mitigate were the quality of housing reducing, the availability of housing reducing and discrimination.

Commission Recommendations:

10. The final report was presented to the Mayor on June 27th and in total, 29 recommendations were detailed, with 23 of these for the specific attention of the Council (recommendations are summarised in Appendix A)
11. Some of the recommendations identified by the LRC were already being undertaken and some have recently been developed and used by the Council. For example, the Council is:
 - Improving housing conditions in the PRS using a range of enforcement interventions including civil penalties and prosecution action, that has included the use of banning orders.
 - Taking action to stop discrimination in the PRS with new conditions in the ‘West of England Rent with Confidence Scheme’ and with the inclusion of a discrimination clause included in the new property licensing consultation.
 - Checking all letting and managing agents, known to the council, to ensure they are members of a Client Money Protection Scheme, operate within the requirements of the Agents Redress Scheme and clearly publicise their fees. Where they have been found not to do so, formal action has and will be taken against them.
 - Consulting on two new property licensing schemes covering all houses in multiple occupation (HMO) in the city and for other rented homes in Bishopston and Ashley Down, Cotham and Easton. As part of the consultation documentation, the outcomes from previous licensing schemes are outlined. The consultation closes on 7th November 2023. The consultation responses will be taken into account before any decision is taken.
 - Clear in its ambition to deliver 1,000 new affordable homes each year by 2024 through a variety of ways, including through the delivery of council homes for social rent and working with community groups. Our housing delivery strategy, Project 1000, has a clear commitment to supporting community-led housing and self-build land disposal programme.
 - Planning to support a review of current information and sources of dissemination, and input into a collaborative approach for engaging with the city.
 - Regularly advocating to central Government on the need for more funding for social housing and the need for benefits to be adjusted to take account of actual rents and other living costs. Activity includes writing to the Secretary of State for Levelling-up, Housing and Communities with a copy of the Commission final report advocating for devolving powers, along with wider recommendations.
 - Working on a communications exercise that will ensure that the work of the Council, and PRS policy outcomes, are understood publicly.
12. The Council intends to develop a Private Rented Sector Strategy, which will articulate our priorities and vision for the PRS in Bristol and how the Council will consider the recommendations in the LRC. We expect to consult on this strategy in Spring 2024.

Officer Recommendations:

That Cabinet:

1. Welcomes and endorses the recommendations of the ‘One City’ Bristol Living Rent Commission (LRC) report and the progress to date as set out in Appendix A.
2. Authorises the Executive Director Growth and Regeneration in consultation with the Cabinet Member Housing Delivery and Homes to continue to progress the recommendations noting the actions as set out in Appendix A. Implementation of specific recommendations will be subject to appropriate legal powers, the outcome of public consultation and further decisions in accordance with the decision pathway.
3. Endorse the development of a Private Rented Sector Strategy which will form the basis to further consider the recommendations where they fall within the remit of the Council.

- Endorses the continued engagement with central Government about recommendations that would require national action.

Corporate Strategy alignment:

- The Corporate Strategy sets out the aim of pursuing a “living rent” in the city.
- The Corporate Strategy commits to ensuring fair access to a decent home for people in Bristol.
- The Corporate Strategy commits to ensuring people in Bristol can live where they choose and are able to access jobs and amenities close to where they live.

City Benefits:

- Affordability, access, and quality of Private Rented Sector (PRS) in Bristol improved.
- Better support and information for PRS residents on their rights and responsibilities as a tenant.
- Support the sustainability of the wider housing market including delivering Purpose Built Student Accommodation (PBSA) and Social Housing.

Consultation Details:

- The Living Rent Commission brought together analytical data, expertise, input and lived experience testimony from several key city partners and representative groups, through multiple evidence sessions held over six months, beginning in July 2022. Commissioners attended two preparatory meetings, five evidence sessions and two further wrap up discussions.
- As part of preparing for this work, the City Office supported a Renters Summit organised with the Bristol Fair Renting Campaign and ACORN. Almost 150 renters came together in March 2022, along with landlords and other Bristol residents, to share their experiences and discuss rent controls in the city, enforcement power and ways to tackle discrimination. This work fed into the Commissions’ evidence gathering.
- Two tenant experience surveys were conducted during this period (Appendix C). These surveys received around 2,500 responses, helping demonstrate the views of people across the city. The first, “Bristol Renters survey” (12 October - 13 November 2022) focused on tenant experiences of private renting. The second, “Bristol Rent Control survey” (6 December - 29 December 2022) gathered views on how to deal with affordability in the PRS, with a particular focus upon rent control.

Background Documents:

- Bristol Living Rent Commission [Executive Summary](#)
- Bristol Living Rent Commission [Full Report](#)
- [Project 1000 Affordable Housing Delivery Plan 2022-2025 \(bristol.gov.uk\)](#)

Revenue Cost	£	Source of Revenue Funding	
Capital Cost	£	Source of Capital Funding	
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:

Demand for, and the cost of private rents within Bristol have increased dramatically in the last decade, partly as a result of individuals and families relocating from more expensive areas of the country, such as London, and commuting to work on an infrequent basis as they take advantage of home working.

The financial impact on Bristol residents is stark, with rent increases outstripping wage growth in the city by more than two to one in the last decade. Taken together with the context of the current wider economic climate, these increases are leading to real pressures on household budgets in the immediate term, but are also severely hampering the ability of families to save sufficient deposit levels to enable them to purchase their own homes.

The immediate pressures being felt by families in private rented accommodation presents a risk to them that they may soon be unable to afford their housing costs, resulting ultimately in becoming homeless.

The proposals outlined within the recommendations produced by the Living Rent commission aim to limit both the frequency of rent increased, and the amount by which they can be increased, thereby helping to alleviate some of the financial burden, to improve the quality both of accommodation provided and of the service received by private tenants from landlords and agents, and also to clamp down on discrimination within the sector.

However, it should also be noted that a significant risks is also identified within the recommendations, namely being the withdrawal of landlords from the private rented sector. This would likely result in an increase in individuals and families presenting themselves as homeless and so will need to be carefully considered and managed during any implementation.

Further consideration should also be given to any potential impact on the homelessness service of any landlords currently supplying BCC with homeless accommodation deciding to exit the sector.

Finance Business Partner: Martin Johnson – Interim Finance Manager – Housing & HRA – 21 September 2023

2. Legal Advice:

This report asks Cabinet to note the recommendations and progress to date. Any proposals or action taken must comply with the applicable statutory regimes.

There must be an identified legal power for Bristol City Council to put any new proposal into action.

Considerations and recognition of issues the City is facing are not subject to a legislative regime but in order to effect any change or impose regulation/requirements or conditions on the sector, any such change must be lawful and compliant with the statutory framework in which the sector operates.

Where consultation is taking place or will take place, the consultation responses must be conscientiously taken into account in finalising the decision. The leading cases on consultation provide that consultation should occur when proposals are at a formative stage, should give sufficient reasons for any proposal to permit intelligent consideration and should allow adequate time for consideration and response. There must be clear evidence that the decision maker has considered the consultation responses, or a summary of them, before taking its decision.

Case law guides on what constitutes lawful consultation and from this some key guiding principles have been established, in summary that those being consulted must:

1. be provided with material upon which a decision is likely to be made;
2. be given enough time for intelligent consideration of that material and to respond to it;
3. be given the opportunity to make considered representations;
4. have their representations conscientiously considered.

It is therefore important that members are satisfied that any consultation process allows sufficient time to enable any person or body wishing to make representations to obtain relevant material, to consider it and to put their representations to the Council.

Legal Team Leader: Kate Burnham-Davies, Specialist Solicitor for Private Housing and Husinara Jones, Team Manager 21 September 2023

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

IT Team Leader: Alex Simpson – Lead Enterprise Architect – 13 September 2023

4. HR Advice: No HR implications are evident.

HR Partner: Bryn Williams – 11 September 2023

EDM Sign-off	John Smith, Executive Director, Growth and Regeneration	25 September 2023
Cabinet Member sign-off	Cllr Tom Renhard, Cabinet Member for Housing Delivery and Homes	25 September 2023

APPENDIX B – Further detail/background

Below are the 23 recommendations that the Living Rent Commission made specifically for Bristol City Council. Underneath each recommendation is how the Council plan to progress the recommendation/the next steps for progression.

1. Recognise there is substantial support for rent control and take forward further work and seek a coalition of support for more specific policy design.
 - The City Office and Mayors Office will look to progress this work by reaching out to relevant city stakeholders to establish next steps for collaborative work. The council will look to raise the profile of the LRC report through public affairs activity in parliament and Westminster.
2. Proposals for rent control policy should include an assessment of how rent control fits within the housing policy portfolio.
 - The council will look to explore this with the relevant service areas.
3. In parallel with the recommendations above, a communications strategy to address policy risk should be developed. Talk of “rent control” without providing any detail of that would mean can lead to significant negative side effects when sector actors, particularly landlords, assume the worst.
 - An approach to communications will be adopted and will be supported by external communications teams.
4. Consider whether it is desirable to advocate for a rent freeze.
 - The Council is and will continue to conduct public affairs activity which looks to raise recommendations in Westminster and Parliament to lobby government and call for devolution of rent control powers to local authorities.
5. Reinforce and extend existing firm policy stance against poor property and management standards. Review how BCC communicates its work in this area including its strategies, associated enforcement action, and licensing work – to make sure that the effectiveness of the approach is fully appreciated by those who are affected by it.
 - Subject to consultation, this will be explored as part of a Private Rented Sector Strategy, which will articulate priorities and vision and consider reinforcement and extension of the Councils existing firm policy stance.
6. Review the balance between informal and formal enforcement action on poor property standards.
 - This recommendation will be a part of the review into enforcement action that has been directed by the cabinet member. This will include a review of the existing enforcement policy and will subsequently be considered as part of a Private Rented Sector Strategy.
7. Embrace the potential of a regulatory regime that is more collaborative and networked. Explore more fully the role that organisations in the private and not-for-profit sector can play in the effective regulation of private renting, in partnership with the council, particularly

through improving the flow of information and timely identification of issues.

- The Council will further develop existing relationships and arrangements by liaising with third sector and private rent organisations to discuss key issues to ensure that we improve the flow of information between the sector and BCC.
8. The Commission recognises the council's commitment to tackling discrimination in the PRS. To move this agenda forward it is important to ensure that responsibilities are clearly allocated with clear accountability mechanisms. The development of local strategies and action plans for tackling discrimination would benefit from the formal involvement from renters and organisations.
- In addition to existing work outlined in the Cabinet paper, this will be explored further as part of a Private Rented Sector Strategy. This will include engagement with tenants and landlord organisations as part of this.
9. BCC should signal its intent by sending a clear public message condemning the practice via its formal communication channels.
- Council communications will be adapted to reflect this recommendation and will be supported by external communications teams.
10. BCC should take steps, working with industry bodies and other stakeholders, to raise the performance of poorer quality letting agents to the standard of the best.
- Existing work with industry bodies and other stakeholders, including Avon and Somerset Police, will continue and further work to raise performance will be outlined in a Private Rented Sector Strategy, including consideration of potential information advice and training for landlords and letting agents.
 - A consultation is currently live to consider introducing new additional and selective licensing schemes, as part of the consultation documentation, the outcomes from previous licensing schemes are outlined. The consultation closes on 7th November 2023.
11. The expansion of area-based and selective licensing could be part of a firm stance towards improving standards. Demonstrating the effectiveness of uses of this policy approach should be integral to any future expansion.
- A consultation is currently live, as part of the consultation documentation, the outcomes from previous licensing schemes are outlined. The consultation closes on 7th November 2023.
12. Ensure that fees and administrative processes associated with licensing schemes are no more of a burden on landlords than necessary.
- A consultation is currently live, as part of the consultation documentation, the outcomes from previous licensing schemes are outlined. The consultation closes on 7th November 2023.
13. Review the way that information about the PRS is currently shared. This includes information on rights, obligations and sources of help and support for both tenants and landlords. Map out which orgs are sharing info, with whom, and when. Explore the potential

for new collaborations to ensure accurate and timely information is reaching those who need it.

- A review of information sharing will be included as part of a Private Rented Sector Strategy. This will include working with partner organisations to engage with tenants and landlords as part of this. It has also been agreed to work with both universities and Students' Unions as part of this to ensure what the approach makes best use of city-wide resources.
14. Review the content and form of information being shared. The review should cover the accessibility and comprehensibility of the new information. It should consider whether new media or formats present opportunities to communicate the message more effectively. It should explore whether there is learning about what works that can be shared more effectively between information providers.
- A review of information sharing will be included as part of a Private Rented Sector Strategy. This will include working with partner organisations to engage with tenants and landlords as part of this.
15. Produce locally tailored versions of national documentation to ensure that Bristol landlords and tenants are clear on its relevance to them.
- Production of locally tailored versions of national documentation will be considered as part of a Private Rented Sector Strategy.
16. Establish a single, easily discoverable online location for presenting the range of relevant information for landlords, tenants and letting agents.
- Review the online location for presenting relevant information alongside the process of establishing a Private Rented Sector Strategy.
17. Review the data on the PRS that is routinely collected. Evaluate the benefits and costs of collecting additional information – for example, on rents and tenants' incomes, to enhance understanding of how the housing affordability situation is evolving.
- Evaluation of the benefits and costs of collecting additional information will be considered as part of a Private Rented Sector Strategy.
18. BCC should continue to do all it can to increase the supply of new social housing and continue to make the case to central government regarding need for more funding for social housing and the need to ensure that the welfare benefit system takes sufficient account of actual rents.
- The council will continue to build affordable housing, with a focus on social rented homes that will be delivered as council housing on its own land, with support to maximise delivery through housing associations as well. The project 1000 delivery plan outlines how the council will focus its land, time, money, and influence. The council's ambition is to work with partners, local communities, and developers to deliver 1000 new affordable homes each year by 2024.
 - The council will continue to lobby government on the need for adequate funding and a benefit system that considers actual rents, locally. This includes unfreezing Local Housing Allowance rates which are set to the 30th percentile as of 2019. BCC has written to national government about this.

19. BCC should review administrative processes associated with planning and development control to ensure that they are streamlined and efficient.
 - To be explored through local plan policy and continued government engagement through the LGA, highlighting capacity restraints faced by planning departments and the need to review fees.
20. Enhance support for diverse, innovative community-led initiatives to develop new housing. This could include reviewing land made available to community-led orgs through the public land disposal programme; advocating for the involvement of community-led orgs in PRS developments; or supporting appropriately tailored organisational capacity building to bring development sites forward.
 - BCC will continue to build on existing relationships with community-led organisations to further enhance its approach to community-led housing delivery, including lobbying national government for the reinstatement of the community-led housing sector.
 - Through a focus on small sites, further opportunities for community-led housing may be made available.
 - The local plan policy proposed approach will include further enhancement of the role of community-led housing.
21. Ensure that there is clarity over the way that the city's universities' strategies are having an impact upon, and will further impact in future, the housing market. Initiate timely action, such as accelerating approvals for the development of purpose-built accommodation in appropriate locations, to mitigate side-effects.
 - To be explored through local plan policy and considered within the Private Rented Sector Strategy. As part of this, a student living strategy will be explored, learning from places such as Nottingham that have adopted similar approaches.
22. Seek to ensure that new purpose-built student accommodation is as affordable as possible and available to students in all years. Consideration of this issue should be integrated into the current local plan review process.
 - This will be explored through local plan policy that is currently under review with an updated proposed local plan coming to full council later this year for ratification for onward submission to the planning inspectorate in due course. This will include a requirement for new planning applications for purpose-built student accommodation to provide a minimum level of affordable student housing as part of the development.
23. Examine in more detail the evidence on the impact of short-term lets like AirBnB, second homes, and holiday lets on urban housing markets and, specifically, the effectiveness of strategies that have sought to regulate these subsectors.
 - BCC has responded to recent consultations regarding short term lets supporting proposals to devolve the powers for the introduction of a registration system for short term lets and the creation of a new planning use class. The outcome of the consultation conducted by the national government is not yet known. BCC will continue to respond to government consultations and reviews in relation to this area, helping establish a clear evidence base on the impact of short-term lets on Bristol. Where required, BCC will lobby government. The

impact of such lets will be considered as part of a Private Rented Sector Strategy.

.....

The national recommendations made by the Bristol Living Rent Commission were:

1. Central government should fully implement the Renters Reform Agenda, including the abolition of section 21 no-fault evictions, action to combat discrimination against lower income households, and ensuring that the court system has sufficient capacity. Action to raise the standard of service provided by poorer performing letting agents is also required.
2. Ensure that the benefit system properly recognises actual housing costs. This would imply significant increases to benefits. Restoring Local Housing Allowance rates to the 30th percentile of local market rents would be an important initial move in this direction.
3. Ensure that student incomes are sufficient to afford typical rent levels by increasing the student maintenance loan to recognize rising costs.
4. Ensure that local authorities have the resources to underpin their private rented sector activities. Central government sees local authority enforcement activities as key to improving quality in the sector, so sufficient resources must be available to allow these functions to be carried out effectively.
5. The decision to remove various tax reliefs has made being a small-scale private landlord a less attractive proposition. Reversing these decisions could have a significant positive impact on market supply.
6. Central government should recognise that the solution to our current housing challenges will not be achieved through reliance on the private rented sector alone. Investment in increasing the supply of social housing is integral to the solution. There is broad agreement on this point across all the stakeholder groups in the private rented sector. Stakeholders in the housing policy community have proposed a range of additional measures that have the potential to facilitate the delivery of more social housing. These merit serious consideration.

Full Council

12 March 2024



Report of:	Service Director: Finance
Title:	Interim Auditors Annual Report on Bristol City Council 2021/22 and 2022/23
Ward:	City Wide

Recommendations

That Full Council note Grant Thornton's Interim Auditors Annual Report for 2021/22 and 22/23, focusing on their value for money assessment, along with an action plan agreed by management.

Summary

Appendix 1 – Interim Auditors Annual Report on Bristol City Council.

Reporting on value for money is part of the External Auditors statutory reporting requirements. Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), the External Auditors are required to consider whether the council has put in place proper arrangements to secure economy, efficiency, and effectiveness in its use of resources. They no longer give a binary qualified / unqualified VFM conclusion. Instead, auditors report in more detail on the overall arrangements, as well as key recommendations on any significant weaknesses in the council's arrangements identified during the audit within the Auditor's Annual Report.

In relation to significant weaknesses, 4 key and 10 improvement recommendations were identified for the two year period reviewed (2021/22 and 2022/23). The report includes the management comments and proposed actions to address the required improvements.



Policy

None affected by this report. Grant Thornton are the Council's appointed external auditors. In carrying out their audit and inspection duties they must comply with the relevant statutory requirements, namely the Local Audit and Accountability Act 2014.

Consultation

1. Internal Director of Finance and Senior Officers and relevant officers across the council.
2. External - none

Background and Context

This report was considered by Audit Committee at their 24 July 2024 meeting. The Redmond Review of Local authority financial reporting and external audit recommends that annual reports are also presented at Full Council.

Other Options Considered

Not applicable.

Risk Assessment

Not necessary for this report.

Public Sector Equality Duties

Not necessary for this report.

Legal and Resource Implications

Legal

None arising from this report.

Financial

None arising from this report.

Land

Not applicable.

Personnel

Not Applicable.

Appendices:

Appendix 1: Grant Thornton's Interim Annual Report on Bristol City Council 2021/22 and 2022/23

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: None

Auditor's Annual Report on Bristol City Council

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Interim Report
2021/22 and 2022/23

14 July 2023



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We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the National Audit Office (NAO) requires us to report to you our commentary relating to proper arrangements.

We report if significant matters have come to our attention. We are not required to consider, nor have we considered, whether all aspects of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.



The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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Executive summary



Value for money arrangements and key recommendation(s)

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Auditors are required to report their commentary on the Council's arrangements under specified criteria. 2020/21 was the first year that we reported our findings in this way and an interim findings report was presented to Audit Committee in June 2022. The NAO have issued guidance to auditors which states that a commentary covering more than one financial year can be issued where it is more efficient and effective to do so. We have decided to report a combined commentary on the Council's arrangements for 2021/22 and 2022/23 because this provides a current position of the arrangements in place and enables the Council to take timely effective action. If our findings relate only to one year this will be clearly stated, where we do not refer to a year it covers both years. As part of our work, we considered whether there were any risks of significant weakness in the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources. Our conclusions are summarised in the table below.

Both 2021/22 and 2022/23 have had their challenges with COVID-19 rates remaining high in 2021/22 and 2022/23 seeing the start of the 'cost of living crisis'. In 2022/23 demand for services has continued to increase and inflation has increased to rates not seen for some considerable time, as a result the Council has had to react and fund these additional pressures.

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Criteria	Risk assessment for 2021/22 and 2022/23	2020/21	2021/22	2022/23	Auditor Judgement	Direction of travel
Financial sustainability	Risk identified because of : <ul style="list-style-type: none"> the current level of spend within Adult Social Care and Children's Services (2022/23 only) financial sustainability in the medium term 				Significant weaknesses in arrangements identified and three key and improvement recommendations made. Outstanding improvement recommendations from 2020/21.	↓
Governance	Risk identified because of the Council's arrangements to <ul style="list-style-type: none"> set & manage its capital budgets ensure informed decision making in relation to its subsidiaries 				No significant weaknesses in arrangements identified, but improvement recommendations made and outstanding improvement recommendations from 2020/21.	↔
Improving economy, efficiency and effectiveness	No risks identified at the planning stage				A significant weakness in arrangements identified and one key recommendation. Improvement recommendation made and outstanding improvement recommendations from 2020/21.	↓

- No significant weaknesses in arrangements identified or improvement recommendation made.
- No significant weaknesses in arrangements identified, but improvement recommendations made or outstanding from the previous year.
- Significant weaknesses in arrangements identified and key recommendations made.

Executive summary



Financial sustainability

We have identified two significant weaknesses in arrangements:

- Dedicated Schools Grant (DSG) – the Council does not have effective arrangements to meet the needs of children whilst remaining within current funding levels for those children with special educational needs and disability (high needs). The cumulative deficit is continuing to escalate and the management plan will only deliver part of the estimated cumulative deficit in the short term. If the Council is not allowed to write off the deficit by Central Government or the statutory override continued it would leave the Council with significant challenges to its financial sustainability.
- the Council's inability to reduce overspends in DSG, Children's and Adult's Social Care, and to deliver recurrent savings increases the risk that it may not be financially sustainable. These financial pressures and risks may increase the Council's reliance on the use of reserves to a level that may not be consider prudent or sustainable. In 2022/23 the high rates of inflation have resulted in the Council having to meet these unfunded cost pressures and the Council having to rely on one-off measures and use reserves in an unplanned way to reduce the overspend in 2022/23. The 2022/23 gross overspend of £57.9m has been mostly off-set by one-off funding, including COVID-19 grants, contingency budgets and the use of reserves, in order to achieve a net overspend of £10.4m.

The key recommendations can be found on pages 6, 8 and 10 and two improvement recommendations from page 22.



Governance

We have not identified any significant weaknesses in the Council's governance arrangements for ensuring that it made informed decisions and properly managed its risks. We have identified eight improvement recommendations, including:

- ensuring a 'lessons learned' report is completed for the Bristol Beacon as soon as possible and prior to its completion
- budget monitoring reports to Cabinet should be improved by ensuring the gross costs and overspends are clearly documented as well as the net position
- in line with the Council's capital strategy document and agree the Council's capital improvement plan
- identifying and recording the risks relating to the Client and Shareholder function for City Leap Energy Partnership Limited
- the Council should work closely with the West of England Combined Authority (WECA) to support the implementation of the required improvements to the governance of WECA.

Seven improvement recommendations can be found from page 29



Improving economy, efficiency and effectiveness

We have identified the Council's contract management arrangements as a significant weaknesses. The Council has a significant number and value of contract breaches, and following improvement in arrangements there has been no reduction in number or value of contract breaches in 2022/23. We have also identified one improvement recommendation; to ensure the partnership register reflects the new arrangements with Integrated Care Boards. In addition, a number of issues we identified in 2020/21 remain of concern, delivering sufficient savings through Adult Social Care transformation and the unit cost of Adult Social Care in comparison to other councils.

The key recommendation can be found on page 12 and one improvement recommendation on page 39.



Opinion on the financial statements

2021/22

The audit of the financial statements is well underway for 2021/22 with the majority of areas of audit well progressed. We aim to issue our audit opinion in the summer of 2023.

2022/23

Our work on the 2022/23 financial statements opinion is due to commence in the summer of 2023.



Use of auditor's powers

We bring the following matters to your attention:

2021/22 and 2022/23

Statutory recommendations

Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors can make written recommendations to the audited body which need to be considered by the body and responded to publicly

We have not issued any statutory recommendations

Public Interest Report

Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors have the power to make a report if they consider a matter is sufficiently important to be brought to the attention of the audited body or the public as a matter of urgency, including matters which may already be known to the public, but where it is in the public interest for the auditor to publish their independent view.

We have not issued any public interest reports

Application to the Court

Under Section 28 of the Local Audit and Accountability Act 2014, if auditors think that an item of account is contrary to law, they may apply to the court for a declaration to that effect.

We have not issued any applications to the Courts

Advisory notice

Under Section 29 of the Local Audit and Accountability Act 2014, auditors may issue an advisory notice if the auditor thinks that the authority or an officer of the authority:

- is about to make or has made a decision which involves or would involve the authority incurring unlawful expenditure,
- is about to take or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency, or
- is about to enter an item of account, the entry of which is unlawful.

We have not issued any advisory notices

Judicial review

Under Section 31 of the Local Audit and Accountability Act 2014, auditors may make an application for judicial review of a decision of an authority, or of a failure by an authority to act, which it is reasonable to believe would have an effect on the accounts of that body.

We have not made an application for judicial review

Key recommendations



1 Recommendation The Council should continue to drive forward its Dedicated Schools Grant (DSG) management plan to ensure actions are delivered as planned and at pace. Progress should be actively managed and prompt corrective action taken as required. This action should be carried out in conjunction with the Schools Forum to ensure their contribution (both financial and non-financial) is understood and delivered.

Audit year 2022/23

Why/impact Effective actions are required to stop the DSG cumulative deficit increasing exponentially.

Auditor judgement This is a significant weakness in arrangements, as failure to stop the increase in cumulative deficit could result in the deficit reaching £128.2m by the 31 March 2028. A statutory override (Government permission to allow the DSG to go into deficit) has been provided by the Government until the end of 2025/26, however if this is not extended or financial support forthcoming to reduce the deficit, the DSG deficit may have to be met by the Council's reserves. The effect of this could significantly reduce the Council's reserves or other service areas would have to subsidise this area.

Summary findings The services funded through the DSG are costing more than the funding provided resulting in a deficit. In 2021/22 the deficit increased by £14.7m and in 2022/23 by a further £15m, increasing the 2022/23 cumulative deficit to £39.7m. The Council has reported that if action is not taken to address the continuing overspends the cumulative deficit could be £128.2m by 31 March 2028.

The Council with the support of the DfE's Delivering Better Value programme re-evaluated its deficit management plan. This plan was reported and endorsed by the School's Forum in March 2023 and is the start of Bristol's recovery plan. The re-evaluated plan forecasts unmitigated benefits of £16.7m per annum from 2026. If the Council is not able to reduce the cumulative deficit the DSG deficit may be a future significant financial pressure that the Council is required to address.

Further detail can be found on pages 15 and 16.

Management Comments On page 7.

The range of recommendations that external auditors can make is explained in Appendix C.



Key recommendations



- 1 Recommendation** The Council should continue to drive forward its Dedicated Schools Grant (DSG) management plan to ensure actions are delivered as planned and at pace. Progress should be actively managed and prompt corrective action taken as required. This action should be carried out in conjunction with the Schools Forum to ensure their contribution (both financial and non-financial) is understood and delivered.

Management Comments

The council continues to drive forward its Dedicated Schools Grant (DSG) management plan. The DSG Management Plan is underpinned by the High Needs Block Recovery Plan which details 14 separate cost efficiency/enabling schemes grouped under 7 themes. Of the 14, 10 are in delivery with 4 being taken forward with funding awarded as part of Bristol's participation in the Department for Education's Delivering Better Value in SEND (DBV in SEND) programme. As part of the diagnostic phase of DBV in SEND, the Bristol High Needs Block Recovery Plan was assessed and validated by the programme delivery partners – Newton Europe and CIPFA – mitigation figures were updated as a result.

Bristol Schools Forum has received regular updates regarding the development of the DSG Management Plan, the development of the High Needs Block Recovery Plan and the Delivering Better Value in SEND programme process and outputs, as can be evidenced in the published papers:

Bristol Schools Forum 'buy in' to the proposals presented in reports and the approach being taken. The programme places an emphasis on developing and maintaining positive relationships with key stakeholders and a strong culture of local collective responsibility has been established. This is evidenced through schools continued decision to transfer annual to date the full amount possible from the Schools Block to be earmarked to support transformational delivery.

Moving forward, oversight of delivery will be managed at the operational level through the DSG Deficit Management Delivery Group which meets monthly. This will escalate issues and report routinely into the Our Families Programme Board on a 6-weekly basis (system-wide programme of service improvement and savings delivery in the Children & Education Directorate). CLB maintains a portfolio level view of all major transformation programmes within the organisation and additional governance, scrutiny and constructive challenge is provided by Bristol Schools Forum.

Responsible Officer: Executive Director, Children and Education
This is an ongoing process.

The range of recommendations that external auditors can make is explained in Appendix C.



Key recommendations



2 Recommendation Action should be taken to contain expenditure and deliver savings on a recurrent basis across all services areas, with specific focus on Adult Social Care and Children’s Services to ensure the transformation programmes deliver as planned.

Audit year 2022/23

Why/impact Effective actions are required to reduce the financial pressures facing the Council.

Auditor judgement This is a significant weakness in arrangements, as overspends and a failure to deliver a greater proportion of recurrent savings have a direct impact on the Council’s financial sustainability. The key consequence of this is that, in order to meet the overspend and shortfall in planned savings, general fund reserves may reduce to levels that are not prudent or sustainable over the longer term, if alternative solutions such as the identification of other savings and additional income are not found.

Summary findings

For 2022/23 the Council reported an overspend of £3m. However, this masks the fact that the gross service overspend is forecast at £57.9m and that, even within this net overspend, the Council is reliant on a significant number of non-recurrent measures, such as use of reserves, use of contingency (funds set aside for under delivery of planned savings and increased expenditure), non-recurrent savings and mitigations (an alternative solution to make savings) , as well as non-recurring COVID-19 grants.

In recent years, the Council record of delivering recurrent savings has not been consistent across the Directorates. In 2021/22 the savings target was £11.7m, of which £6.39m (55%) was delivered on a recurrent basis. The remaining being met from one-off actions.

In 2022/23 the Council planned to deliver savings worth £24.2m, which included £6m of savings rolled over from 2021/22 and £18m of new savings. Additional savings were identified increasing the target to £25.5m. The Council delivered all these savings, with 36% delivered on a non-recurrent basis and 16% covered by growth.

The overall effect of overspending and failure to deliver planned recurrent savings is that the savings target increases year on year and becomes increasingly more difficult to deliver, whilst increasing the likelihood of the shortfall having to be met from non-recurrent actions and reserves.

Further detail can be found on page 15 and 18.

Management Comments On page 9.

The range of recommendations that external auditors can make is explained in Appendix C.



Key recommendations



2 Recommendation Action should be taken to contain expenditure and deliver savings on a recurrent basis across all services areas, with specific focus on Adult Social Care and Children's Services to ensure the transformation programmes deliver as planned.

Management Comments

Children & Education Services Transformation Programme

We will be monitoring all our benefits and costs in a robust and efficient manner. The programme has implemented a robust benefits approach, and benefits tracker for financial and non financial benefit, which is monitored through the programme board and CLB. Verification takes place monthly with the financial system and key stakeholders from the programme, to analyse spend and associated full year forecasts.

We are tracking key activity data with trend analysis projections to ensure the benefits have been realised, including pressures. We have a robust governance for both costs and benefits through monthly meetings with the Programme Director, CMT/DMT, EDM, Our Families Programme Board (transformation board for Children and Education - covering both DSG and Non-DSG) and CLB. The programme board governance includes representation from both Finance and Internal Audit for embedded assurance. The People & Resources Scrutiny Commissions will also have programme oversight in their annual work programme.

Responsible Officer: Executive Director, Children & Education

Ongoing.

Adults Social Care Transformation Programme

The ASC Transformation Programme has been scoped and work is underway in conjunction with our external delivery partners (PeopleToo) through our benefit realisation tracker to validate the financial and non financial benefits achieved, in the pipeline and further opportunities. Collectively, we seek to ensure clear plans are in place for the range of programmed and BAU activity, and that a robust overview of contemporary finance monitoring information (activity, service capacity, resource use and flow, and system flow) is available at directorate, programme, locality and workstream levels to ensure that transformational activity and savings intentions are on track.

Work is also underway in the context of the broader ICS to assess the overall finances of the health and care system in Bristol, to ensure consistent pricing of purchased activity, fair apportionment of resource across the sectors, and that the Bristol gains fair settlements on funding sources such as S117, CHC, etc.

The governance of the programme is established. An ASC Transformation Board meets monthly. The membership features the cabinet lead, the S151 officer (or representative), key lead officers, and corporate and NHS partner leads. Beyond the ASC board, regular reporting is made to the Mayor, Cabinet and CLB, and the People & Resources Scrutiny Commissions will also have programme oversight in their annual work programme.

Responsible Officer: Executive Director: Adults and Communities

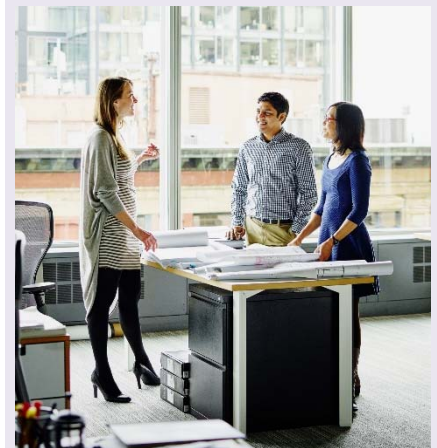
Ongoing.

Key recommendations



3	Recommendation	The Council should continue to monitor its level of unearmarked and earmarked general reserves to ensure the level remains prudent to manage current and future financial challenges and pressures.
	Audit year	2022/23
	Why/impact	An appropriate level of reserves is required to respond to unexpected events, along with earmarked reserves for funding planned one-off events. Failure to deliver planned savings and maintain spend within budget increases the likelihood that reserves will be required to meet these financial pressures.
	Auditor judgement	This is a significant weakness in arrangements, if the Council is unable to deliver its planned savings and manage expenditure the Councils is at risk of not having the necessary resources to be financially sustainable and to meet future unplanned and planned events.
	Summary findings	The Council's general unearmarked reserves and earmarked reserves have reduced in 2021/22 and 2022/23. In 2022/23 the Council had planned to use £4m of reserves, but used a further £7.6m to meet increased costs, including inflation, pay awards and service pressures. In February 2023 as part of the budget setting process, in order to balance the budget for 2023/24 the Council's intended contribution from reserves was a further £4m, from the resilience reserve. We are concerned that the Council has had to rely upon reserves and its priority should be to manage spending and deliver its planned savings, failure to achieve this could increase the risk of unplanned use of reserves. Further detail can be found on page 19.
	Management Comments	On page 11.

The range of recommendations that external auditors can make is explained in Appendix C.



Key recommendations



3

Recommendation

The Council should continue to monitor its level of unearmarked and earmarked general reserves to ensure the level remains prudent to manage current and future financial challenges and pressures.

Management Comments

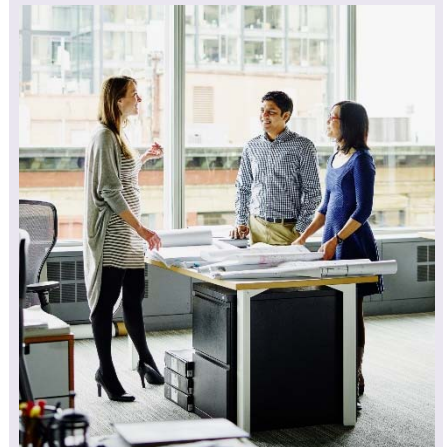
2022/23 was an unprecedented year in relation to post pandemic residual financial transactions and local need, and external factors such as pay awards, energy and inflation. Contingencies and reserves were earmarked for this purpose and applied in year. For pressures in excess of the earmarked funds a blended and pragmatic approach was adopted, which included further in year efficiencies from management actions, savings and the use where appropriate of reserves, followed by a materially revised baseline of growth in the 23/24 Budget and medium term plan.

The council has a Reserve Policy which is reviewed annually and approved by Council as part of the MTFP. The council's Medium Term Financial Plan and subsequently the budget and medium term plan, forecast to retain reserves at policy compliant levels for each year with the plan. The year end general reserve at 31 March 23 was in excess of the plan at £29.5m and similarly general fund earmarked reserve was £130.5m indicating a total useable reserves of £160m.

Reserves are periodically reviewed, and the appropriate level of reserves will be assessed after considering the strategic, operational and financial risks facing the council, risk management actions proposed to mitigate or remove risks where this is possible, and known or anticipated future expenditure. From this a prudent but not excessive level of reserves will be determined. Councillors will also ensure the council's finances are effectively managed, including the holding and use of reserves.

Responsible Officer: Director of Finance
Ongoing.

The range of recommendations that external auditors can make is explained in Appendix C.



Key recommendations



Improving economy, efficiency and effectiveness

4 Recommendation The Council should consider what further action is required to reduce the number and value of contract breaches.

Audit year 2022/23

Why/impact Reducing the number and value of contract breaches should reduce the level of risk the Council is exposed to, such as failure to comply with procurement legislation and ensuring value for money for the Council.

Auditor judgement This level of contract breaches suggests that the improvements introduced in 2021/22 and 2022/23 have not been effective.

Summary findings In 2021/22 and 2022/23 the number and value of contract breaches has increased since 2020/21 and remained high. Whilst actions have been introduced to reduce the contract breaches, these actions have not reduced the number or value of breaches in 2022/23. The breaches are predominantly due to a failure to comply with the Council's internal procedures to gain authorisation as to why market testing has not been pursued and not the public contract regulations 2015.

2020/21		2021/22		2022/23	
Number	£m	Number	£m	Number	£m
94	£13.01	206	£72.1	342	£73

Further detail can be found on page 37.

Management Comments On page 13.

The range of recommendations that external auditors can make is explained in Appendix C.



Key recommendations



Improving economy, efficiency and effectiveness

4 Recommendation The Council should consider what further action is required to reduce the number and value of contract breaches.

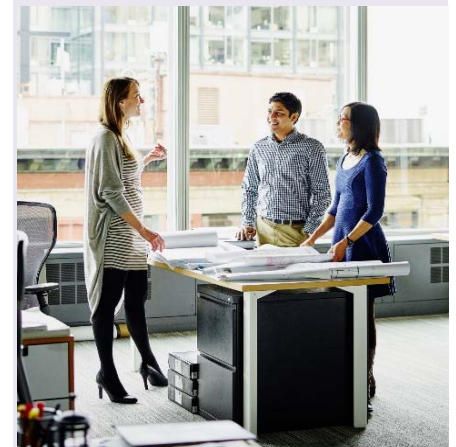
Management Comments Whilst the council is compliant with public contract regulations, it is recognised that more needs to be done to improve compliance with our internal procurement standards and an action plan is in place to address this. Compliance will be part of the mandatory performance objectives for all Heads of Service in 2023/24. In addition, the following actions are proposed:

- Quarterly Director Management Team (DMT) (by request) & Executive Director Meetings (EDM) will have regular attendance by procurement business partners
- Additional specific quarterly reports on procurement compliance to EDMs, Corporate Leadership Board (CLB) and Cabinet Member Briefing (CMB) will start in Q1 FY2023/24
- Overview of future procurement activity will be part of induction for new officers with commissioning responsibilities
- Greater Executive Director accountability for compliance
- Explore system development and Power BI reporting to increase visibility of contract end dates and spend monitoring :
 - Oversight in 2023/24 will be through CLB
 - Ongoing review by Internal Auditors
 - Further updates to be provided to Audit Committee

Responsible Officer: Director of Finance

Ongoing and benchmark assessment March 24

The range of recommendations that external auditors can make is explained in Appendix C.



Securing economy, efficiency and effectiveness in the Council's use of resources

All councils are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness for their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. The Council's responsibilities are set out in Appendix A.

Councils report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The National Audit Office's Auditor Guidance Note (AGN) 03, requires us to assess arrangements under three areas:

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Financial Sustainability

Arrangements for ensuring the Council can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years).



Governance

Arrangements for ensuring that the Council makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the Council makes decisions based on appropriate information.



Improving economy, efficiency and effectiveness

Arrangements for improving the way the Council delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.



Our commentary on the Council's arrangements in each of these three areas, is set out on pages 15 to 39. Further detail on how we approached our work is included in Appendix B.

Financial sustainability



We considered how the Council:

- identified all the significant financial pressures that are relevant to its short and medium-term plans and builds them into its plans
- planned to bridge its funding gaps and identify achievable savings
- planned its finances to support the sustainable delivery of services in accordance with strategic and statutory priorities
- ensured its financial plan was consistent with other plans such as workforce, capital, investment and other operational planning which may include working with other local public bodies as part of a wider system
- identified and managed risk to financial resilience, such as unplanned changes in demand and assumptions underlying its plans.

Revenue outturn 2021/22 and 2022/23

In 2021/22 the Council achieved a net in-year underspend of £0.9m against a net budget of £424.4m. However this included a services overspend of £25.7m which was off-set by COVID-19 grants and corporate allowances.

The financial position has deteriorated in 2022/23. This has been compounded by high rates of inflation which have not been centrally funded and reported at the yearend a net overspend of £3m, with service net overspend of £10.4m. However, this masks the fact that the gross overspend was £57.9m (as set out opposite) and that, even within this net overspend, the Council is reliant on a significant number of non-recurrent measures, such as use of reserves, use of contingency (funds set aside for under delivery of planned savings and increased expenditure), non-recurrent savings and mitigations (an alternative solution to make savings), as well as non-recurring COVID-19 grants. The Council has reviewed these pressures and included uplifts in the 2023/24 budget to meet these pressures.

Housing revenue account (HRA)

At the end of 2021/22 the HRA reported a surplus of £3.9m against a budget of £107.9m. For 2022/23 the HRA reported an overspend of £2.8m, an improvement of £3.6m compared to period 10, it is a deteriorating movement of over £6.7mm compared to 2021/22. This overspend is as a result of increased costs following two fires within high rise Council owned housing in 2022/23.

Service net and gross overspends 2022/23

Service area	Net overspend £m	Gross overspend £m
Adult Social care	(0.2)	8.3
Children and Families	6.5	18.1
Education improvement	0.7	3.5
People Directorate - management		3.8
Public Health	(0.4)	0.3
Resources	0.5	5.5
Growth & regen	3.3	13.7
Pay award	0	4.7
Total	10.4	57.9

Dedicated Schools Grant (DSG)

The DSG is a ring fenced budget which is allocated in four blocks; schools, early years, high needs and central school services. The DSG has continued to overspend and in 2021/22 the deficit increased by £14.7m, taking the cumulative deficit to £24.7m and in 2022/23 by a further £15m, increasing the cumulative deficit to £39.7m. This deficit is attributable to the high needs block, those with special educational needs and disabilities.

In February 2023 as part of the budget setting process the Council reported that, if action is not taken to address the continuing overspends the cumulative unmitigated DSG deficit could reach £128.2m by the 31 March 2028. This is illustrated in the chart overleaf.

Dedicated Schools Grant (DSG) continued

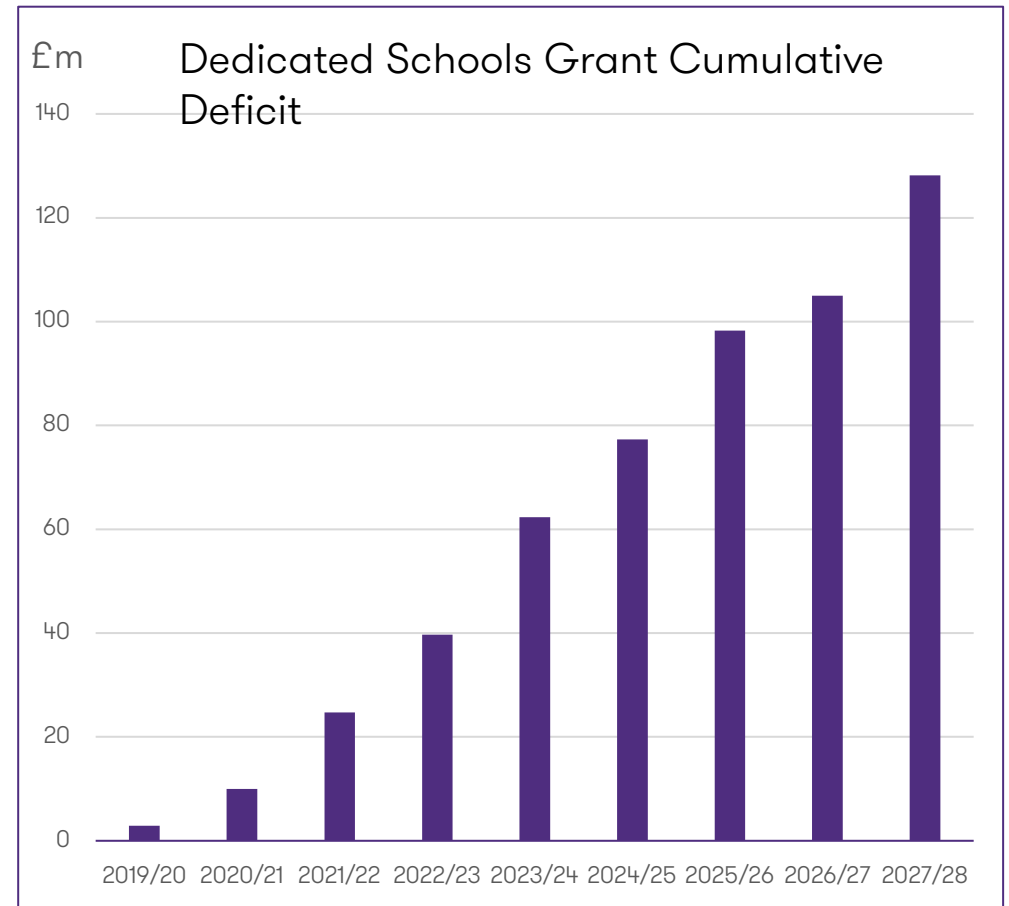
A statutory override is in place to allow the DSG deficit to be carried over as a negative reserve and has been provided by the Government. This Instrument is however time-limited and was due to end in March 2023 but in recognition of the national challenge in relation to DSG deficits was extended for a further three years to March 2026. It is unclear if the statutory override will be extended beyond March 2026. The extension is to allow councils the short-term flexibility needed to implement changes to reduce the spend within the high needs block of the DSG to a financially sustainable position. So that the costs are contained and the deficit no longer increases.

Councils with a DSG deficit are required by the Department for Education (DfE) to develop and agree a DSG deficit management plan with the Council's Schools Forum. With the support of the DfE's Delivering Better Value programme the Council re-evaluated its deficit management plan. This plan was reported and endorsed by the School's Forum in March 2023. The Council and has received additional funding of £1m from the DfE as part of the programme.

The plan is a long-term plan and is not expected to impact until 2023/24 and is not likely to have cleared the cumulative deficit until after the statutory deficit has ended. From 2025/26 it is estimated to deliver reduced costs of £16.7m per annum. These plans if successful might reduce the rate of increase of the deficit, but the Council could still reach a deficit of £60m before things begin to improve.

If the Council was unable to reduce the increasing DSG deficit, the cumulated unmitigated deficit is estimated to be £128m by 2028. Therefore, if the statutory override is not extended or financial support forthcoming to reduce the financial deficit, the DSG deficit may place significant pressure on the Council's reserves and put at risk the Council's general fund unearmarked and earmarked reserves.

We consider the Council's arrangements to manage and reduce the DSG cumulative deficit to be a significant weakness and if the Council is not able to reduce the cumulative deficit or the statutory override is not extended or financial support, the DSG deficit may be a future significant financial pressure that the Council is required to address.



The figures for 2023/24 onwards are estimates

2023/24 budget pressures

The Council has a Medium-Term Financial Plan (MTFP) which is reviewed and updated on an annual cycle and it is through the MTFP process that financial pressures (which have been managed and mitigated on a one-off basis) would be managed on a recurrent basis. The Council's current MTFP 2023/24 to 2027/28 was reviewed and agreed by Full Council in October 2022. It identified indicative funding gaps for each year from 2023/24 to 2027/28, with the indicative funding gap for 2023/24 estimated at £31.14m. The cumulative funding gap across the five years was reported as £178.94m, with the highest forecast funding gap being in 2027/28 at £37.5m, with the best- and worst-case position varying from £14m to £87.6m in that year.

In the 2023/24 budget the funding gaps were updated to reflect the funding settlement and amendments to assumptions and service demand. The 2023/24 funding gap was reduced to £20.3m but rising to £40m in 2027/28.

In 2023/24 the Council has increased its net expenditure budget by £52.5m to £483.5m. In order to achieve this position the Council has agreed to:

- deliver significant savings of £26.2m
- make contributions from reserves (£4m planned)
- increase Council Tax.

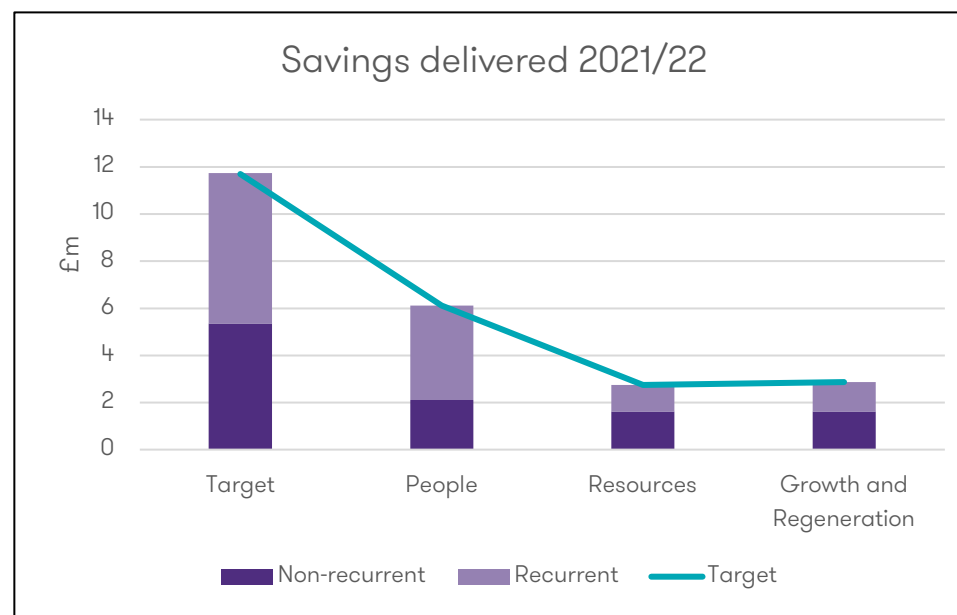
We also note that all service expenditure budgets exclude any uplift for inflation, as this fund held centrally for distribution later in the year. In our view, as inflation is known to be high we are concerned that this may undermine accurate budget monitoring and are aware that this is not standard practice across other councils. We are aware that that the Council is of the view that holding an inflationary fund centrally will assist in driving further efficiencies so have not raised an improvement recommendation.

Delivery of planned savings

The Council's approach is that savings agreed as part of the budget setting process should be recurrent and should only be delivered through one-off approaches if recurrent savings cannot be delivered. All planned savings which were not delivered on a recurrent basis should then be carried forward to the following year.

We consider in recent years, the Council's record of delivering recurrent savings has not been consistent across the Directorates, as illustrated in the chart opposite, which has a compounding effect, in subsequent years, where non-delivery of recurrent savings increases the amount of savings required the following year. In 2021/22 the savings target was £11.7m, of which £6.39m (55%) was delivered on a recurrent basis. The remaining being met from one-off actions.

In 2022/23 the Council delivered savings to the value of £25.5m, which included £6m of savings rolled over from 2021/22. At the end of 2022/23 the Council reported to Cabinet that 64% were delivered on a recurrent basis.



In 2023/24 the compound effect of rolling forward savings (£8.6m from 2022/23) is that the savings target is now £32.7m, of which at February 2023 £4.4m are considered to have no plans in place to ensure delivery. A contingency budget is set aside to meet this shortfall, along with the risk of non-delivery and optimum bias in other areas.

The Council has a range of processes in place to monitor delivery during the year, through the programme management office and the Delivery Executive. In our view the issue faced by the Council is its inability to deliver a greater proportion on a recurrent basis, not in its ability to monitor and track savings delivery.

Further analysis of the planned savings for 2023/24 identifies a number of high value proposals we consider are a significant risk of delivery on a recurrent basis, such as :

- £4m - Adult Social Care purchasing budget, at risk as this service was overspent in 2022/23
- £1.9m on Temporary Accommodation - this budget is overspending and the saving represents a high proportion of the budget for a demand led service.

The delivery of savings within Temporary Accommodation, Adult Social Care and Children's Service will also be monitored through the planned transformation programmes.

Financial Pressures – Former People Directorate

In order to more effectively manage the challenges within the People Directorate, the Council separated Children's Services from Adult Social Care to create two separate directorate management teams. The aim being that this would create greater capacity to focus on the challenges that both these services faced.

Adult Social Care

As reported in our previous Auditor's Annual Report, the Council continues to have some of the most expensive adult social care in England. These costs are high across a range of adult social care areas:

- Mental health support, both 18-64 year olds and over 65s
- Learning disability support for adults aged over 65
- Physical and sensory support for adults aged over 65
- Substance misuse support.

In order to reduce these costs in 2021/22 the Council established a transformation programme and engaged an interim project director to lead the programme. This programme was intended to be a five year plan. However, this individual left the Council in January 2023. The transformation programme considered existing savings schemes and programmes already in place and built on work already underway. A project mandate was agreed in May 2022 which included 13 savings schemes. Each saving scheme required a delivery plan, was agreed by Corporate Leadership Board, and was monitored through the Council's Programme Management Office framework. A review of lessons learned progress made on the 2021/22 transformation programme was expected in April 2023 and has yet to be delivered.

Delivery has been monitored through the Programme Management Office and the Transformation Board. The transformation programme has improved the understanding and pressures faced by the service, cash and non-cashable savings have been delivered, but additional cashable savings are required. We notes that whilst cashable savings are monitored the programme has not monitored non-cashable benefits as robustly. We have raised an improvement recommendation on page 22.

A decision has been made to develop a new transformation mandate. The Council hopes that delivery of savings will be improved by closer working between the Adult Social Care Directorate and an external delivery partner and the Council's Director of Resources.

Children's Services

The Children and Families Services were overspent by £3.8m in 2021/22 and are forecast to be overspend by £7.5m in 2022/23, due to increasing volumes and prices. These financial pressures have not just arisen in recent years but have been building for a number of years. The Council appointed a new Director of Children's Services in January 2023 and is developing a transformation programme for the service. A Transformation Director has been appointed and a project mandate is in the process of being agreed, with a supporting business case due to be in place by July 2023. The main focus of this work will be delivery of the planned savings of £5.5m in 2024/25.

Both Adult Social care and Children's services remain significant financial challenges for the Council and major contributors to the overall financial challenge that the Council faces in the short to medium term.

It is expected that the delivery of savings within Adult Social Care and Children's Service will be monitored through the PMO and Delivery Executive but also be monitored through the planned transformation programmes.



Reserves

The purpose of the Council's general fund reserve is to meet costs arising from any unplanned or emergency events such as unforeseen financial liabilities or natural disasters. It also acts as a financial buffer to help mitigate against the financial risks the Council faces and can be used to a limited degree to 'smooth' expenditure on a one-off basis across years. Whereas earmarked reserves are set aside for specific purposes. The Council's general reserve policy requires that general reserves are maintained at a minimum level of between 5% and 6% of the Council's net revenue budget.

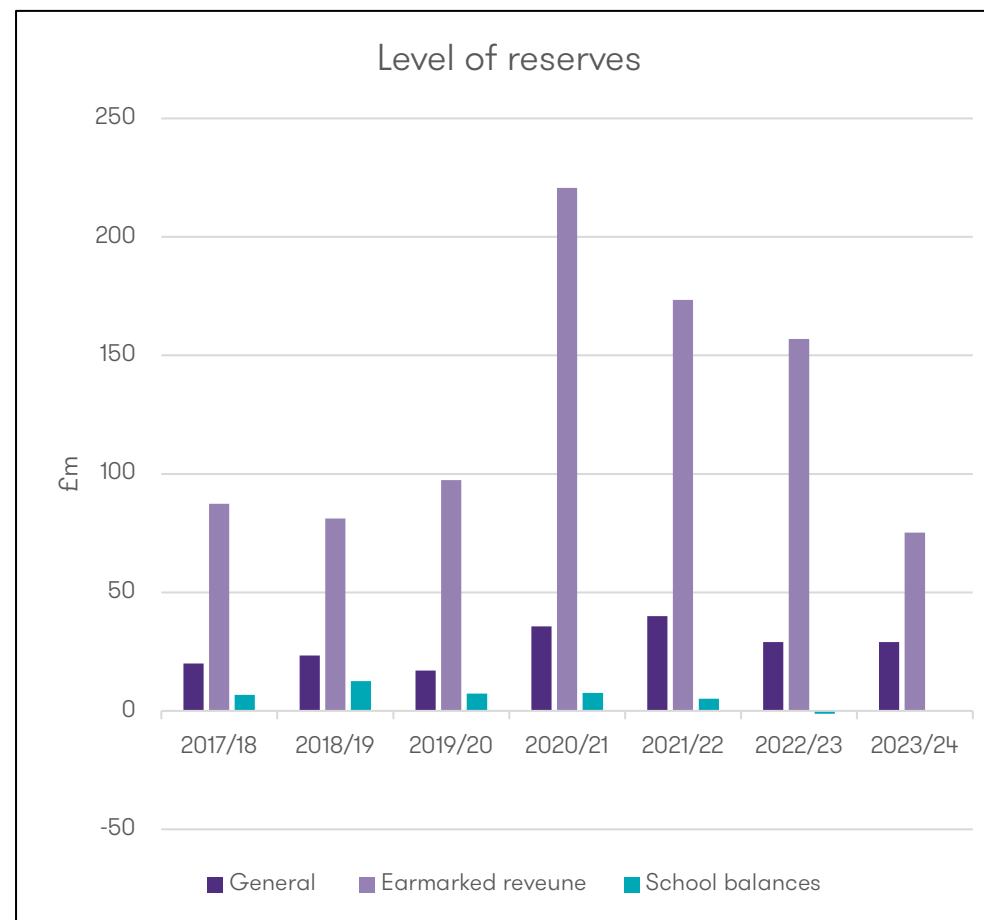
The chart opposite illustrates that both the general unearmarked and the general fund earmarked reserves increased significantly during COVID-19 and have reduced in 2021/22 and 2022/23. In 2022/23 whilst earmarked reserves remain above pre-COVID-19 levels (2019/20) they are forecast the drop below 2019/20 levels in 2023/24. From 2022/23 general unearmarked

In 2022/23 the largest movement in earmarked reserves is attributable to COVID-19 and Section 31 business rates grants, as intended. For 2022/23 the Council had planned to use £4.7m of general unearmarked reserves, but has required a further £3m to meet the in year overspend. In order to balance the budget for 2023/24 the Council's intended contribution from reserves will be a further £4m. In addition, we understand that any further contribution required from reserves will be met first by utilisation of the resilience reserve, prior to any re-direction of other earmarked reserves.

We have reviewed the Director of Resource's Section 25 statement, provided within the 2022/23 and 2023/24 budget reports and consider that current arrangements for producing the statement are adequate.

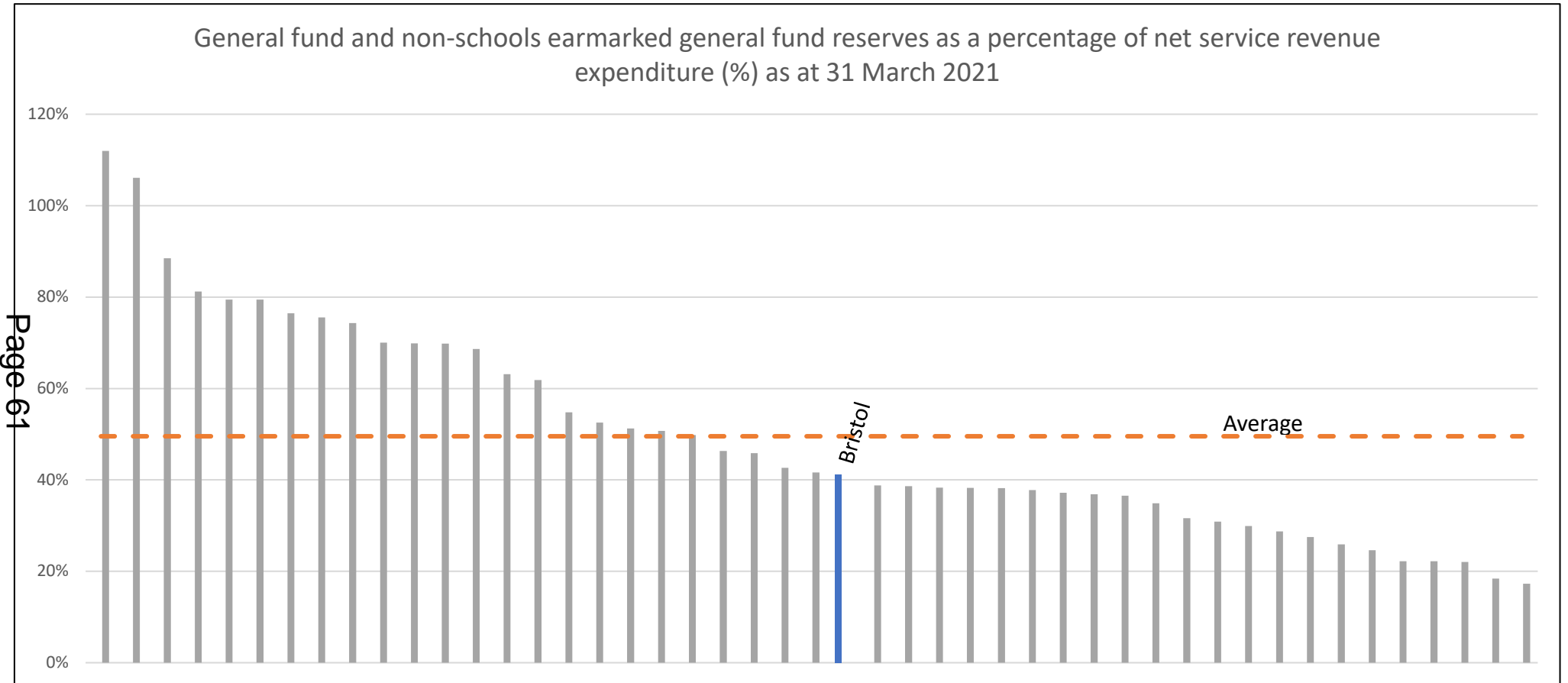
We are concerned that the Council has had to rely upon on reserves and its priority should be to manage spending and deliver its planned savings, failure to achieve this could increase the risk of unplanned use of reserves.

As discussed on pages 15 and 16, the Council's inability to manage spending and deliver recurrent savings is having an impact on its level of reserves. We have raised a key recommendation on page 10.



Reserve level comparisons as at 31 March 2021

This chart illustrates that at 31 March 2021 the Council's general fund and non-schools earmarked general fund reserves as a percentage of net service revenue expenditure was below average in comparison to other unitary authorities.



Turnover of finance staff

During our review we became aware of vacancies and the requirement for interim posts within the finance function. The Council is aware of its turnover within its finance function and whilst the average for 2022/23 is lower than 2021/22 there was a spike in turnover in March 2023. This includes a number of long serving finance colleagues, so this may be a risk going forward. We recommend that the Council should continue to monitor the turnover levels in finance so that action can be taken if required.

Auditor judgement

We have identified two significant weaknesses in arrangements:

Dedicated Schools Grant - the cumulative deficit is continuing to escalate. The forecast position has improved and is forecast to deliver £80m with a residual deficit of £48m in 2027/28. Although we note that 2023/24 is the first year of delivery so is as yet untested. If the Council is not able to reduce the cumulative deficit or the statutory override is not extended or financial support forthcoming, the DSG deficit may be a future significant financial pressure that the Council is required to address.

- The Council's inability to reduce overspends in DSG, Children's and Adult's Social Care, and to deliver recurrent savings increases the risk that it may not be financially sustainable over the longer term, if alternative solutions such as the identification of other savings and additional income are not found. In 2022/23 the high rates of inflation have resulted in the Council having to meet these unfunded cost pressures and the Council having to rely on one-off measures and use reserves in an unplanned way to reduce the forecast overspend in 2022/23. The 2022/23 forecast gross overspend of £57.9m has been mostly off-set by one-off funding, including COVID-19 grants, contingency budgets and the use of reserves, in order to achieve a net overspend of £10.4m. We note that these pressures have been met by growth in the 2023/24 budget.



Improvement recommendations



Financial sustainability

1	Recommendation	The Council should ensure that its Transformation Programme monitors non-cashable benefits as well as cashable, possibly by establishing a benefits realisation plan.
	Audit year	2021/22 and 2022/23
	Why/impact	Monitoring non-cashable benefits is recognised good practice in project management and ensures all benefits and objectives are known and monitored throughout the project or programme to ensure delivery.
	Auditor judgement	This is not a significant weakness in arrangements.
	Summary findings	In order to reduce its costs in Adult Social Care in 2021/22 the Council established a transformation programme and engaged an interim project director to lead the programme. The transformation programme considered existing savings schemes and programmes already in place and built on work already underway. A project mandate was agreed in May 2022 which included 13 savings schemes. Each saving scheme required a delivery plan, was agreed by Corporate Leadership Board, and monitored through the Council's Programme Management Office framework and the Transformation Board. Cashable savings were monitored by the Corporate Leadership Board and the Programme Management Office, however, non-cashable savings and benefits were not monitored as robustly.
	Management Comments	This recommendation is covered by the response to key recommendation 2 above.



Improvement recommendations



Financial sustainability

2 Recommendation The Council should continue to monitor staff turnover levels in finance so that action can be taken if required.

Audit year 2022/23

Why/impact High turnover can result in a lack of corporate knowledge and reduced ability to meet statutory deadlines. Monitoring the situation will enable action to be taken if required.

Auditor judgement This is not a significant weakness in arrangements.

Summary findings In 2022/23 there has been a high turnover of staff within the finance department and as such there are a high number of interims in place. This includes a number of long serving finance colleagues, so this may be a risk going forward.

Management Comments The public sector across many professions is continuing to report recruitment and retention difficulties, as the labour market becomes more and more competitive with higher rates of employment and scarce skills. The council recognises the need to have a sustainable, transformative and high performing finance function and ensure sufficient capacity and capability exists within the function in order to deliver the further improvement to which the council aspires.

Turnover, recruitment and retention will be closely monitored and an assessment of our short term workforce needs, and recruitment plan, along with longer term workforce planning focused on future talent, will assist in addressing the challenges.

Responsible Officer: Director of Finance
By October 2023



Governance



We considered how the Council:

- monitored and assessed risk and gained assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud
- approached and carried out its annual budget setting process
- ensured effective processes and systems were in place to ensure budgetary control; communicated relevant, accurate and timely management information (including non-financial information); supported its statutory financial reporting; and ensured corrective action was taken where needed, including in relation to significant partnerships
- ensured it made properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. This included arrangements for effective challenge from those charged with governance/audit committee
- monitored and ensured appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour (such as gifts and hospitality or declaration/conflicts of interests) and where it procured and commissioned services.

Risk management

The Council has a risk management policy that was reviewed by Cabinet in 2019 and reviewed by Risk Manager in 2021. The policy sets out the Council's commitment to effective risk management. The Audit Committee has responsibility for providing independent assurance over the adequacy of the risk management framework and the associated control environment.

The Audit Committee received a risk management annual report for 2021/22 in September 2022. It has yet to receive its report for 2022/23 which is scheduled for September 2023. The 2021/22 report provided the Audit Committee with an update on the actions taken and plans to improve the effectiveness of risk management across the Council. The report highlighted that Internal Audit has once again provided a 'limited assurance' opinion on the Council's risk management arrangements. However, in 2022/23 Internal Audit provided a 'reasonable assurance' opinion on its Strategic Risk Management, as reported in May 2023. This review identified that strategic risks were not identified in a timely manner and were not always scored appropriately. A recommendation has been raised by Internal Audit and management action agreed, therefore we do not consider this a significant weakness in arrangements.

Throughout 2021/22 and 2022/23 the corporate risk registers were reviewed quarterly by the Corporate Leadership Board, Audit Committee and Cabinet. Directorate risk registers sit below the corporate risk registers and are reviewed by the Directorate Management Teams and below these service level risk registers.

We consider that adequate arrangements were in place during the periods and, as such, we do not consider the Council's risk management arrangements to be a significant weakness.

The internal audit function operating at the Council was provided internally throughout 2021/22 and 2022/23.

The service provided its annual plan, update reports and annual assurance opinion to Audit Committee.

For 2021/22 and 2022/23 overall "Reasonable Assurance" opinions were given by Internal Audit on the systems of internal control, governance and risk management arrangements. This is the same opinion as was given in 2020/21.

A counter fraud service has also been delivered during both years, along with updates to the Audit Committee. An effective internal audit service was provided during 2021/22 and 2022/23.

Budget setting, control and monitoring - revenue

The Council's budget setting processes in 2021/22 and 2022/23 followed similar processes to those undertaken in 2020/21. With Cabinet receiving in July 2022 a medium term financial outlook to provide an early indication of the challenges ahead.

The 2022/23 budget was agreed by Full Council in March 2022, following member debate in February 2022 and the Mayor putting forward an alternative budget in March 2022. The 2023/24 budget was agreed in February 2023.

For each year the budgets had previously been discussed with Cabinet on a number of occasions at Cabinet Board meetings (non-public meetings) and formally at Cabinet the following month. In addition, the budgets were reviewed and challenged by the Council's Resources Scrutiny Task and Finish Budget Group and a supporting report was provided to Full Council. Four public budget scrutiny sessions were also held by the Resources Scrutiny Commission.

The Treasury management strategy was agreed along with the budget in for both financial years. Updates on the treasury strategy were presented to Audit Committee during 2021/22 and 2022/23.

Budget setting, control and monitoring – revenue continued

The Council had effective processes for budgetary control. Throughout 2021/22 and 2022/23 the financial position was first reported to the Executive Director and to the Executive Director Meetings, before summary reports were issued to Cabinet. The Council moved to quarterly and exception reporting in 2022/23.

The Council overspend position in 2022/23 was £10.4m (net position) and £57.9m (gross position). The budget monitoring reports demonstrate that Cabinet is fully aware of the Council's net financial position, but we consider that transparency of reporting could be improved by ensuring the reports also clearly set out the gross position and the contribution required from reserves. Whilst we recognise that the gross position is included within the appendices and narrative, in our view this is key information and should be more prominent and readily available to the reader at the beginning of the report, therefore we have raised an improvement recommendation on page 29.

Although as discussed with the Financial Sustainability section, the significant issue for the Council is not its ability to monitor and be aware of the financial position, but its ability to remain within its planned budget. This has been raised on page 15.

Budget setting, control and monitoring - capital

The capital strategy for 2021/22 and 2022/23 was agreed by Full Council in the autumn along with the MTFP. The following capital budgets were agreed:

Capital budget	2021/22	2022/23
Original budget agreed	£321m	£300.5m
HRA	£111m	£123m
Revised budget	£203.7m	£227.2m
Outturn	£167.3m	£198.7m
Underspend compared to revised budget	£36.4m (18%)	£28.5m (9.5%)
Underspend compared to original budget	£153.7m (48%)	£101.8m (34%)

The Council has continued its approach of amending its capital budget throughout the year and reporting its capital spend against its revised budget. At the end of 2021/22 it also reported the position against its original budget. The table above sets out the Council's performance in delivering against its original capital budget and its revised budget.

The Council continues to have a significant proportion of slippage throughout the year and note that this has decreased slightly from 2021/22 to 2022/23. The Council continues to reduce the level of slippage that occurs, see page 41 where we raised a recommendation on this in 2020/21.

The Council recognises that it needs to improve its capital governance arrangements and this is clearly acknowledged within its Capital Strategy for 2022/23 to 2031/32 and 2023/24 to 2032/33. The Council now has an overarching summary of the new capital programme management process; forms for project managers to complete for access to the capital programme and year-on-year re-profiling. However, in-year profiling is not undertaken and the details of spending to budget are not reported in detail to Cabinet, just at a very high level. Although we recognise that detailed monitoring is undertaken by the Capital Investment Board.

In 2022/23 it appointed a delivery partner (Arcadis) to provide expertise and additional capacity. These Capital Strategies identify that the Council has developed and is implementing a capital governance improvement plan. The first (2022/23 to 2031/32) identifying that the improvement plan will be operational by April 2022 and the second (2023/24 to 2032/33) by April 2023. However, the improvement plan has not been documented and remains outstanding.

Bristol Beacon

In 2020/21 we considered the refurbishment of the Bristol Beacon - a city centre live music/entertainment venue in detail. It is a Grade 2 listed heritage building, a freehold asset owned by the Council and operated since 2011 by Bristol Music Trust (BMT).

In May 2018 the project was originally estimated to take two years to redevelop at a cost of £48.8m. This increased to £52.2m in June 2019, £106.9m in March 2021 and in January 2023 to £131.9m, of which the Council's contribution was 64%, £83.9m. The project should be complete and open to the public in November 2023.

During 2021/22 the Council has strengthened its project management arrangements, appointed a strategic partner, Arcadis and brought on board additional capacity and technical and specialist expertise. The increase in costs have been attributed to the impact of inflation and compensation events as a result of the nature and complexity of the fabric of the building.

In 2020/21 we identified that the Council should learn from the Bristol Beacon project and ensure all capital projects have effective and rigorous project management arrangements in place. Whilst we are still of the view that proper arrangements were in place to manage the Bristol Beacon project in 2021/22 and 2022/23 the Council should ensure that it benefits from any lessons learned from undertaking this project and should complete a lessons learned exercise as soon as possible and not delay this until the refurbishment is complete.

In January 2023 Cabinet made the decision to increase the funding and to complete the refurbishment of Bristol Beacon.

Bristol Beacon continued

In addition, as part of this report's assessment of the Council's arrangements, we also considered Cabinet's decision to increase the funding in January 2023. Cabinet was provided with an options report covering the decision, third party advice, both technical relating to the refurbishment requirements and financial.

The report identifies that both the completion timeframe and cost of Bristol Beacon remain significant risks. The risks have been considered but are set out within the appendices to the Cabinet report. In our view it would have been more transparent and clearer for the reader if these are been documented within the main body of the report.

The financial advice identified that the project will generate a negative net present value (NPV) under the current commercial arrangements between the Council and BMT and even with amendments is not likely to achieve a breakeven position. Following the opening of Bristol Beacon consideration will need to be given to explore the wider potential for investment return to the Council from the Bristol Beacon. The Council has recognised that the City will benefit from wider social and economic benefits and should ensure that these wider benefits are monitored along with the return on Bristol Beacon. We have raised an improvement recommendation on page 30.

Partnership Governance and Informed Decision-making – City Leap Energy Partnership Limited

The development of the Council's City Leap Energy Partnership began in 2018, a series of energy and infrastructure investment opportunities to assist in the delivery of a carbon neutral City by 2050 (and by 2025 in relation to direct carbon emissions from buildings and vehicle fleet under the Council's control). The Council intends to achieve this by working in partnership with the private sector, through a joint venture to enable low carbon investments into the City's energy system and will be achieved through two elements; low carbon energy infrastructure and heat networks. This agreement does not commit the Council to additional funding.

The first one to two years will focus on the Council's buildings to achieve carbon neutrality, such as the Council's social housing retrofit and targeting energy efficiency and decarbonisation in poorly insulated Bristol buildings.

The Council began a complex and unique process with Cabinet agreeing the establishment of the joint venture City Leap Energy Partnership Limited in December 2022. The result is a joint venture with Ameresco, with the Council having equal joint ownership.

The time line below sets out the key decisions and steps undertaken to achieve this:

Date	Key steps/decisions
May 2018	Soft market testing to assess market interest in the City Leap concept.
July 2020	Procurement process revised and recommenced to take into account feedback from the market and to remove Bristol Energy from the process.
October 2020	Bidders were shortlisted.
December 2020	Cabinet was notified as to the outcome of the selection questionnaire stage of the procurement process.
August 2021	Invitation to tender was published.
January 2022	Report to Cabinet to request additional funding to complete the procurement process.
April 2022	Cabinet approved Ameresco Limited with Vattenfall Heat Limited as an essential Contractor as the preferred bidder.
July 2022	Cabinet approved the transfer of all heat network assets currently owned by the Council to its wholly owned company, Bristol Heat Networks Limited (BHNL).
December 2022	Cabinet approved the establishment of City Leap Energy Partnership Limited.
January 2023	Staff from the Council's Energy Services Department were transferred to City Leap Energy Partnership Limited, under TUPE (transfer of undertakings, protection of employment). Shared Purchase Agreement (SPA) arranged for the sale and transfer of BHNL. 20 year concession

Partnership Governance and Informed Decision-making – City Leap Energy Partnership Limited continued

City Leap Energy Partnership Limited is a joint venture of which the Council has equal ownership along with Ameresco. Vattenfall Heat UK, a subcontractor of Ameresco will deliver the heat network requirements. Delivery of carbon neutrality is managed through a concession agreement which includes contractually binding key performance indicators against which performance will be monitored. Individual projects must pass through gateway approval process, which depending on the value of the project will require either Cabinet approval or by the Delivery Implementation Group (DIG). The DIG is part of the client function and as at July 2023 has been established.

The Council undertook a complex procurement process and sought third party, legal and financial advice to support the process. An evaluation panel was established which was supported by subject matter experts. The procurement process included assessment of the financial standing of the preferred bidders and this was undertaken by financial advisors, EY and expert legal advice was provided by Burgess Salmon. Clear procurement practices were followed and in our view seem reasonable, although we have not used procurement experts to review the process.

Throughout the process a project board has reviewed and discussed issues and decisions prior to key decisions being made by Cabinet. The project board membership included two Cabinet members, the Chief Executive, the Executive Director for Regeneration and Growth, Director of Finance, Monitoring Officer and the Director of Energy Services. The project board has maintained a record of discussions and met over the past three years either on a monthly basis or weekly as required. The Shareholder Group has also received regular updates as has the Cabinet portfolio lead, along with the Mayor, as required.

An initial business plan is in place and was agreed as part of the Cabinet decision in December 2022. The business plan will evolve over time will be agreed and amended by the Council and Ameresco.

The governance arrangements and contract arrangements were all discussed by the project board prior to the decision being made. It was agreed that the concession agreement would be managed and monitored by a client function within the Council. The client function is not yet fully operational and the Council is still recruiting to the client function.

The risks in relation to establishing the joint venture were considered throughout the process and were provided to support the decision taken by Cabinet in December 2022, however, as the client function is not yet fully operational the risks from the Council's perspective have not yet been identified.

Governance of the Council's wholly owned subsidiaries

Following the establishment of City Leap Energy Partnership Limited and the transfer of the Heat Network assets to the joint venture the Council only has three wholly owned subsidiaries:

- Goram Homes
- Bristol Waste
- Bristol Holding Limited

The Council has been considering the governance arrangements of its subsidiaries for a number of years, with a governance review undertaken in 2021 and presented to the shareholder representative in June 2021. This review emphasised the need for an appropriate and proportionate governance model to be adopted once the Bristol Heat Network was no longer under the ownership of the Council and recommended that a further governance review should be undertaken in 2022. This governance review has not yet been carried out.

Interim arrangements have been introduced where Bristol Holding Limited has a reduced assurance role and within the Council a strategic client role is established and developed. The Strategic Client's role has been enhanced at the same time as that of the Holding Company is reduced. The Council also has established Audit and Risk Assurance Committees for each of the subsidiaries.

However, these arrangements are not yet legally binding and have not been included within the Company's articles of association or shareholder agreement. We have raised an improvement recommendation on page 34.

Partnership Governance - West of England Combined Authority (WECA)

The Council is a voting member of the WECA. WECA delivers a number of services, including transport, on a regional basis and is also a means by which devolved government funding is obtained and distributed among the constituent councils for infrastructure and other development projects. The governance of WECA is overseen by the West of England Combined Authority Committee, which comprises the leaders of the member authorities (Bristol, Bath and North East Somerset and South Gloucestershire Councils) and is chaired by the directly elected West of England Combined Authority Mayor.

The Mayor and Chief Executive of the West of England Combined Authority, and the Leaders and Chief Executives of the three constituent unitary councils, have acknowledged that the relationships between members of the Combined Authority are currently strained. This is partly attributable to inherent tensions between the West of England Mayor's mandate to create and deliver a regional strategy and the desire of individual authorities to retain and protect their own political and strategic areas or remits. The dynamic is further complicated by local circumstances, that include the existence in parallel of a separately constituted Joint Committee that includes North Somerset Council as an additional member but outside of the Combined Authority; the co-existence of the West of England Mayor and the Bristol City Mayor over part of the same footprint, and; the constitutional requirement for significant elements of Combined Authority business to require unanimous voting, which effectively allows any member to veto a decision.

It is in this context that we note the external auditor has issued a critical report on the governance of WECA that identifies five significant weaknesses in governance and includes three statutory recommendations. This relates to events that took place during the financial year 2021/22. Two of the statutory recommendations place an obligation on the members of WECA to work together to improve working relationships and the level of engagement on key decisions.

The two statutory recommendations that directly impact on Bristol City Council are as follows:

- The Mayor and members of the Combined Authority represented by the Council Leaders, must commit to improving their working relationship and demonstrate that significant progress has been made within a reasonable timeframe to be determined by the Mayor and Combined Authority. This should include a role for independent mediation and the constructive consideration of advice arising from this process (SR1).

- A formal protocol should be agreed between member organisations within the Combined Authority to commit to consultation on key proposals, that they should define, at an earlier stage. Combined Authority members should engage effectively in this process, to help mitigate points of contention before they are published and debated in public. This should include a commitment to deliver proposals on a reasonable timetable (SR2).

A constructive and collaborative working relationship between partners is fundamental to the ability to continue to reach consensus, approve the use of devolved funding and attract funding and deliver value to the region, in addition to the ongoing delivery of key regional services including local bus services. The report recognises that the day-to-day business of the Combined Authority in regard to its budget and financial allocations to projects has continued effectively in 2021 and to date in 2022. In addition, we note that significant new funding has been brought into the region and been allocated to approved projects, including those impacting on individual unitary authorities via the Investment Fund. This provides assurance that the Combined Authority has not become dysfunctional and has continued to deliver benefit to residents in the region.

However, the WECA external auditor expresses concern that the ongoing poor state of relationships could limit the ability of all parties to work together to optimise strategic opportunities in future. External perceptions of disfunction could also affect the reputation of the Combined Authority with central government and other partners., ultimately affecting the ability to raise further funding and undermining public confidence.

While we recognise that the onus is on WECA, as a separate statutory body, there is a key role for Bristol City Council to work with the WECA management team to ensure that all the required improvements are made.

Auditor judgement

Overall, we found no evidence of significant weaknesses in the Council's arrangements for ensuring that it makes informed decisions and properly manages its risks. We have made eight improvement recommendations, set out on the following pages.

Improvement recommendation



Governance

3

Recommendation

Monthly budget monitoring reports, reported to Cabinet should clearly set out the gross overspend position and the contribution required from reserves, as well as the net position for each service area, so that the extent of the challenge faced by the Council is fully understood.

Audit year

2022/23

Why/impact

This would improve transparency of reporting.

Auditor judgement

This is not a significant weakness, but an improvement recommendation would be beneficial and would enable the Council to better understand the extent of the overspend within individual services.

Summary findings

The Council has reported an overspend for 2022/23 of £10.4m (net position) and £57.9m (gross position). The budget monitoring reports demonstrate that Cabinet are fully aware of the Council's net financial position, but we consider that transparency of reporting could be improved by ensuring the reports clearly set out the gross position and the contribution required from reserves. In our view this is key information and should be readily available to the reader at the beginning of the report, not within the detail or appendices.

Management Comments

The council will seek to enhance the budget monitoring reporting to cabinet. The gross position as reported in Quarter 1 (period 2 extrapolated), directorate appendices throughout the year and provisional outturn, will be captured in the standard reporting format for all reports from 2023/24, to provide greater transparency to the end reader of the financial position as we progress through the year.

Responsible Officer: Director of Finance
2023/24 budget monitoring reports



Improvement recommendation



Governance

4	Recommendation	The Council should urgently undertake a lessons learned exercise on its refurbishment of Bristol Beacon.
	Audit year	2022/23
	Why/impact	The lessons learnt exercise should not be delayed until completion of the project, as the lessons learnt could be applied to ongoing and new capital projects.
	Auditor judgement	This is not a significant weakness, but an improvement recommendation would be beneficial.
	Summary findings	<p>In May 2018 the project was originally estimated to take two years to redevelop at a cost of £48.8m. This increased to £52.2m in June 2019, £106.9m in March 2021 and in January 2023 to £131.9m, of which the Council's contribution was 64%, £83.9m. The project should be complete and open to the public in November 2023.</p> <p>During 2021/22 the Council has strengthened its project management arrangements, appointed a strategic partner, Arcadis and brought on board additional capacity and technical and specialist expertise. The increase in costs have been attributed to the impact of inflation and compensation events as a result of the nature and complexity of the fabric of the building.</p> <p>The Council has yet to fully evaluate and produce a lessons learned report. See page 26.</p>
	Management Comments	<p>A lessons learnt exercise has been designed and will start w/c 26th June 23. It will be led by an independent team from Arcadis, the council's capital strategic partner. The lessons learnt will take place in phases and is designed to provide critical lessons learnt and stimulate important insights. Care has been taken not to add risk to the project by diverting resource as the project is currently in its critical final period. Initial phases will focus on data collection and analysis. The final phase will be Jan 24 post full commercial operation of the facility with a</p> <p>Responsible Officer: Executive Director, Growth & Regeneration Final draft issued Feb 24.</p>



Improvement recommendation



Governance

5	Recommendation	In line with the Council's Capital Strategy the Council should document and agree its capital governance improvement plan.
	Audit year	2021/22 and 2022/23
	Why/impact	Progress cannot be monitored and assessed if the agreed actions have not been documented.
	Auditor judgement	This is not a significant weakness, but an improvement recommendation to ensure its capital governance continues to improve.
	Summary findings	The Council recognises that it needs to improve its capital governance arrangements, and this is clearly acknowledged within its Capital Strategy for 2022/23 to 2031/32 and 2023/24 to 2032/33. In 2022/23 it appointed a delivery partner (Arcadis) to provide expertise and additional capacity. These Capital Strategies identify that the Council has developed and is implementing a capital governance improvement plan. The first Capital Strategy identified that the improvement plan will be operational by April 2022 and the second by April 2023. However, the improvement plan has not been documented and remains outstanding. See page 25.
	Management Comments	<p>The Capital Strategy sets out the framework for the governance of capital assets for the council and accountability for its approval rests with Full Council in line with the Prudential Code. The details in relation to the improved capital processes will be outlined in more depth in a capital guidance note, which will include the governance boards and relationship between the boards, development of the capital programme in line with the capital gateway process, the monitoring of progress, programme adjustments and reporting. The capital guidance note will be prepared for corporate Capital Investment Board endorsement, socialised with project managers and published on the source</p> <p>Responsible Officer: Director of Finance September 23.</p>



The range of recommendations that external auditors can make is explained in Appendix C.

Improvement recommendation



Governance

6 Recommendation The Council should ensure it secures the best operating model that it can for Bristol Beacon so that it delivers the best possible outcomes for the Council and residents of Bristol. This should be clearly communicated to members.

Audit year 2022/23

Why/impact The Council has committed significant funds to refurbish Bristol Beacon and should ensure that it secures the maximum benefit for its invested funds.

Auditor judgement This is not a significant weakness, but an improvement recommendation has been raised.

Summary findings As a result of the increased funding and overall costs of refurbishing Bristol Beacon the project will generate a negative net present value (NPV) under the current commercial arrangements between the Council and BMT and even with amendments it is not likely to achieve a breakeven position. The Council has recognised that the City will benefit from wider social and economic benefits and should ensure that these wider benefits are monitored along with the return on Bristol Beacon.

Following the opening of Bristol Beacon, BMT will no longer receive financial support from the Council and consideration will need to be given to explore the wider potential for investment return to the Council from the Bristol Beacon. The Council will need to ensure that Bristol Beacon delivers the best possible return and outcomes for the Council.

See page 25.

Management Comments Discussions are ongoing with Bristol Music Trust and other key funders such as Arts Council England to agree a future operating model which removes future revenue commitments for the council and seeks to maximise future returns to the council from the Beacon. Briefings have been arranged with the council's Overview and Scrutiny Management Board members

Responsible Officer: Executive Director, Growth & Regeneration
30 November 2023



Improvement recommendation



Governance

7 Recommendation The Council should identify and document its risks relating to the client and shareholder function for City Leap Energy Partnership Limited. The risks should be logged and monitored in line with the Council risk management policy.

Audit year 2022/23

Why/impact The risks should be identified to ensure the Council is aware and effectively manages the risks.

Auditor judgement This is not a significant weakness, but an improvement recommendation to ensure risk management arrangements are effective.

Summary findings In December 2022 cabinet agreed to establish the joint venture City Leap Energy Partnership Limited. This decision was supported by a risk register which identified and scored the risks relating to this decision and the operation of the joint venture. The Council is in the process of establishing its client function for this subsidiary and as a result has not yet identified the risks relating to City Leap Energy Partnership Limited and ensuring its objectives are achieved.

See page 26.

Management Comments The client team for City Leap has now been established and the governance arrangements are in place for making decisions on individual projects which will have their own risk analysis. The shareholder function has established procedures for escalating matters to the shareholder, although given the joint venture nature of City Leap, the number of matters that will be escalated to the shareholder is limited.
Responsible Officer: Director, Legal and Democratic Services
Ongoing



Improvement recommendation



Governance

8	Recommendation	The Council should review its governance arrangement for its remaining wholly owned subsidiaries and update the shareholder agreements and articles of association to reflect the new agreed governance arrangements.
	Audit year	2022/23
	Why/impact	Interim governance arrangements are in place but have not been formally agreed.
	Auditor judgement	This is not a significant weakness, but an improvement recommendation would ensure the governance arrangements are formally agreed and documented.
	Summary findings	<p>Following the establishment of City Leap Energy Partnership Limited and the transfer of the Heat Network assets to the joint venture the Council only has three wholly owned subsidiaries. The Council has been considering the governance arrangements of its subsidiaries for a number of years, with a governance review undertaken in 2021 and presented to the shareholder representative in June 2021. This review emphasised the need for an appropriate and proportionate governance model to be adopted once the Bristol Heat Network was no longer under the ownership of the Council and recommended that a further governance review should be undertaken in 2022. This governance review has not yet been carried out.</p> <p>Interim arrangements have been introduced where Bristol Holding Limited has a reduced assurance role and the Council's strategic client role is established and developed. The Strategic Client's role has been enhanced at the same time as that of the Holding Company is reduced. However, these arrangements are not yet legally binding and have not been included within the Company's articles of association or shareholder agreement. See page 27.</p>
	Management Comments	<p>The council continues to keep the governance arrangements for the council's companies under review and it has been determined that the Holding Company group structure will remain in place for the foreseeable future. The shareholder agreements and articles of association have recently been revised and are in the process of approval by the Company Boards.</p> <p>Responsible Officer: Director, Legal and Democratic Services Actioned March 2023</p>

The range of recommendations that external auditors can make is explained in Appendix C.

Improvement recommendation

Governance

9	Improvement Recommendation	The Council should work closely with the West of England Combine Authority (WECA) to support (within its remit) the implementation of the required improvements to the governance of WECA (as set out in the governance report).
	Audit year	2021/22 and 2022/23
	Why/impact	A constructive and collaborative working relationship between partners is fundamental to the ability to continue to reach consensus, approve the use of devolved funding and attract funding and deliver value to the region, in addition to the ongoing delivery of key regional services including local bus services.
	Auditor judgement	This is not a significant weakness from the perspective of Bristol City Council, but the Council has a key role to play in ensuring that the required improvement to this key partnership are made.
	Summary findings	<p>The Council is a voting member of WECA. WECA delivers a number of services, including transport, on a regional basis and is also a means by which devolved government funding is obtained and distributed among the constituent councils for infrastructure and other development projects. The governance of WECA is overseen by the West of England Combined Authority Committee, which comprises the leaders of the member authorities (Bristol, Bath and North East Somerset and South Gloucestershire Councils and is chaired by the directly elected West of England Combined Authority Mayor.</p> <p>We note the external auditor has issued a critical report on the governance of WECA that identifies five significant weaknesses in governance and includes three statutory recommendations. This relates to events that took place during the financial year 2021/22. Two of the statutory recommendations indicate that the members of WECA should work together to improve working relationships and increase the level of engagement on key decisions.</p>
	Management comment	In its capacity as a member of WECA, the council is committed to support the improvements needed, and the recommendations made by WECA's external auditor regarding the required improvements to the Combined Authority's governance.

The range of recommendations that external auditors can make is explained in Appendix B.

Improving economy, efficiency and effectiveness



We considered how the Council:

- used financial and performance information to assess performance to identify areas for improvement
 - evaluated the services it provided to assess performance and identify areas for improvement
- ensured it delivered its role within significant partnerships and engaged with stakeholders it has identified, in order to assess whether it is meeting its objectives
- where it commissioned or procured services assesses whether it is realising the expected benefits.

Performance management

The Council's five-year Corporate Strategy 2022-2027 was approved by Full Council in December 2021 for implementation in 2022/23 onwards. Cabinet agreed its updated Business Plan for 2021/22 in March 2021 and for 2022/23 in April 2022. The business plan is the Council's annual plan which sets out how the Council will deliver its commitment within the Corporate Strategy. The Council's performance management framework was also reviewed and agreed at each of these meetings. The performance management framework summarises how the Council will monitor and assess the key commitments set out within its Business Plan.

In 2021/22 and 2022/23 quarterly reporting on key performance indicators was provided to officers, Cabinet Members, Scrutiny Commissions and Cabinet.

In 2020/21 we identified that these reports were presented over three months after the period end. New performance clinics have been introduced to improve the performance management arrangements, but more timely reporting to Cabinet has not been introduced.

The Council's Data, Insight and Information Strategy was approved by Cabinet in October 2021. This strategy includes the importance of good quality data and the Council's approach to data quality.

Benchmarking and learning from others

In March 2022 Audit considered the findings of the external inspections undertaken in 2021/22, which included but not limited to the following:

- Ofsted Visits
- Care Quality Commission

- Local Government Association (LGA) Peer challenge on Quality Assurance
- LGA Children and Families Services peer challenge.

This report enables the Audit Committee to note the actions taken as a result of the inspections but to also gain assurance on the Council's response to the inspections. This review was also undertaken in 2022/23 and in March 2023 the Audit Committee was provided with an update based on ten external inspections.

Joint Local Area SEND Inspection

In November 2019 the Council received a letter setting out the findings of a joint Ofsted and Care Quality Commission (CQC) inspection. As a result of the findings of this inspection, and in accordance with the Children and Families Act 2014, the inspectorate determined that a Written Statement of Action (WSOA) was required because of significant areas of weakness in the local area's practice.

A Local Area re-inspection was completed in October 2022 and the report published in November 2022. Four out of five areas identified in 2019 were judged to have made sufficient progress, with one area, relationships with parents and carers, judged as insufficient progress having been made. As a result an Accelerated Action Plan was required and was submitted to the Department for Education by 1 February 2023. The outcome of the inspection was reported to Cabinet and Health and Wellbeing Board in January 2023.

Ofsted inspection

An Ofsted inspection of its children's services was undertaken in January 2023. The findings were published on 10 March 2023 and are available on the Council's website. The Council received an overall rating of 'requires improvement to be good', the same rating as the Council received in 2018.

Benchmarking and learning from others continued

The Council has continued to use benchmarking to compare its cost of Adult Social Care services to other Councils, using tools such as PowerBI to better understand where its unit costs appear high in comparison to others in England and the South West.

In 2020/21 we identified three areas where the unit costs were very high in comparison to other councils:

- adult social care
- planning and development services
- housing services.

In 2021/22 we can see some movement as follows:

- adult social care – remains very high
- planning and development services – moved from very high to high

housing services – remains very high

cultural and related services – was high moved to very high

Reducing the cost of the Council's Adult Social Care service remains a significant challenge of the Council as previously reported on page 15.

Contract management and procurement

The Council is actively working to improve its contract management and procurement arrangements and in September 2022 appointed a Head of the Procurement and Contract Management Service. In April 2023 Cabinet agreed its procurement and contract management strategy. The strategy aligns to the Corporate strategy and sets out overarching principles, which are underpinned by a range of policies such as procurement rules, social value, healthy and sustainable procurement, ethical and equitable investment policies. The service plan will be instrumental in direct delivering, monitoring and or tracking that the commitments in the strategy are satisfactorily progressed. However, the delivery plan has yet to be developed. The intention is that the service plan will include detailed actions and key performance indicators based on compliance and agreed savings.

The Council has authorisation processes in place for contract breaches and in August 2021 remedial actions were proposed and endorsed by the Corporate Leadership Board , as follows:

- contract management system and reporting, pilot phase which should support planning and visibility of contract end dates

- improved breach data is being gathered which started in 2022/23 to give additional visibility to Directors and Internal Audit
- training and support for officers.

Reporting on breaches and remedial action has been undertaken during 2021/22 and 2022/23 as follows:

- monthly reporting to Directors
- quarterly Divisional Team meetings
- quarterly report to Executive Directorate meetings.

The training introduced was e-learning procurement training, with 324 participants enrolled. The participants included Contract Managers, Commissioners and Budget Holders, as at March 2023 81% (262) have completed the training.

In our previous report we raised concerns over the level of contract breaches and despite the improved processes remains a challenge for the Council in 2021/22 and 2022/23. The table below identifies that the number of breaches has continued to increase, although the value suggests a levelling off in 2022/23.

Contract breaches

2020/21		2021/22		2022/23	
Number	£m	Number	£m	Number	£m
94	£13.01	206	£72.1	342	£73

In 2020/21 we raised an improvement recommendation, based on the value and number of breaches that had occurred in 2020/21 and the increase in 2021/22. Whilst the Corporate Leadership Board have endorsed new arrangements the value and number of contract breaches remains significantly high. In 2022/23 the number of breaches has continued to increase with a slight increase in value. The breaches are predominantly due to a failure to comply with the Council's internal requirements to gain authorisation as to why market testing has not been pursued and not the public contract regulations 2015. However, the level and extent of contract breaches suggests that the Council is a risk of perpetuating a culture of breaches in procurement. We consider the Council's inability to reduce the number and value of contract breaches to be a significant weakness in arrangements.

Partnerships

The Council's business plan and quarterly performance reports acknowledge the importance of partnership working and where partnerships contribute to the Council's objectives.

In February 2021 the Council introduced its first Partnerships and Collaboration Policy, with the intention that the policy would be updated in February 2022, this update remains outstanding. The policy provides guidance on what constitutes a partnership and that all partnership should be entered on the Council's partnership register.

The partnership register now includes 91 partnerships. The register is a live document maintained by the Executive Office and includes a range of information including Directorate Management Meeting and Executive Directorate meeting status and sign-off.

In 2020/21 we identified the following partnerships which were included in the Council's business plan but were not included on the register; Learning City Partnership and the Voice and Influence Partnership. Whilst these partnerships are no longer included within the Council's new Corporate Plan we understand that the Council is still involved in these partnerships and they have yet to be added to the Council's partnership register.

In 2020/21 we also noted that one trust and the Council's companies were listed, which is not in line with the Partnerships and Collaboration Policy. The Council has removed its companies from the partnership register, but the trust remains on the register.

The current register identifies the objectives of the partnership but still does not link these to the Council's objective to which it contributes, this was previously raised as an improvement recommendation. Further details regarding the improvement recommendation we raised in 2020/21 can be found on page 39.

We identified that the partnership register includes the Bristol, North Somerset and South Gloucestershire Integrated Care Board, but does not separately identify the Integrated Care Partnership. Both the Integrated Care Partnerships and Board were established on the 1 July 2022. We suggest that the partnership register is reviewed to ensure the register correctly reflects both bodies and whether it should include the Integrated Care Board.

We note that in September 2022 Cabinet approved the Integrated Care Partnership's terms of reference and the Council's nominations for the Integrated Care Partnership and the Integrated Care Board. The Health Scrutiny Committee also received an update on the new arrangements in October 2022.

In 2021/22 and 2022/23 we found no evidence of any significant failings in any of the Council's partnerships.

Auditor judgement

We have identified the Council's contract management arrangements as a significant weaknesses. The Council has a significant number and value of contract breaches, and following changes in arrangements there has been no reduction in number or value of contract breached in 2022/23. We have identified one improvement recommendation.



Improvement recommendations



Improving economy, efficiency and effectiveness

Page 80

10	Recommendation	The partnership register should be reviewed to ensure the register correctly reflects both bodies and whether it should include the Integrated Care Board.
	Audit year	2022/23
	Why/impact	The partnership register should include all significant partnerships in which the Council is involved.
	Auditor judgement	Proper arrangements are in place, this would ensure all significant partnerships are appropriately considered.
	Summary findings	The Council's partnership register includes the Bristol, North Somerset and South Gloucestershire Integrated Care Board, but does not separately identify the Integrated Care Partnership. Both the Integrated Care Partnerships and Board were established on the 1 July 2022.
	Management Comments	<p>The Partnership Register is reviewed quarterly in Executive Director Meetings and it is the responsibility of the accountable Director for each partnership to ensure it is correctly updated. We will ensure that this partnership is correctly logged at the next available review point</p> <p>Responsible Officer: Director, Policy, Strategy and Digital July 2023</p>



The range of recommendations that external auditors can make is explained in Appendix C.

Follow-up of recommendations raised as part of our 2020/21 VfM review

	Recommendation	Progress to date	Addressed?	Further action?
	Financial sustainability			
1	The Council and the Schools Forum should continue to work together to develop a clear mitigation plan which addresses the Dedicated Schools Grant (DSG) high needs overspend.	In 2021/22 the DSG deficit increased by £14.7m and in 2022/23 by £15m, increasing the 2022/23 cumulative deficit to £39.4m. The Council reported that if action is not taken to address the continuing overspends the cumulative deficit could be £128.2m by 31 March 2028. With the support of the DfE's Delivering Better Value programme the Council has re-evaluated its management plan. This plan was reported and endorsed by the School's Forum in March 2023 and is the start of the recovery plan.	Outstanding	Key recommendation raised, see page 6.
	The Council should focus on the identification of its savings plans for 2022/23 and beyond to ensure that these can be actioned promptly and delivered on a recurrent basis.	In 2021/22 the savings target was £11.7m, of which £6.39m (55%) was delivered on a recurrent basis. The remaining being met from one-off actions. In 2022/23 the Council planned to deliver savings worth £24.24m, which included £6m of savings rolled over from 2021/22 and £18m of new savings. In 2022/23 the Council planned to deliver savings worth £24.2m, which included £6m of savings rolled over from 2021/22 and £18m of new savings. Additional savings were identified increasing the target to £25.5m. The Council delivered all these savings, with 36% delivered on a non-recurrent basis and 16% covered by growth. For 2023/24 the compound effect of rolling forward savings is that the savings target is now £32.7m.	Outstanding	Key recommendation raised, see page 8.

	Recommendation	Progress to date	Addressed?	Further action?
	Governance			
3	The Council should explore why the majority of capital expenditure occurs in the final quarter of the financial year and ensure current practices are appropriate.	Internal Audit undertook a capital programme management review in February 2023. A reasonable assurance opinion was given. The review based on a sample of projects/programmes selected identified that a lack of proactive and prioritised financial management by Budget/Project Managers, and knowledge gaps on budgeting rules by Budget/Project Managers contributed to a disproportionate level of spend occurring in quarter 4.	Yes	No
4	The Council should continue to ensure realistic capital budgets are set so that the level of slippage is reduced.	Slippage of the capital budget continues to be an issue for the Council. For 2021/22 the Council reported an underspend of £154.1m (48%) when compared to the original budget and an underspend of £101.8m (34%) for 2022/23, indicating an improving position.	Ongoing	Continue to work to reduce the amount of slippage.
5	The Council should continue to actively monitor the redevelopment of the Bristol Beacon and learn from this project to ensure: <ul style="list-style-type: none"> consideration is given to how complex capital and heritage buildings could have better cost certainty and allow for over optimistic outcomes consistent, robust and effective management arrangements are introduced and a strong client-side function is maintained, including technical expertise to enable the Council to hold its contractors and third-party support and advisors to account. 	The Bristol Beacon is a significant capital project that was expected to take two years to redevelop at a cost of £48.8m. However, the project has taken five years to refurbish at a cost of £131.9m. A substantially assured delivery framework has been implemented on the project including project governance and resource. Monthly board meetings and highlight reporting provides oversight of the project. A client side team is in place to ensure that contractor and thirds parties are held to account.	Partial	Improvement recommendation raised on page 32.

Recommendation	Progress to date	Addressed?	Further action?
<p>6 The Council should continue to ensure the following actions are taken to improve the information provided to support Cabinet decisions:</p> <ul style="list-style-type: none"> • Cabinet summary reports should include: <ul style="list-style-type: none"> ○ a summary of the risks identified within the exempt papers ○ scored and RAG rated risks in public papers ○ a summary of key messages relating to the financial information, the only financial information should not be just within the appendices ○ the outcome of any consultation with the Shareholder Group and Bristol Holding, where applicable • Cabinet summary reports should be supported with an eco-impact assessment within the appendices, if not a note should be included to set out why it is not applicable. 	<p>Our review of a number of key decisions undertaken in 2021/22 identified that proper arrangements were in place and that the majority of Cabinet summary reports included:</p> <ul style="list-style-type: none"> ○ scored and RAG rated risks in public papers ○ a summary of key messages relating to the financial information, the only financial information should not be just within the appendices ○ the outcome of any consultation with the Shareholder Group and Bristol Holding, where applicable <p>We did identify that greater attention could be given to the risks identified and that a summary of the key risks was not always provided within the Cabinet summary report.</p>	Partial	Summary Cabinet reports should include a summary of the keys risks and these risks should be quantified and RAG rated.
<p>The Council should consider introducing performance monitoring against the Business Plan on a more timely basis.</p>	<p>This recommendation has not been actioned. Quarterly performance reports are presented to Cabinet often over three months after the period end.</p>	Outstanding	Implement original recommendation

Recommendation	Progress to date	Addressed?	Further action?
Improving Economy, efficiency and effectiveness			
8 The Council should continue to have oversight of progress on the Joint Local Area SEND Inspection.	A Local Area re-inspection was completed in October 2022 and the report published in November 2022. Four out of five areas identified in 2019 were judged to have made sufficient progress, with one area, relationships with parents and carers, judged as insufficient progress having been made. As a result an Accelerated Action Plan was required and was submitted to the Department for Education by 1 February 2023. The outcome of the inspection was reported to Cabinet and Health and Wellbeing Board in January 2023.	Ongoing	Oversight will be required until all outstanding issues have been addressed.
9 The Council should continue to actively monitor and review its progress against the outcomes and savings within its Adult Social Care Transformation Programme.	The Council continues to have some of the most expensive adult social care in England, and that these high costs are not isolated to one area of the service. In order to reduce these costs in 2021/22 the Council established a transformation programme and engaged an interim project director to lead the programme, who left the Council in January 2023. The transformation programme considered existing savings schemes and programmes already in place and built on work already underway. A project mandate was agreed in May 2022 which included 13 savings schemes. Each saving scheme required a delivery plan, was agreed by CLB, and monitored through the Council's PMO framework. Whilst the transformation programme has improved the understanding and pressures faced by the service it has not delivered sufficient cashable savings and the focus has been on cost avoidance schemes. A decision has been made to develop a new transformation mandate.	Ongoing	Key recommendation raised see page 8.
10 The Council should consider if additional benchmarking would be beneficial and explore the very high unit costs identified for : • Planning and development services • Housing services.	Benchmarking is undertaken within the individual departments and the Council is of the view that no further action is required.	Yes	No further action

	Recommendation	Progress to date	Addressed?	Further action?
Improving Economy, efficiency and effectiveness				
11	The Council should develop a procurement strategy.	The Council has developed a procurement & Contract Management Strategy which was approved by Cabinet in April 2023.	Yes	No further action
12	The Council should continue to scrutinise and act to reduce contract breaches. To do this the Council should: <ul style="list-style-type: none"> introduce procurement compliance training reporting of breaches should be reported to Cabinet or Audit Committee. 	Whilst actions have been taken contract breaches remain a significant challenge for the Council. The Council is not yet seeing a significant reduction in value and number of breaches.	Ongoing	Key recommendation raised on page 12.
13	The partnership register should be extended to include a link to the Council's objective(s) and reviewed to ensure all key partnerships are included and the rationale for the inclusion of the Council's companies and trust evaluated.	The current partnership register identifies the objectives of each partnership but still does not link these to the Council's objective to which it contributes. In 2020/21 we identified the following partnerships which were excluded from the Council's partnership register; Learning City Partnership, Business Improvement Districts and the Voice and Influence Partnership. The inclusion of these partnerships from the register remain outstanding. The Council has removed its companies but the trust remains.	Partial	Completion of the original recommendation

The following recommendations were raised in our report concerning the governance arrangements for Bristol Energy and presented to the Council's Audit Committee on 27 September 2021. Recommendations that were recorded as complete in our previous VfM report have not been repeated. [BE Audit Committee Report](#)

Recommendation	Priority	Progress to date	Addressed?	Further action?
1 The Council should consider communicating to the public the full cost of operating and winding down Bristol Energy.	● Medium	The Members Voluntary Liquidation process is still progressing - once complete the overall position will be reported.	In progress	Further action required
2 In order to support key decisions relating to significant projects the Council should ensure an options appraisal that is fit for purpose is completed prior to completing a business plan.	● Medium	A model has now been produced and requires testing on services	Complete	No further action required
3 Where the Council is working with external advisors on complex projects it should better document its response against all recommendations made.	● Medium	Guidance and training for officers is being prepared.	In progress	Further action required

.....

Recommendation	Priority	Progress to date	Addressed?	Further action?
4 The Council should update the articles of association and shareholder agreement to reflect the strengthened role of Bristol Holding Limited. The terms of reference for all elements and functions of the governance structure should be in place and updated*	● High	Interim arrangements have been introduced where Bristol Holding Limited has a reduced assurance role and the Council's strategic client role is established and developed. The Strategic Client's role has been enhanced at the same time as that of the Holding Company is reduced. However, these arrangements are not yet legally binding and have not been included within the Company's articles of association or shareholder agreement.	Outstanding	See improvement recommendation on page 34.

Opinion on the financial statements for 2021/22



Audit opinion on the financial statements

Audit work is well progressed on the 2021/22 financial statements audit with most areas substantially complete. Our financial statements audit cannot be concluded until the opinion for the financial year to 31 March 2021 is given.

Other opinion/key findings

We identified one prior period adjustment relating to the presentation of Revenue Funded from Capital Under Statute (REFCUS).

A misclassification of creditor balances was identified and this was adjusted, moving it to grants received in advanced.

A number of other disclosure findings were identified.

Audit Findings Report

More detailed findings can be found in our AFR, which will be published and reported to the Council's Audit Committee on the conclusion of audit work.

Whole of Government Accounts

To support the audit of the Whole of Government Accounts (WGA), we are required to review and report on the WGA return prepared by the Council. This work includes performing specified procedures under group audit instructions issued by the National Audit Office and will be completed on the conclusion of our audit procedures.

Preparation of the accounts

The Council provided draft accounts in line with the national deadline and provided a set of working papers to support it.

Grant Thornton provides an independent opinion on whether the accounts are:

- True and fair
- Prepared in accordance with relevant accounting standards
- Prepared in accordance with relevant UK legislation



Opinion on the financial statements for 2022/23



Audit opinion on the financial statements

The audit of the financial statements for 2022/23 is due to commence in the summer of 2023.

Audit Findings Report

More detailed findings will be reported in our AFR on the conclusion of audit procedures.

Whole of Government Accounts

To support the audit of the Whole of Government Accounts (WGA), we are required to review and report on the WGA return prepared by the Council. This work includes performing specified procedures under group audit instructions issued by the National Audit Office.

Our work will be completed as part of our detailed audit procedures in the summer of 2023.

Preparation of the accounts

The Council provided draft accounts on 31 May 2023 in line with the national deadline.

Grant Thornton provides an independent opinion on whether the accounts are:

- True and fair
- Prepared in accordance with relevant accounting standards
- Prepared in accordance with relevant UK legislation



Appendices

Appendix A – Responsibilities of the Council

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement

The Chief Financial Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Chief Financial Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Financial Officer is required to prepare the financial statements in accordance with proper practices as set out in the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom. In preparing the financial statements, the Chief Financial Officer is responsible for assessing the Council's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Council will no longer be provided.

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.



Appendix B – Risks of significant weaknesses, our procedures and findings

As part of our planning and assessment work, we considered whether there were any risks of significant weakness in the Council’s arrangements for securing economy, efficiency and effectiveness in its use of resources that we needed to perform further procedures on. The risks we identified are detailed in the table below, along with the further procedures we performed, our findings and the final outcome of our work:

Year of audit	Risk of significant weakness	Procedures undertaken	Findings	Outcome
2021/22 & 2022/23	Financial sustainability - the Council set a balanced budget for 2021/22, but the longer term picture looks more challenging with a £37.535m gap identified over the Medium Term Financial Plan period to 2027/28. There is a risk that medium term financial plans are not sufficiently developed to close the funding gap, which in turn could impact on the council’s ability to deliver services. Due to the inherent uncertainty we have concluded that there is a significant risk of weakness in arrangements for delivering financial sustainability.	We reviewed the arrangements for: <ul style="list-style-type: none"> the Council’s arrangements for identifying and monitoring risks to financial delivery the robustness of the council’s medium term financial strategy and savings plans level and use of reserves. 	<ul style="list-style-type: none"> Dedicated Schools Grant - the cumulative deficit is continuing to escalate and the management plan at best will only deliver £48m of the estimated accumulative deficit. If the deficit is not written off or the statutory override continued it could leave the Council with significant challenges to its financial sustainability and significant reduce their reserve levels. The Council's inability to curb overspends and to deliver recurrent savings increases the risk that the Council will not be financially sustainable, increasing its reliance on the use of reserves, including re-directing some of its existing earmarked reserves. The Council has had to rely on one-off measures and use reserves in an unplanned way to reduce the forecast overspend in 2022/23. <p>Further detail on pages 15-16.</p>	Two significant weaknesses in arrangements identified and three key recommendations raised.
2021/22 & 2022/23	Financial sustainability – Our VfM work in 2020/21 identified that the Council has one of the highest Adult Social Care unit costs for Authorities of a comparable size. Liaison meetings with the council in September 2022 also confirmed a significant increase in the cost of Children’s Social Care during 2022/23. There is a risk that with the costs remaining as they are the spend will be unsustainable and will contribute to further financial pressures on the Council’s medium Term finances.	We reviewed the arrangements for: <ul style="list-style-type: none"> the Council’s social care transformation programme plans to tackle the historic cost pressures monitoring spend against budget reviewing and amending the medium term financial plan in light of the economic climate. 	<p>Adult Social Care and Children’s Social Care Services are high cost areas which continue to overspend and are unsuccessful in delivering their planned savings. These financial pressures have contributed to the issues identified above.</p> <p>Further detail on page 15.</p>	As above.

Appendix B – Risks of significant weaknesses, our procedures and findings

Year of audit	Risk of significant weakness	Procedures undertaken	Findings	Outcome
2021/22 & 2022/23	Governance - The annual capital budgets did not reflect actual spend in 2020/21 leading to an improvement recommendation in the Auditor's Annual Report. In 2021/22, the economic climate has lead to significant fluctuations in the cost of construction. As a result the Council is reviewing all projects for feasibility. As a result of these factors, there is a risk that the Council's is unable to effectively manage its capital budgets.	We reviewed the Council's arrangements for setting, monitoring its capital budgets in 2021/22 and 2022/23. We also considered any changes made since the improvement recommendation relating to the Bristol Beacon was issued in our 2020/21 VfM report.	<p>The Council continues to have a significant proportion of slippage throughout the year and this has increased from 2021/22 to 2022/23. The Council recognises that it needs to improve its capital governance arrangements and this is clearly acknowledged within its Capital Strategy for 2022/23 to 2031/32 and 2023/24 to 2032/33. The Council now has an overarching summary of the new capital programme management process; forms for project managers to complete for access to the capital programme and year-on-year re-profiling. However, in-year profiling is not undertaken and the details of spending to budget are not reported in detail to Cabinet, just at a very high level.</p> <p>Bristol Beacon remains a high risk capital programme. In May 2018 the project was originally estimated to take two years to redevelop at a cost of £48.8m. This increased to £52.2m in June 2019, £106.9m in March 2021 and in January 2023 to £131.9m, of which the Council's contribution was 64%, £83.9m. The project should be complete and open to the public in November 2023. Further detail on page 25.</p>	Proper arrangements in place two improvement recommendations raised.
2021/22 & 2022/23	Governance - how the Council ensures it makes informed decisions for its companies and for key decisions relating to high profile transactions.	<p>We reviewed the arrangements to ensure informed decision making for the following:</p> <ul style="list-style-type: none"> the governance arrangements over changes to the Council's Group structure procurement processes the key decision in relation to City Leap. 	<p>In December 2022 Cabinet agreed to establish the joint venture City Leap Energy Partnership Limited. This decision was supported by financial advice, a range of third party evidence and risk registers to enable an informed decision to be made.</p> <p>The Council is in the process of establishing its client function for this subsidiary.</p> <p>Following the establishment of City Leap Energy Partnership Limited and the transfer of the Heat Network assets to the joint venture the Council only has three wholly owned subsidiaries. Interim arrangements have been introduced where Bristol Holding Limited has a reduced assurance role and the Council's strategic client role is established and developed. The Strategic Client's role has been enhanced at the same time as that of the Holding Company is reduced. However, these arrangements are not yet legally binding and have not been included within the Company's articles of association or shareholder agreements. Further detail page 26.</p>	Proper arrangements in place two improvement recommendations raised.

Appendix C – An explanatory note on recommendations

A range of different recommendations can be raised by the Councils’s auditors as follows:

Type of recommendation	Background	Raised within this report	Page reference
Statutory	Written recommendations to the Council under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014.	No	N/A
Key	The NAO Code of Audit Practice requires that where auditors identify significant weaknesses as part of their arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the Council. We have defined these recommendations as ‘key recommendations’.	Yes	6, 8, 10 and 12
Improvement	These recommendations, if implemented should improve the arrangements in place at the Council, but are not a result of identifying significant weaknesses in the Council’s arrangements.	Yes	Financial sustainability – 22 and 23 Governance – 29 - 35 Improving economy, efficiency and effectiveness – 39

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Full Council

12th March 2024

Report of: Audit Committee

Title: **Review of Audit Committees Effectiveness 2023/24**

Ward: N/A

Recommendations

That Full Council note the Audit Committee Self-Assessment Report for 2023/24.

That Full Council consider the issues raised in this report in setting up future Council committees.

Summary

The report provides a summary of key matters arising from the recent annual review of the effectiveness of the Audit Committee in 2023/24. This review is informed by a self-assessment exercise undertaken by the Committee on 29 January 2024. This report serves as a handover memorandum to the new Committee that will be established following the local government elections in May 2024.

The significant issues in the report are:

- This report reiterates the important role of the Audit Committee in supporting the delivery of the Council's strategic priorities by seeking assurance that the Council's risk management, internal control and governance arrangements are sufficient and operating effectively.
- There is a general view from the Committee that it is discharging its mandate consistent with the Chartered Institute of Public Finance and Accountancy (CIPFA) publication: Audit Committees, Practical Guidance for Local Authorities and Police (2022 edition).
- This report identifies areas requiring further development to enhance the effectiveness of the Committee and its wider influence in the governance of the council.

Policy

1. Audit Committee Terms of Reference.

Consultation

2. **Internal**
Audit Committee Members
3. **External**
None

Context

This report will be considered by the Audit Committee at their 4 March 2024 meeting.

Audit Committee Effectiveness:

4. The CIPFA Position Statement on Audit Committees in Local Authorities and Police provides the recommended practice for audit committees in local government bodies in the UK. The Statement identifies the Audit Committees as a key component of the council's governance framework and its purpose is to provide an independent and high-level focus on the adequacy of governance, risk, and control arrangements. The Committee is responsible for ensuring that there is sufficient assurance over these arrangements which gives greater confidence to all those charged with governance that those arrangements are effective. The Committee has oversight of both internal and external audit together with the financial and governance reports, helping to ensure that there are adequate arrangements in place for both internal challenge and public accountability.
5. The CIPFA publication, Audit Committees: Practical Guidance for Local Authorities and Police (2022 edition) at Appendix A provides detailed guidance on the operations of the Committee.
6. CIPFA expects all local government bodies to make best efforts to adopt the principles, aiming for effective Audit Committee arrangements. This will enable those bodies to meet their statutory responsibilities for governance and internal control arrangements, financial management, financial reporting, and internal audit.
7. The Audit Committee should be established so that it is independent of executive decision making and able to provide objective oversight. It should be an advisory committee that has sufficient importance in the authority so that its recommendations and opinions carry weight and have influence with the leadership team and those charged with governance. The Audit Committee should:
 - be directly accountable to Full Council;
 - be independent of both the executive and the scrutiny functions;
 - have rights of access to and constructive engagement with other committees/functions, for example scrutiny and service committees, corporate risk management boards and other strategic groups;

- have rights to request reports and seek assurances from relevant officers; and
 - be of an appropriate size to operate as a cadre of experienced, trained committee members. Large committees should be avoided.
8. The CIPFA Guidance recommends an annual review of the effectiveness of the Committee which is informed by either a self-assessment or an independent review. Consistent with the now established annual process, the Committee conducted a self-assessment of its effectiveness based on the CIPFA Guidance.
9. This paper provides the summary of the matters Committee members have reflected upon regarding the activities and performance of the committee in the current year. Most importantly, it serves as a handover memorandum for the new committee following the May 2024 local government elections. The issues discussed and agreed upon during the workshop on 29 January are summarised in the following sections.

Examples of areas of Good Practice:

10. In practice the Committee is working effectively, and independence is governed by the behaviour of the Committee. The tone and questions of the meeting are generally positive.
11. The Committee regularly receives and considers external audit, internal audit and fraud reports seeking additional assurance from the relevant senior managers.
12. Regular review of the Corporate Risk Register and the Committee has the opportunity of undertaking deep dives to enhance their understanding of particular risks and how they are managed.
13. The Committee receives and approves the Chief internal Auditor's Opinion Report annually.
14. The Committee regularly receives summaries of audits that have 'limited' or 'no' assurance opinions and receives additional assurance from relevant Directors on the actions being taken to address the key risks identified.

Examples of areas for further development:

15. The following were identified as requiring further development and it is recommended that these are considered by the new Committee when setting its Agenda for the coming years:
- Working with other key partners and ensuring that there is sufficient assurance over the governance of joint ventures.
 - The Committee is concerned about the lack of a discrete scrutiny function in the new committee system so would need to obtain independent assurance on the effectiveness and operations of the new governance model.
 - Exploring ways of helping the Committee to understand emerging issues and develop an

awareness of best practices. One such way is introducing two informal away days per year to enable the Committee to interact with subject matter experts in key risk, internal control, and governance matters.

- Considering increasing the number of independent Members of the Audit Committee
- Considering that a new committee system will come into effect following the May elections, the Committee will need to ensure that it remains independent from operational decision making.
- The Committee felt that the role and the importance of the Committee is not fully understood by all Members so highlighting the role of the Audit Committee, its importance and contribution during the induction of new Members may be helpful. In addition, the Committee should be described as a standalone Committee rather than as part of 'Other Committees'.
- Effective audit committees are a critical part of delivering trust and confidence in reporting and risk management so the Committee should explore ways of enhancing the Committee's assurance that risk mitigations relating to the Corporate Risk Register are appropriate and operating effectively.
- Supporting the development of robust arrangements for ensuring value for money.
- The next external assessment of the Internal Audit Service against the Public Sector Internal Audit Standards should be undertaken by an independent external assessor not under the current peer review arrangements.

Next Steps:

- 16.** An effective Audit Committee is an imperative for effective governance. As a result, the continuity of the Committee is important so the council should appoint Councillors who want to be on the Committee for their whole term. In considering appointments to the Committee, it should be made clear to Councillors, the time commitment and effort it takes to be on the Audit committee.
- 17.** A thorough induction for new members of the Committee will be essential. The Chair and Vice Chair have indicated a willingness to be involved in this.
- 18.** This report should be considered by the next Committee as part of a formal handover. The Chair has also compiled a list of notes and comments to form the basis of an informal handover to the next Chair.
- 19.** As always, the Committee would like to extend its continued thanks and appreciation to all the officers who have contributed reports and responded to questions from committee members. Audit Committee obviously has a vital role to play, and this is greatly enhanced by a high standard of input from all those who contribute.

Proposal

20. Full Council is requested note the Audit Committee Self-Assessment Report for 2023/24.
21. In addition, Full Council should consider the issues raised in this report in setting up future Council committees.

Other Options Considered

22. None

Risk Assessment

23. The assurances provided by an effective Audit Committee to Full Council are a key part of the Council's governance framework. This report highlights potential areas where assurances require further monitoring by Audit Committee and improvement actions that will enhance the effectiveness of the Audit Committee.

Public Sector Equality Duties

- 8a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following "protected characteristics": age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
 - i) Eliminate discrimination, harassment, victimisation, and any other conduct prohibited under the Equality Act 2010.
 - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
 - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
 - iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
 - tackle prejudice; and

- promote understanding.

8b) No equality impact anticipated from this report

Legal and Resource Implications

Legal

N/A

Financial

(a) Revenue – N/A

(b) Capital – N/A

Land/Property N/A

Human Resources N/A

Appendices:

Appendix A – Chartered Institute of Public Finance and Accountancy publication: Audit Committees, Practical Guidance for Local Authorities and Police (2022 edition).

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

Audit Committee Papers.

Audit committees:

practical guidance for
local authorities and police

2022 edition

cipfa.org/

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Guiding the audit committee

Supplement to the audit
committee member guidance

2022 edition

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Introduction

This section is aimed at officers responsible for guiding the audit committee. It will also be a useful reference guide for an audit committee member wanting to develop greater understanding of the committee's role or access additional resources.

It identifies the underpinning legislation, regulations, guidance or resources that the committee should be referencing in its operations.

It is a supplement to the guides *Audit committee member in a local authority* and the *Police audit committee member* and should be read in conjunction with the appropriate guide. It includes information for both authorities and police bodies.

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Core functions of the audit committee

MAINTENANCE OF GOVERNANCE, RISK AND CONTROL ARRANGEMENTS

Good governance

Delivering Good Governance in Local Government: Framework (CIPFA/Solace 2016) is principles based and informs the approach to good governance adopted by police, local authorities and fire and rescue authorities. CIPFA recommends that each authority develops a local code of governance setting out how it applies the principles in practice.

CIPFA's **Financial Management Code** (FM Code) also attributes responsibility for the Framework to the authority's leadership team. This supports the principle of assurance in the FM Code.

Other useful resources for evaluating governance and identifying governance risks include the research resource co-ordinated by the Centre for Governance and Scrutiny, **The governance risk and resilience framework**. This sets out the risks to good governance and can be used as part of the evaluation process for the annual governance statement (AGS) or as part of other governance development work. Further information on the AGS is included in **Accountability and the annual report**.

Where an authority is found to have failed in its statutory obligations to provide best value, the government has the power to intervene. The audit committee is one of the mechanisms an authority should have in place to identify, escalate and oversee the improvement of any governance weaknesses.

In Wales, the **Local Government and Elections (Wales) Act 2021** provides for intervention by Welsh ministers to increase the extent to which a council is meeting the performance requirements.

Key references

Delivering Good Governance in Local Government: Framework (CIPFA/Solace, 2016) ('the Framework') sets the standard for governance in UK local government bodies. The Framework is supported by guidance notes for each sector (CIPFA/Solace, 2016) as follows.

- **Delivering Good Governance in Local Government: Guidance Notes for English Authorities**
- **Delivering Good Governance in Local Government: Guidance Notes for Scottish Authorities**
- **Delivering Good Governance in Local Government: Guidance Notes for Welsh Authorities**
- **Delivering Good Governance: Guidance Notes for Policing Bodies in England and Wales**

Accounts and audit regulations (various according to location in the UK)

The governance risk and resilience framework (Centre for Governance and Scrutiny, 2021)

Ethical values

As part of the annual governance review, the audit committee should consider how effectively the **Seven Principles of Public Life** are supported and whether the arrangements in place to achieve Principle A of the governance framework are fit for purpose:

Behaving with integrity, demonstrating a strong commitment to ethical values, and respecting the rule of law.

Authorities have a standards committee to oversee member conduct and review complaints. This is not a function of the audit committee and combining the two committees should be avoided.

The standards framework for elected members in England was established by the **Localism Act 2011**. English local authorities have a statutory duty to promote and maintain high standards of conduct, and the audit committee should consider assurances on the discharge of this responsibility and be satisfied that there are arrangements in place. The Committee on Standards in Public Life last reviewed standards in local government in 2019. The report recommended some amendments to the Act, but in its 2022 response, the Department for Levelling Up, Housing and Communities (DLUHC) did not commit to these. This remains an active topic that the audit committee should be aware of, and it should understand the steps its authority is taking to promote and ensure good ethical arrangements are in place.

The **Public Sector Internal Audit Standards** (PSIAS) include the ethical framework as a specific area of governance for internal audit work.

Whistleblowing arrangements support the development of ethical conduct and greater transparency and help authorities ensure compliance with the **Public Interest Disclosure Act 1998**. As part of the audit committee's oversight of the governance framework and assurances underpinning the AGS, the committee may wish to review the effectiveness of the whistleblowing arrangements.

Useful resources

Upholding Standards in Public Life (Committee on Standards in Public Life, 2021)

Risk management

In determining the audit committee's responsibilities towards risk management, authorities should have regard to the responsibilities of other committees such as scrutiny committees and the specific responsibilities of those charged with governance in relation to risk management. Where a local authority establishes a separate risk committee, then its roles and responsibilities need to be considered in determining the role of the audit committee.

Police audit committees are directed in the **Financial Management Code of Practice for the Police Forces of England and Wales** (FMCP) (Home Office, 2018) to advise the PCC and the chief constable on the adoption of appropriate risk management arrangements.

Welsh local authority and English combined authority audit committees are required to review and assess risk management arrangements.

Internal controls

Internal control arrangements will be informed by service requirements and guidance specific to individual areas.

Financial management

Regarding financial management arrangements, CIPFA's FM Code is a helpful resource to guide and evaluate the adequacy of financial management. The results of the assessment should be shared with the audit committee.

Audit committees in local authorities in Wales and in combined authorities are required to review and scrutinise the authority's financial affairs. Robust arrangements for financial control, understanding financial risks and longer-term financial planning will provide assurance to the committee. The review of financial statements also supports this objective. Care should be taken to not overlap with financial scrutiny. Tasks such as budget monitoring should not be undertaken by the committee.

Value for money and best value arrangements

Making best use of resources is a key objective for all local authorities and is part of the Framework. One of the behaviours and actions that underpin Principle C of the Framework is "delivering defined outcomes on a sustainable basis within the resources that will be available." When the AGS is prepared, the adequacy and effectiveness of arrangements to secure value for money (VfM) should be included, as per CIPFA guidance.

One specific area of activity for the committee will be consideration of the external auditor's wider work, as set out in the codes of audit practice and other guidance adopted by national audit bodies as follows.

- **England:** statutory value for money commentary as defined by the [National Audit Office](#).
- **Scotland:** periodic reviews of best value from [Audit Scotland](#).
- **Wales:** annual improvement reports from [Audit Wales](#).
- **Northern Ireland:** a review of arrangements for the use of resources from [Northern Ireland Audit Office](#).

When the external auditor raises concerns about VfM, the audit committee should ensure there is a robust action plan to address the issues raised. A significant VfM failing is likely to lead to a formal recommendation or report in the public interest. In addition to the work of the auditor, the audit committee should consider what other assurances are available in relation to identified VfM risks and highlight areas for improvement.

The [Cities and Local Government Devolution Act 2016](#) requires the audit committee of a combined authority to review and assess the economy, efficiency and effectiveness of resource use in discharging the authority's functions. By reviewing the adequacy of the authority's arrangements, including aspects such as performance management, financial planning and procurement, the audit committee will be able to report and make recommendations to fulfil this responsibility. Where risks to value for money are identified to the audit committee – for example, through the work of internal audit – those concerns need to be escalated for management action.

Countering fraud and corruption

The audit committee should include counter fraud and corruption within its agenda. This should not be limited to an update to the committee on a significant case of fraud or corruption. The audit committee's responsibility to have oversight of arrangements means that they should be able to judge whether the authority's arrangements are fit for purpose

CIPFA's [Code of Practice on Managing the Risk of Fraud and Corruption](#) (2014) sets out the counter fraud standards for public sector organisations. Sector-specific strategies such as [fighting fraud and corruption locally](#) should also be considered, along with [Integrity matters](#)

(HMICFRS, 2015). The committee should understand the level of fraud risk the authority is exposed to and the implications for the wider control environment.

The audit committee should have oversight of the authority's counter fraud strategy, assessing whether it meets recommended practice and governance standards and complies with legislation such as the **Bribery Act 2010**.

The CIPFA guidance on the AGS recommends that the adequacy of counter fraud arrangements is evaluated and reported on in the AGS with reference to the *Code of Practice on Managing the Risk of Fraud and Corruption*. The audit committee should have sight of the assurances underpinning this assessment and can play an important role in supporting the development of effective counter fraud and corruption practice. The audit committee may also refer to the Internal Audit Standards Advisory Board's (IASAB) guidance on **internal audit's role in counter fraud** (2017), which sets out internal audit's responsibility to provide assurance to the organisation on how it manages fraud risk.

Partnership governance, collaborations and subsidiaries

Ensuring that the audit committee has oversight of significant collaboration arrangements or the governance arrangements for the authority's partnerships is important. This is an area of assurance that should be planned as new arrangements are established as well as considered regularly.

Guidance is available in CIPFA publications, including **Successful Collaborations in the Public Services: The Role of Internal Audit** (2021). This highlights some of the governance risks that should be considered in collaborative arrangements, together with the role of internal audit. It highlights the need for the audit committee's oversight of internal audit to extend to their work on collaborations.

CIPFA's **Effective Governance of Collaboration in Policing** (2021) provides an overview of the nature of collaborations in policing and guidance on governance for those arrangements, and other relevant guidance is included in **Principles for section 151 officers working with LEPs** (2018).

Recently, authorities that have the general power of competence have established trading companies to operate more commercial activities, including delivery of services and commercial investments. Some authorities have experienced difficulties with these activities, so the governance, oversight and risk management arrangements in them are likely to be of considerable interest to the audit committee. CIPFA has issued new guidance in 2022 in **Local Authority Owned Companies: A Good Practice Guide**.

In addition to reviewing assurances over partnerships, the committee may choose to develop its own partnership arrangements with the audit committees of partner organisations. This could involve planning and co-ordinating agendas or developing forums to share ideas or briefings. More established partnerships could lead to the development of a shared audit committee between partner authorities or a joint committee.

FINANCIAL AND GOVERNANCE REPORTING

Financial reporting

Local authority financial statements should follow the professional practices set down in the **Code of Practice on Local Authority Accounting in the United Kingdom** (CIPFA/LASAAC). The responsible financial officer is required by statutory provision to sign the statements to confirm that they have been properly prepared and are ready for audit prior to the commencement of the period for the exercise of public rights. These are the unaudited accounts. Currently, deadlines are subject to change because of the COVID-19 pandemic (and because of difficulties resourcing local audit in England). Therefore, it will be important to check the current regulations applicable.

At the time of publication, the latest regulations were as follows.

- In England, **The Accounts and Audit (Amendment) Regulations 2021**. This amends the Accounts and Audit Regulations 2015.
- In Wales, **The Accounts and Audit (Wales) (Amendment) Regulations 2018**. This amends the Accounts and Audit (Wales) Regulations 2014.
- In Scotland, **The Local Authority Accounts (Scotland) Regulations 2014**.
- In Northern Ireland, **The Local Government (Accounts and Audit) (Coronavirus) (Amendment) Regulations (Northern Ireland) 2020**. This amends the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015.

Further details about the requirements of the regulations are in Appendix A.

Prior to the current period of disruption, there had been a trend to reduce the elapsed time from the end of the financial year to the publication of audited statements. For example, under the 2015 regulations for English authorities and policing bodies, in practice, the latest date by which the statements would need to be confirmed (by the responsible finance officer) is 31 May, as the 30 working day period for the exercise of public rights must include the first ten days of June. In CIPFA's view, the timely availability of the statements is important for transparency and accountability.

Under the regulations, Scottish and Northern Irish authorities must all ensure that the financial statements are signed off by the chief financial officer (CFO) by 30 June. The Accounts and Audit (Wales) (Amendment) Regulations 2018 require preparation and publication to be completed by 15 June. Authorities have had flexibility to delay due to COVID-19, but deadlines will revert to those specified in regulations at an appropriate point.

CIPFA recommends that it is good practice for the accounts and the AGS to be reviewed by the audit committee prior to the commencement of the external audit. The committee will also review them at the completion of the audit prior to publication. Authorities will formally approve the financial statements after the completion of the external audit.

The date the statements must be published by is set down in government regulations. Prior to COVID-related amendments, the latest date for publication was 31 July for English authorities. Scottish and Welsh authorities must publish by 30 September, and Northern Irish authorities must publish by 31 October. These dates are intended to reflect the target for the completion of the audit. However, meeting the deadline is not a statutory requirement for the auditor; auditors will aim to meet this date, but their primary concern is to complete the audit to the required auditing standard.

The financial statements are the most technical aspect of the audit committee's remit and one that can be daunting for those elected members with no prior experience of financial reporting or

external audit. The differences in financial reporting practice in the accounts can also be daunting for those used to the presentation of company accounts. Additional attention should therefore be paid to this area when evaluating training needs.

Annual governance statements

Legislation requires local authorities, fire and rescue authorities and police bodies to prepare an AGS and to report publicly on the effectiveness of governance and control (see Appendix A for details of the legislative requirements). The AGS should be reviewed and then approved by an authority body prior to being signed by the leading member and the authority's chief executive. Typically, audit committees undertake the role of reviewing the AGS prior to approval.

Statutory and professional guidelines will determine when the AGS goes before the audit committee for review. These are set out in **Financial reporting** and in more detail in Appendix A. CIPFA recommends that the AGS is first reviewed by members of the audit committee at an earlier stage to allow comments and contributions to be made. The AGS must be current at the time it is published, so the audit committee should review it before final approval.

When the AGS is taken to the audit committee for review, it provides an opportunity to sense check the content, ensuring it is consistent with other information and is understandable to a lay reader.

The audit committee should be made aware of any updates to guidance on the AGS issued by CIPFA.

In March 2022, CIPFA's Practice Oversight Panel published an **advisory note on governance**. The note emphasises the importance of ensuring that annual reviews of governance and the AGS are robust. An effective audit committee is one important aspect of ensuring adequate internal challenge.

Other accountability reports

The audit committee may be asked to comment on or review other accountability reports. If this is consistent with the purpose of the committee, then it may be appropriate – for example, if the report included extracts from the financial statements or AGS. It should always be clear whether the committee is being asked to formally endorse any report and consider whether this involves duplication with the work of other committees.

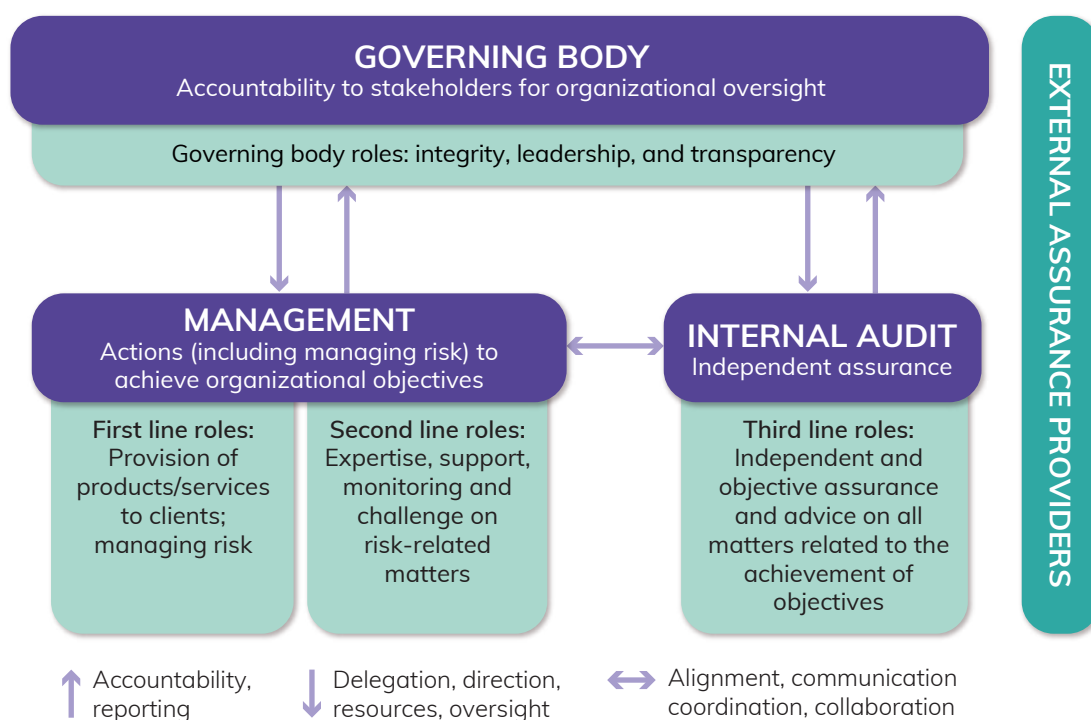
SUPPORTING ARRANGEMENTS FOR AUDIT AND ASSURANCE

Assurance frameworks and assurance planning

The organisation's leadership team should establish arrangements to provide them with assurance. The purpose of assurance is to provide greater certainty over the operation of internal control arrangements and the implementation of policies and decisions. In practice, an organisation will have a range of different means of obtaining assurance, some of which will already be embedded in management arrangements. Taken together, the suite of assurances forms the framework of assurance for the organisation. Some organisations have taken steps to map or summarise their arrangements in diagrammatic or tabular form.

CIPFA is in the process of establishing more detailed guidance for leadership teams on assurance frameworks, including high-level principles to define assurance frameworks. The purpose of this will be to raise awareness of assurance and the different forms it can take. Developing CIPFA guidance will include the **Three Lines Model** developed by the Institute of Internal Auditors (IIA).

Figure 1: The IIA's Three Lines Model



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Having a good understanding of different sources of assurance is important:

- for managers and the leadership team, to have confidence in how things work in practice
- for the audit committee, to help them fulfil their responsibilities
- for internal auditors, to inform risk assessments, supplement the direct independent audit work the team undertakes, and to inform the head of internal audit's annual opinion.

As well as understanding the organisation's arrangements for obtaining assurance, the audit committee should ensure that it receives the assurances necessary to support its annual report and to play its part in reviewing the AGS. While internal audit and external audit will be significant contributors to the overall assurance, the committee will need to be proactive in specifying additional areas where assurance is needed.

External audit

Audit committees have a role to play in relation to the appointment of external auditors. This role varies between England, Scotland, Wales and Northern Ireland, primarily due to the change in appointment procedures for English authorities with the closure of the Audit Commission and the introduction of new local audit arrangements under the **Local Audit and Accountability Act 2014**.

In Scotland, Wales and Northern Ireland, national audit agencies are responsible for the audits of local bodies. In England, authorities have the option to appoint auditors themselves via means of an auditor panel (individually or jointly with other bodies) or through Public Sector Audit Appointments (PSAA), which has been established by the Local Government Association (LGA) and specified as an 'appointing person' under the 2014 Act. For further information on auditor panels and the role of the audit committee, see CIPFA's **Guide to Auditor Panels** (2015).

The audit committee's role in appointment is generally to express an opinion on the selection and rotation of the external auditor through whichever method is applicable for the organisation. The audit committee's objective is to support auditor independence and effective arrangements and relationships with the auditors.

In England, for all opted-in bodies, PSAA appoints the auditor following consultation with the body. Otherwise, the audit committee will work alongside the auditor panel, which will oversee the local appointment process. Where the audit committee members meet the requirements of an auditor panel as defined in regulations supporting the 2014 Act, then the committee can operate as an auditor panel itself and make recommendations on the appointment of the local auditor. Regard must be had for the 2014 Act and regulations if the committee is nominated as an auditor panel.

Supporting independence

The independence of auditors is critical for confidence in the audit opinion and audit process. For this reason, there is extensive guidance from the Financial Reporting Council (FRC) for external auditors on the need to safeguard independence and objectivity. These rules apply to all auditors across all sectors. In addition, the national audit bodies issue guidance to auditors on safeguarding integrity, objectivity and independence. It is an important role for an audit committee to help guard against threats to independence and to satisfy itself that the external auditor's independence is safeguarded. The critical issue of independence will be considered when the external auditor is appointed, but the audit committee's role will be to monitor on an annual basis, or more often when required.

Each year, the external auditor will disclose to the committee an assessment of whether it is independent. This disclosure should include any significant facts that could impact, or be seen to impact on, independence and objectivity, together with any safeguards put in place. The audit committee should use this opportunity to discuss with the external auditor their assessment of threats to independence and any safeguards. The table below summarises the potential threats that external auditors need to consider and manage.

Understanding the potential threats to external independence

Self-interest threat

This is where there are, or are perceived to be, financial or other interests that could impact on the actions of the external auditor. The potential fees from provision of non-audit or additional services to the audited body could fall within this category.

Self-review threat

This is where the audit could include a review of work performed or services or advice provided by the same firm or team.

Management threat

This is where the auditor has become involved in or associated with decision making at the audited body.

Advocacy threat

This is where the auditor has taken on an advocacy role for the audited body or supports the management in an adversarial or promotional context.

Familiarity (or trust) threat

This is where familiarity or close personal relationships mean that the external auditor is insufficiently questioning or accepting in forming audit judgements.

Intimidation threat

This is where the conduct of the external auditor is influenced by fear or threats from individuals in the audited body.

Full details of the threats are set out in the [Revised Ethical Standard 2019](#) (FRC).

Receiving and considering the work of external audit

The timetable of external audit work will be shaped by the appropriate Code of Audit Practice under which the audit is being undertaken and the appropriate regulations of the nation.

From time to time, there may be disruption to the routine timetable of audit. For example, the impact of the pandemic and recent difficulties experienced in England by local audit firms have contributed to delays. Where this is the case, the audit committee should actively monitor changes to timetables and audit plans, supporting good communication between the auditor and the authority to manage difficulties in the best possible way. Those officers responsible for liaising with the external auditor should ensure the audit committee is kept informed and any difficulties drawn to their attention at an appropriate stage.

One of the recommendations of the Redmond Review ([Independent review into the oversight of local audit and the transparency of local authority financial reporting](#)) was that the external audit annual report should be submitted to full council by the external auditor. The rationale behind the recommendation was that there were examples where serious issues raised with the audit committee by the external auditor were not then escalated to full council. As all councillors are “charged with governance”, they should be aware of serious issues and the overall results of the audit.

In addition, full council is more visible to the public than the audit committee, so it supports greater transparency. When this recommendation was considered by the stakeholder group advising DLUHC, it was considered important for the audit committee to receive the external auditor’s reports, allowing more in-depth discussion and formulation of recommendations for action in response to issues raised. It suggested that the annual report should be presented to full council in the way suggested by Sir Tony to improve transparency and strengthen the governance response, but it should also be accompanied by a report from the audit committee setting out its suggested response to the report. This was discussed in the technical consultation issued in July 2021 and CIPFA would support this approach.

Although the specific recommendation related to English local authorities, CIPFA would recommend that authorities in the rest of the UK also consider adopting a similar approach, if they do not do so already.

Supporting the quality and effectiveness of the external audit process

The audit committee should support the quality and effectiveness of the external audit process:

- at the planning stage, understanding and commenting on external audit plans, assessment of risks and proposed areas of focus, and deployment of audit effort in response to identified risks
- during the external audit process, including:
 - assessing whether the external auditor has a good understanding of the authority
 - how the external auditor has responded to areas of audit risk
 - actions taken to safeguard independence and objectivity
- at the reporting and finalisation stages:
 - ensuring there is feedback from key people such as the CFO and the head of internal audit on the conduct of the audit
 - supporting the auditor’s annual report to the full council, PCC, chief constable or other body as appropriate on the results of its considerations with the audit committee report.

In monitoring the quality of the external audit provision, the audit committee should be briefed on any relevant issues around quality that emerge from the regulation of external audit – for example, the quality reports from the FRC and contract monitoring reports from PSAA. Links to useful resources are provided at the end of the section.

There should be an opportunity for the audit committee to meet privately and separately with the external auditor, independent of the presence of those officers with whom the auditor must retain a working relationship.

Supporting audit quality

The audit committee should be an advocate for high audit quality. Ensuring that quality is maintained provides confidence in the audit opinion and recommendations. In its interactions with the auditors, the committee should be alert to the culture of the auditor and its regard for quality, its customer focus and how the firm creates a positive audit culture. The FRC's recent report **What Makes a Good Audit?** (2021) highlights the importance of governance and leadership in the audit firm.

Senior leadership must live and drive the right values, ethics and behaviours that support high audit quality throughout the firm. There must be a clear link between remuneration/ promotion and audit quality. Learning from audit inspections (internal and external) must be shared across the audit practice and understood, including the sharing of good practice identified within the firm or from external reviews. There must also be an emphasis on the public interest role of audit. At the larger firms, Independent Non-Executives (INEs) already have an important role to play in holding leadership to account for improving audit quality and for driving an appropriate culture and mindset within audit.

What Makes a Good Audit? (FRC, 2021)

The committee should ask about the auditor's approach to audit quality, including the support and training provided to the team on specialist areas within the scope of the audit. This is a particular consideration in England where audits are undertaken by a firm, as the team may not consist of auditors with extensive local audit experience. It should be noted that the key audit partner must have that experience and knowledge. This was an issue raised by the Redmond Review, and work to improve and support auditors is ongoing. For the firms, achieving improvements in this area is challenging, given wider issues around shortages of appropriate skilled auditors.

The audit committee needs to work with auditors and key officers to ensure that there is a shared understanding of objectives, expectations and outcomes from the audit. It is likely that the committee members will need support and training to improve their knowledge and understanding in this area unless they have had prior experience.

Where there are difficulties in the relationship between auditor and client, the audit committee should seek to support and resolve in an objective way that helps the delivery of a quality and timely audit.

Assessing audit quality

In determining the committee's role in reporting on external audit, CIPFA has taken account of requirements in other sectors. The **UK Corporate Governance Code** (FRC, 2018) expects the audit committee to report annually on its assessment of the independence and effectiveness of external audit. The audit committee annual report should also include a section on external audit. This is addressed in **Independence and accountability**.

The FRC published **Audit Quality: Practice Aid for Audit Committees** in 2019 to help support audit committees. It should be noted that this is not tailored to audit committees in local

government, but some general principles remain relevant for an authority committee. Suggested good practice would be to consider the following areas:

- How the auditor interacts with the audit committee. Examples could include how auditors respond to questions or challenge from the committee and whether communications are open, constructive, informative and regular.
- Evidence from management. For example, the audit committee could ask management for evidence where auditors have challenged judgements and estimates.
- Asking auditors how they have demonstrated professional scepticism.
- Considering how well the auditor has met the agreed audit plan and addressed the risks it has identified.
- The quality of the audit report. For example, is it helpful and does it avoid generic 'boiler plate' content?

The audit committee should also review reports and assessments on their contracted auditor. The national audit bodies publish external reviews of their quality arrangements, and the FRC publishes an annual report of the local audit quality reviews undertaken for each firm. The committee should consider the conclusions on audit quality and areas for improvement and discuss with the auditor if appropriate. In England, PSAA may also publish reviews of interest to the committee on their monitoring of the audit contracts and satisfaction surveys, etc.

References and useful resources

[Financial audit quality arrangements](#) (Audit Wales)

[Major Local Audits: Audit Quality Inspection](#) (FRC, 2021)

[Managing audit quality](#) (PSAA)

[Quality of public audit in Scotland annual report 2021/22](#) (Audit Scotland)

[Quality assurance review 2021 executive summary](#) (Northern Ireland Audit Office)

Internal audit

The audit committee has a clear role in relation to oversight of the authority's internal audit function. From 1 April 2013, internal auditors throughout local and central government and health have had to follow the PSIAS, and for local government bodies, the [Local Government Application Note \(LGAN\) for the UK PSIAS](#) (CIPFA, 2019). All principal local authorities and other relevant bodies subject to the Accounts and Audit Regulations 2015, the Accounts and Audit (Wales) Regulations 2014, the Local Authority Accounts (Scotland) Regulations 2014 and the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 must make provision for internal audit in accordance with the PSIAS and LGAN.

The PSIAS include the mission of internal audit, code of ethics, definition of internal auditing and the core principles for the professional practice of internal auditing, and together these highlight the importance of effective internal audit to those in the organisation who are responsible for governance.

In its adoption of the PSIAS and LGAN, each authority should consider which committee or individual is the most appropriate to fulfil the role of the board in relation to internal audit. In determining the functional reporting arrangements of internal audit, the authority will need to bear in mind the need to preserve the independence and objectivity of internal audit as required by the PSIAS. It is for these reasons that in the LGAN, CIPFA expressed an expectation that the audit committee would fulfil the role of the board usually

The role of the audit committee in relation to internal audit is to:

- oversee its independence, objectivity, performance and professionalism
- support the effectiveness of the internal audit process
- promote the effective use of internal audit within the assurance framework.

Those audit committees that operate under the Local Authority Accounts (Scotland) Regulations 2014 and the Accounts and Audit (Wales) Regulations 2014 must conduct a review of the effectiveness of their internal audit annually (Appendix A includes details of the relevant regulations). The audit committee should consider internal audit's quality assurance and improvement programme (QAIP) when conducting such a review.

The **CIPFA Statement on the Role of the Head of Internal Audit in Public Service Organisations** (2019) states that engagement between the head of internal audit and the audit committee is a crucial component of delivering an effective internal audit service. For the head of internal audit to operate an effective internal audit arrangement, the authority has a responsibility to ensure that they can operate effectively and perform their core duties. This responsibility exists regardless of the method of delivery of internal audit, whether in-house, outsourced or through some form of shared arrangement. The audit committee plays an important role in supporting the effectiveness of those arrangements in accordance with the CIPFA statement.

The committee should develop sufficient understanding of the effectiveness of internal audit and its adherence to professional standards. While helping to ensure that the right organisational arrangements are in place to support the internal audit service, the committee should also hold internal audit to account for the following:

- Conformance with professional standards.
- Effective management of resources.
- Focus on risks and assurance needs.
- Delivery of required outputs.
- Impact.

In 2022, CIPFA published **Internal audit: untapped potential** – a research report examining how internal audit supports public sector organisations and opportunities for the future. It features the results of an extensive survey that included management clients and audit committee members, as well as internal auditors. Included within are recommended topics that audit committee members should consider and discuss with their head of internal audit to help ensure that their organisation is getting the best out of internal audit.

Guiding the audit committee – wider functions

WIDENING THE WORK OF THE COMMITTEE

This chapter sets out relevant guidance where additional responsibilities are brought within the scope of the committee. The scope should not be extended so broadly that the committee effectively becomes a joint committee with other priorities. The areas covered in the guidance are relevant as a result of legislation or other standards.

WALES

Governance and audit committees in Wales will need to have regard to the Local Government and Elections Wales Act 2021 in agreeing their terms of reference and conducting business.

The significant difference is the requirement to review the draft self-assessment or panel assessment report and make recommendations. The performance assessments are a new requirement introduced by the 2021 Act. Statutory guidance has been produced in [Performance and governance of principal councils](#) (2021).

In undertaking this role, CIPFA recommends distinguishing between the committee and the performance monitoring that scrutiny committees will have undertaken, which will be a contributory part of the self-assessment.

To enable the committee to perform its role effectively, members will need to be briefed on the requirements of the Act and supporting statutory guidance.

TREASURY MANAGEMENT

CIPFA's [Treasury Management in the Public Services: Code of Practice and Cross-sectoral Guidance Notes](#) (2021) requires all local authorities to adopt four clauses defining responsibilities for treasury management.

It is possible for the audit committee to be nominated to undertake the scrutiny role.

This organisation nominates (name of responsible body/committee) to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

Where the audit committee has been nominated, it should be aware that it needs to undertake a scrutiny role in accordance with the Treasury Management Code, in addition to any oversight of governance, risks and assurance matters relating to treasury management that it would consider as an audit committee. It is not appropriate for the audit committee to undertake any of the other roles outlined in the Treasury Management Code clauses, as these are executive and decision-making roles rather than a scrutiny role.

Treasury management is a specialist area, so it is likely that committee members will require training, guidance and support when undertaking scrutiny. Specific areas of knowledge and skills are identified in Appendix C, and these can be used to support a training needs assessment and to plan development.

SUPPORTING CORPORATE IMPROVEMENT PROGRAMMES

Where an authority has undergone an external inspection, peer review or other intervention, an improvement programme will be developed. It will be important for the audit committee to play its part in supporting the effective implementation of agreed actions.

The primary role of the committee is to receive assurances that implementation of the programme is on track. The programme will have links to external audit reports, future audit risk assessments and the AGS, so it is important that the committee is aware of the overall progress. A significant programme may have a dedicated board that can provide an update to the committee to fulfil its assurance needs.

There may be aspects of the programme that directly link to the work of the committee – for example, the adequacy of financial management arrangements or internal audit. In such cases, the committee may be more actively involved in monitoring progress.

Independence and accountability

INTRODUCTION

CIPFA is keen that each local authority or police body adopts an audit committee model that achieves its purpose and functions successfully. CIPFA's recommended best practice is intended to support the development of effective arrangements and should not be regarded merely as a compliance checklist.

For a local authority, in CIPFA's view, it is best practice for the audit committee to report directly to council rather than to another committee, as the council itself most closely matches the body of 'those charged with governance.' In the police sector, both the PCC and chief constable are separate corporations sole, so each will fulfil the role of 'those charged with governance.'

In establishing the audit committee within the governance structure of the authority, three key elements should be considered:

- Any statutory guidance applicable to the sector.
- Independence from the executive and political allegiances.
- How the structure of the committee can support its effective operation.

Each of these elements is considered in more detail in the following sections.

SECTOR AND DEVOLVED GOVERNMENT GUIDANCE

The local authority and police sectors are subject to differing laws and regulations according to both sector and devolved national governments. Those affecting audit committees are set out in Appendix A. While there is broad similarity in the guidance across the UK, there are differences because of specific statutory guidance and regulations, including:

- statutory requirements for audit committees in Wales
- statutory requirements for combined authorities to establish an audit committee
- statutory guidance underpinning the operation of police audit committees in England and Wales.

Audit committees in Wales have a clear statutory role established by the **Local Government (Wales) Measure 2011** and updated in the **Local Government and Elections (Wales) Act 2021**. The Welsh Government has provided statutory guidance on the implementation of the measure's requirements, and local authorities in Wales must have regard to this guidance.

The Cities and Local Government Devolution Act 2016 requires combined authorities to establish an audit committee where at least one member must be appointed as an independent member.

The Home Office's **Financial Management Code of Practice for the Police Forces of England and Wales** (the FMCP) (2018) requires PCCs and chief constables to establish an independent audit committee. This is an advisory committee to both the PCC and the chief constable, both of whom are established as a corporation sole. **Page 124**

The **Policing and Crime Act 2017** enables a PCC in England (following local consultation and approval from the secretary of state) to take on the governance of their local fire and rescue service(s) to become a PCC fire and rescue authority (PCC FRA). The 2018 edition of the FMCP includes guidance concerning audit committees in this event.

Those supporting audit committees should be aware of other regulations, including the appropriate accounts and audit regulations for England, Scotland, Wales and Northern Ireland. These regulate functions such as internal audit and the timing of the AGS review and the accounts. These functions should be undertaken by the audit committee, and the committee should have regard to the regulations.

STRUCTURE AND INDEPENDENCE

Ensuring a dedicated audit committee

In some local authorities, the audit committee has been combined with other committees. CIPFA recommends that the audit committee should have no other functions, and explicitly no decision-making role. The most common combinations adopted by authorities have been an audit and scrutiny committee or audit and standards committee. CIPFA recommends these are separated.

Sometimes the audit committee is given a different title, such as 'governance and audit' or 'audit and risk' committee. This would not be a problem if the terms of reference are consistent with the **CIPFA Position Statement**. Care should be taken to not delegate additional responsibilities that conflict with or dilute the audit committee focus.

The Centre for Governance and Scrutiny published **Audit committees and scrutiny committees: working together** (2021) to help understand the difference between scrutiny and audit committees. CIPFA contributed to the resource to help ensure it was consistent with its 2018 guidance on audit committees. It helps scrutiny members understand how the audit committee role is different but complementary and identifies opportunities for the committees to work constructively together.

Committee size

Police audit committees should follow the FMCP guidance on a committee size of three to five members. In determining size, consider the quorum for meetings, as three allows little flexibility for meeting quorum at every scheduled meeting.

The sections on **Membership** and **Accountability** cover the composition of the committee between elected members and co-opted independents in an authority.

Committee size and composition are subject to legislation in some local authorities but not all.

Appendix A sets out the legislation for Wales and combined authorities in England.

In sectors outside local government, it is typical for audit committees to have fewer than six members. Among local authorities, there is a range of practice, including some committees that exceed ten members. In the sector, it can be harder to achieve the depth of knowledge and experience that is desirable with a small number, but equally it can be difficult to provide training and development for a large group.

CIPFA's recommendation is that a committee size of no more than eight members should be established. This allows sufficient breadth of experience but is small enough to allow the training and development of a dedicated group.

CIPFA also recommends that the use of substitutes on the committee is avoided. Substitute members are less likely to have received relevant training. It also disrupts the continuity of the committee, where committee members can build on information received in previous meetings. We have found that where committee members are regularly substituted, it is an indication of lack of engagement with the committee's purpose and agenda.

Audit committees for collaborations

Where an authority has a significant level of joint or collaborative working, there may be some value in considering the constitution of a shared audit committee. This will be particularly appropriate if there is a shared management team and single functions for finance, audit and risk management. There will need to be a formal agreement that sets out how the balance of representation between the partners will be decided, reporting lines and how the chair will be selected.

Delegated decision making and voting rights

Currently, some authorities have delegated decisions such as the approval of the financial statements to the audit committee. This takes the audit committee beyond its advisory role. It also means that authorities will need to have regard to Section 13 of the **Local Government and Housing Act 1989**, which relates to the voting rights of non-elected committee members. Independent members cannot vote on matters for decision, whereas making recommendations to another decision-making body would not be impacted.

CIPFA recommends that the audit committee remains an advisory committee and does not have delegated powers.

ADMINISTRATIVE AND OPERATIONAL ARRANGEMENTS

In planning the number and timing of meetings and the committee agendas, key dates in the reporting and audit cycle will be important. In addition, the need for the committee to meet the expectations of auditing standards (both internal and external audit) in providing appropriate oversight will mean space on agendas should be found for these topics.

The CIPFA *Statement on the Role of the Head of Internal Audit in Public Service Organisations* (2019) emphasises the importance of organisational support for the role, including direct reporting lines to the audit committee and good engagement between the committee and head of internal audit. Providing the facility for private meetings between the head of internal audit and the audit committee will signal the importance of maintaining the independence of internal audit.

While private meetings between the committee and internal and external audit help to build a trusted relationship, those concerned should always make sure that the meeting is not used as a substitute for escalating governance concerns with responsible officers. The private meeting should always be in accordance with other principles of good practice – non-political and supporting transparent and accountable good governance.

Ensuring there is good support for the committee in agenda planning, minute taking, guidance and communications will help to build member confidence in the committee.

Providing a protocol about access to information that includes provision for co-opted independents will help to ensure clarity for both the committee members and officers. Members need to be confident that they have sight of relevant information in a timely way. There may be operational reasons why information is not immediately available or has to be treated in confidence, but it is important to explain this adequately.

ACCOUNTABILITY AND THE ANNUAL REPORT

CIPFA has recommended that the audit committee should produce an annual report since the 2013 edition of this guidance. In this latest edition, the annual report is given greater prominence and has been included in the Position Statement. The report should be used to provide accountability to those charged with governance on compliance with the Position Statement and performance and provide assurance over the areas within its terms of reference.

The timing of the report will need to take account of whether there will be changes in committee membership – for example, because of elections or rotation of committee members at annual meetings. The conclusions of the report can support the AGS.

It is for the committee chair to prepare the annual report in consultation with the members, although some support may be required to check accuracy or provide supporting information. Developing the report will ensure the committee is better placed for any future policy developments that might expect more from accountability disclosures.

Membership and effectiveness

COMPOSITION AND OPERATION OF THE COMMITTEE

The composition of the committee will be one of the key factors in achieving a good audit committee. Some local government bodies will need to follow specific rules on composition. These are referenced below.

The composition of the audit committee for Welsh local authorities is determined by the Local Government and Elections (Wales) Act 2021, which requires local authority audit committees to have one-third lay members and a lay member as chair. The 2021 Act amended the Local Government Measure 2011, which established that only one of the committee's members may be from the council's executive, and this must not be the leader or the elected mayor.

Combined authorities in England are required to establish an audit committee by the Cities and Local Government Devolution Act 2016. The Act and the subsequent **Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017** require combined authority audit committees to include at least one independent member. The definition of independent is set out in Part 4 of the Order.

The FMCP determined that audit committees in policing must be composed solely of independent members.

POLITICAL BALANCE

One factor that is important for the success of the committee is ensuring a non-political approach to meetings and discussions. Any audit committee that is a properly constituted committee of a local authority will need to abide by the rules concerning political balance, as outlined in Section 15 of the Local Government and Housing Act 1989. When establishing a joint audit committee, the political balance of both authorities will need to be considered.

The **Local Government (Democracy) (Wales) Act 2013** inserted a requirement into the 2011 Measure for the audit committee to be politically balanced. This has not changed as a result of the 2021 Act.

The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 requires the audit committee to be politically balanced, taking into account the constituent councils.

Where the committee is strictly advisory and not subject to other requirements, full council can vote to waive the political balance requirement and specify other criteria to decide who should serve on the committee. For example, the selection of members with relevant knowledge and expertise could be prioritised.

The length of tenure of an elected representative on the committee will be influenced by the need to maintain political balance (if applicable) as well as other factors. In principle, establishing continuity on the committee is helpful to make the best of knowledge and experience. Some

rotation is also helpful to bring in a new perspective. CIPFA would suggest that two full terms on the committee would be a reasonable maximum.

APPOINTING THE CHAIR OF THE COMMITTEE

Unless there is specific legislation or guidance in place on the selection of the committee chair, authorities can determine their own approach. To try and emphasise the independence and apolitical nature of the committee, some authorities specify that the position should be occupied by an 'opposition' member. This approach may be appropriate for some but will not be possible for all authorities – for example, where there are few opposition members.

CO-OPTED INDEPENDENTS

Definition of a co-opted independent or lay member

There are some definitions set out in legislation for some audit committees but not all.

The Local Government and Elections (Wales) Act 2021 defines a lay member as a person who:

- is not a member or an officer of any local authority
- has not been a member or an officer of any local authority in the last 12 months
- is not the spouse or civil partner of a member or officer.

Co-opted independent members of audit committees for combined authorities should be in accordance with the 2017 Order as follows.

- Not a member, co-opted member or officer of the authority.
- Not a member, co-opted member or officer of a parish council in the area of the principal authority.
- Not a relative or close friend of one of the above.
- Not a member, co-opted member or officer of the authority or parish council in the last five years.

There are no statutory definitions of 'independent' for audit committee members in local authorities in England, Scotland or Northern Ireland.

The independent members of the police audit committees in England and Wales must all be independent of the PCC and the force. The FMCP does not define this any further.

Where there is no established definition, authorities are recommended to establish their own policy before commencing recruitment. This will provide clarity to potential candidates and support the independence of the committee. CIPFA would suggest alignment to the combined authority requirements as the basis for a suitable policy.

As long as any requirements are met, it is possible for an individual to be a co-opted member of more than one local government body.

MAKING BEST USE OF INDEPENDENT MEMBERS

There are some potential pitfalls to the use of independent members that should also be borne in mind.

- Over-reliance on the independent members by other committee members in local authorities can lead to a lack of engagement across the full committee.
- A lack of organisational knowledge or 'context' among the independent members when considering risk registers or audit reports.
- Both independent members and officers/staff must try to establish an effective working relationship and appropriate protocols for briefings and access to information.

These factors should be considered when developing the committee structure and plans put in place to provide an appropriate level of support to the audit committee member.

Role descriptions for co-opted independent members

Where the authority is recruiting members to co-opt onto the audit committee, a clear role description should be established. The following areas should be addressed:

- The role of the co-opted independent, including expected time commitment and location of meetings.
- The suggested appointment period and options for renewal (two terms would be a suggested maximum appointment period).
- The definition of 'independent' applicable to the role.
- Any restrictions or conflicts of interest that would make a candidate unsuitable. As the role is non-political and requires working with elected representatives in a local authority, it is recommended that candidates should not be political party members.
- Vetting requirements (particularly for police committee members).
- Desired knowledge, experience and skills.
- Remuneration and expenses.
- The expected conditions of engagement, including adherence to the authority's code of conduct, disclosure of interests, etc.

Consideration should also be given to attracting suitable candidates. While it is up to each authority to decide, authorities may want to consider the following:

- Selecting candidates beyond the local area. If candidates are able and willing to travel to attend the required meetings and supporting activities, then living outside the authority area should not be a barrier to suitability.
- Working with other authorities in the region to promote and support opportunities to be an independent member.
- Advertising nationally or using specialist agencies if professional knowledge and skills are required.
- Promoting the role through means in addition to advertising. For example, a change to the constitution of the audit committee could be part of a wider governance improvement programme that could be publicised locally or through council channels of communication.
- Council orientation and support that will be provided in the role.

- The opportunity for an informal discussion on the role with a senior officer or committee chair.
- Ensuring an easy application process (see below).

Under the combined authorities order, the vacancy must be publicly advertised.

Selection process

The authority's HR team will be able to advise on the process for recruitment. Normal practice in recruitment for non-executive roles such as this will be a CV and supporting letter, and adopting this approach may assist in attracting candidates. This may be a deviation from the process of recruiting a member of staff, however, so early discussion with HR is advised.

The format of selection is for the authority to decide, but inclusion of the current committee chair in some way would be helpful for the candidate.

As well as a formal interview, candidates could be invited to meet the PCC, chief constable or deputy chief constable, senior councillors or officers to emphasise the value of the committee.

Supporting members of the committee

Establishing a training programme and ongoing support for committee members is essential to ensure that they can confidently and effectively discharge their responsibilities. Establishing a budget will ensure that training can be ongoing rather than ad hoc.

Exact needs will depend on the composition of the committee and members' existing knowledge and experience. The following table sets out the core elements.

Development area	Core content	Target audience
Induction – the authority	<p>Introduction to the authority, including:</p> <ul style="list-style-type: none"> • governance structures • plans, strategies and priorities of the authority • local government context. 	Primarily for co-opted independent members who are new to local government/police.
Induction – the audit committee	<ul style="list-style-type: none"> • Terms of reference. • CIPFA Position Statement and guidance. • Key relationships – CFO, head of internal audit, external auditor, committee support. 	All members new to the committee.
Core knowledge areas	<p>Basic knowledge for all areas outlined in the knowledge framework.</p> <ul style="list-style-type: none"> • Good governance and ethical framework • Risk management • Internal controls • Financial management • Value for money • Counter fraud and corruption • Partnerships and collaborations • Assurance framework • Financial reporting • Annual governance statement • Internal audit • External audit • Treasury management (where applicable) • Performance assessment (Wales) (where applicable) 	All members of the committee, tailored appropriately to existing knowledge.
Briefings and guidance	<p>Targeted support for members on:</p> <ul style="list-style-type: none"> • aspects where members need additional support, eg guidance on understanding the financial statements • the development of more in-depth knowledge and understanding • ad hoc briefings on new developments in the sector (for example CIPFA’s audit committee update resource, horizon scanning updates from external auditors, etc) • updates on new developments or changes at the authority. 	<p>All members.</p> <p>Co-opted independent members.</p>
Webinars, training and networking events	<ul style="list-style-type: none"> • Attending relevant webinars or events to develop more in-depth knowledge or updates. • Networking and sharing with audit committee members in other authorities to learn from others and build a network of support. • A range of formal events and webinars are available from a range of providers, eg regional forums. 	Chairs and all members

Training needs analysis

It is helpful to undertake an analysis of training needs to identify which areas should be prioritised for training and support. Some of the core areas involve technical standards and are complex – for example, financial reporting, audit quality and treasury management. These will need regular attention to maintain committee effectiveness.

The knowledge framework can help with a training needs analysis. It can be done at any point, but the annual assessment should reflect on whether the analysis is up to date and the planned programme of support sufficient to address the priority areas.

Impact and effectiveness

To develop the committee and provide assurance via the annual report, it is recommended that the committee is supported in a self-assessment. Alternatively, an independent review can be undertaken.

The appendices provide resources to support self-assessment and to encourage reflection on the impact that the committee has.

CIPFA has identified key indicators to inform the performance review of the audit committee. These indicators are all aspects of governance, risk, control and audit that are within the audit committee's scope of influence. While they are not solely within the control of the audit committee, weakness in these areas could indicate that the audit committee is failing to have sufficient impact.

Problem solving

Where self-assessment indicates problems, or where those interacting with the committee report it to be under-performing, swift diagnosis and action should be planned. Appendix D highlights some areas of difficulty the committee might experience. Usually, problems arise because of misapprehension of the committee's role or inadequate training or support. Occasionally, behaviours from individual members can also contribute. These issues may be more difficult to resolve, especially if they are symptomatic of wider governance problems in the authority.

Significant weakness in the audit committee is likely to be highlighted by the external auditor as part of their governance review or as part of a peer review.

Sector and devolved government guidance

PART 1: COMPARISON OF SECTOR AND DEVOLVED GOVERNMENT REGULATIONS AND GUIDANCE ON KEY AREAS RELATING TO AUDIT COMMITTEES

Guidance area	England (combined authorities)	Wales (local authorities and corporate joint committees)	England and Wales Police	England, Northern Ireland and Scotland (local authorities)
Specific legislation or statutory guidance	<u>Cities and Local Government Devolution Act 2016.</u> <u>Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017.</u>	<u>Local Government (Wales) Measure 2011</u> as amended by the <u>Local Government (Democracy) (Wales) Act 2013.</u> <u>Local Government and Elections (Wales) Act 2021.</u>	<u>Financial Management Code of Practice for the Police Forces of England and Wales (FMCP)</u> (Home Office, 2018).	Not applicable
Establishment of an audit committee	Required	Required	Required It is recommended that this should be a combined body for both PCC and chief constable.	No guidance
Composition of the audit committee	Committees must have at least one independent person as defined by guidance. The committee should reflect the political balance of the constituent authorities as far as is reasonably practical. The committee may not include an officer of the combined authority or a constituent council.	The committee must have lay persons comprise one-third of its members. The member appointed as the committee chair must be a lay person. The deputy chair must not be a member of the executive or an assistant to its executive. The committee must be politically balanced.	Police audit committees should comprise between three and five members who are independent of the PCC and the force.	No guidance

Guidance area	England (combined authorities)	Wales (local authorities and corporate joint committees)	England and Wales Police	England, Northern Ireland and Scotland (local authorities)
Specified functions of the audit committee	<p>Review and scrutinise the authority's financial affairs.</p> <p>Review and assess the authority's risk management, internal control and corporate governance arrangements.</p> <p>Review and assess the economy, efficiency and effectiveness with which resources have been used in discharging the authority's functions.</p> <p>Make reports and recommendations to the combined authority.</p>	<p>Review and scrutinise the authority's financial affairs.</p> <p>Make reports and recommendations in relation to the authority's financial affairs.</p> <p>Review and assess the risk management, internal control, performance assessment and corporate governance arrangements of the authority.</p> <p>Make reports and recommendations to the authority on the adequacy and effectiveness of those arrangements.</p> <p>Review and assess the authority's ability to handle complaints effectively.</p> <p>Make reports and recommendations on the authority's ability to handle complaints effectively.</p> <p>Oversee the authority's internal and external audit arrangements.</p> <p>Review the financial statements prepared by the authority.</p>	<p>Consider the internal and external audit reports of both the PCC and the chief constable.</p> <p>Advise the PCC and the chief constable according to good governance principles and adopt appropriate risk management arrangements in accordance with proper practices.</p>	No guidance
Responsibilities of the audit committee in relation to external audit	No guidance	Oversee external audit arrangements.	Review external audit reports.	No guidance

PART 2: GOVERNMENT GUIDANCE BY SECTOR AND DEVOLVED GOVERNMENT ON MATTERS THAT MAY BE INCLUDED IN AUDIT COMMITTEE TERMS OF REFERENCE

Accounts and audit regulations are statutory instruments issued by the UK or devolved governments. The various regulations impose requirements on 'relevant bodies' – eg a local authority, fire and rescue authority or police body – in relation to governance, internal control, financial reporting and internal audit.

The accounts and audit regulations do not specify that these requirements must be met by an audit committee. However, where it is the audit committee of a relevant body that undertakes or reviews the specified task, the audit committee must meet the requirements of the regulations and take them into account in agreeing their terms of reference.

The following is a link for each sector and/or region and the sets of regulations affecting them, highlighting key regulations. The regulations are subject to periodic updates by the appropriate government body, and audit committee members should be made aware of any changes by their organisation.

Local authorities in England (including combined authorities and fire and rescue authorities)	
Relevant government guidance	<u>Accounts and Audit (England) Regulations 2015</u>
Local authorities in Wales	
Relevant government guidance	<u>Accounts and Audit Regulations (Wales) 2014</u> and the <u>Accounts and Audit (Wales) (Amendment) Regulations 2018</u>
Local authorities in Scotland	
Relevant government guidance	<u>Local Authority Accounts (Scotland) Regulations 2014</u>
Local authorities in Northern Ireland	
Relevant government guidance	<u>Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015</u>
Police in England	
Relevant government guidance	<u>Accounts and Audit (England) Regulations 2015</u> (see also the statutory guidance <u>Financial Management Code of Practice for the Police Forces of England and Wales</u> (FMCP) (Home Office, 2018))
Police in Wales	
Relevant government guidance	<u>Accounts and Audit Regulations (Wales) 2014</u> and the <u>Accounts and Audit (Wales) (Amendment) Regulations 2018</u> (see also the <u>FMCP</u>)

Financial reporting deadlines

Amendments affecting the timetables for financial and governance reporting have been introduced to allow for difficulties caused by the COVID-19 pandemic, and in England, difficulties with local audit. Committee members are advised to check the latest positions.

Suggested terms of reference – local authority

INTRODUCTION

This appendix contains suggested terms of reference for local authorities.

In developing the terms of reference for an organisation, care should be taken to ensure that the specific regulations appropriate for the authority are taken into account. Appendix A sets out these requirements. Additional functions should be included where required.

Where the terms of reference refer to internal audit, regard should be had for how the internal audit charter has allocated responsibilities to the committee. The audit committee's terms of reference and the audit charter should align.

SUGGESTED TERMS OF REFERENCE – LOCAL AUTHORITIES

Governance

The terms of reference should set out the committee's position in the governance structure of the authority.

Statement of purpose

The committee's purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. Its role in ensuring there is sufficient assurance over governance, risk and control gives greater confidence to all those charged with governance [or *insert appropriate governing body*] that those arrangements are effective.

The committee has oversight of both internal and external audit, together with the financial and governance reports, helping to ensure there are adequate arrangements in place for both internal challenge and public accountability.

Governance, risk and control

- To review the council's corporate governance arrangements against the good governance framework, including the ethical framework, and consider the local code of governance.
- To monitor the effective development and operation of risk management in the council.
- To monitor progress in addressing risk-related issues reported to the committee.
- To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.

- To consider reports on the effectiveness of financial management arrangements, including compliance with CIPFA's **Financial Management Code**.
- To consider the council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- To review the assessment of fraud risks and potential harm to the council from fraud and corruption.
- To monitor the counter fraud strategy, actions and resources.
- To review the governance and assurance arrangements for significant partnerships or collaborations.

Financial and governance reporting

Governance reporting

- To review the AGS prior to approval and consider whether it properly reflects the risk environment and supporting assurances, including the head of internal audit's annual opinion.
- To consider whether the annual evaluation for the AGS fairly concludes that governance arrangements are fit for purpose, supporting the achievement of the authority's objectives.

Financial reporting

- To monitor the arrangements and preparations for financial reporting to ensure that statutory requirements and professional standards can be met.
- To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the council.
- To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Arrangements for audit and assurance

To consider the council's framework of assurance and ensure that it adequately addresses the risks and priorities of the council.

External audit

- To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by PSAA or the authority's auditor panel as appropriate.
- To consider the external auditor's annual letter, relevant reports and the report to those charged with governance.
- To consider specific reports as agreed with the external auditor.
- To comment on the scope and depth of external audit work and to ensure it gives value for money.
- To consider additional commissions of work from external audit.

- To advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.
- To provide free and unfettered access to the audit committee chair for the auditors, including the opportunity for a private meeting with the committee.

Internal audit

- To approve the internal audit charter.
- To review proposals made in relation to the appointment of external providers of internal audit services and to make recommendations.
- To approve the risk-based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
- To approve significant interim changes to the risk-based internal audit plan and resource requirements.
- To make appropriate enquiries of both management and the head of internal audit to determine if there are any inappropriate scope or resource limitations.
- To consider any impairments to the independence or objectivity of the head of internal audit arising from additional roles or responsibilities outside of internal auditing and to approve and periodically review safeguards to limit such impairments.
- To consider reports from the head of internal audit on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include:
 - updates on the work of internal audit, including key findings, issues of concern and action in hand as a result of internal audit work
 - regular reports on the results of the QAIP
 - reports on instances where the internal audit function does not conform to the PSIAS and LGAN, considering whether the non-conformance is significant enough that it must be included in the AGS.
- To consider the head of internal audit's annual report, including:
 - the statement of the level of conformance with the PSIAS and LGAN and the results of the QAIP that support the statement (these will indicate the reliability of the conclusions of internal audit)
 - the opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control, together with the summary of the work supporting the opinion (these will assist the committee in reviewing the AGS).
- To consider summaries of specific internal audit reports as requested.
- To receive reports outlining the action taken where the head of internal audit has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.
- To contribute to the QAIP and in particular to the external quality assessment of internal audit that takes place at least once every five years.
- To consider a report on the effectiveness of internal audit to support the AGS where required to do so by the accounts and audit regulations (see Appendix A).

- To provide free and unfettered access to the audit committee chair for the head of internal audit, including the opportunity for a private meeting with the committee.

Accountability arrangements

- To report to those charged with governance on the committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements and internal and external audit functions.
- To report to full council on a regular basis on the committee's performance in relation to the terms of reference and the effectiveness of the committee in meeting its purpose.
- To publish an annual report on the work of the committee, including a conclusion on the compliance with the **CIPFA Position Statement**.

Suggested terms of reference – police

INTRODUCTION

This appendix contains suggested terms of reference for the audit committee of the PCC and chief constable. The police audit committee must ensure that its terms of reference are in accordance with the FMCP (Home Office, 2018) and remain an advisory body.

In developing the terms of reference for an organisation, care should be taken to ensure that the specific regulations appropriate for the authority are taken into account. Appendix A sets out these requirements. Additional functions should be included where required.

Where the terms of reference refer to internal audit, regard should be had for how the internal audit charter has allocated responsibilities to the committee. The audit committee's terms of reference and the audit charter should align.

SUGGESTED TERMS OF REFERENCE – AUDIT COMMITTEE OF THE PCC AND CHIEF CONSTABLE

Governance

The terms of reference should set out the committee's position as an advisory committee to support the PCC and chief constable.

Statement of purpose

The committee's purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. Its role in ensuring there is sufficient assurance over governance risk and control gives greater confidence to the PCC and chief constable that those arrangements are effective.

The committee has oversight of both internal and external audit, together with the financial and governance reports, helping to ensure there are adequate arrangements in place for both internal challenge and public accountability.

Governance, risk and control

- To review the council's corporate governance arrangements against the good governance framework, including the ethical framework, and consider the local code of governance.
- To monitor the effective development and operation of risk management in the OPCC and force.

- To monitor progress in addressing risk-related issues reported to the committee.
- To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
- To consider reports on the effectiveness of financial management arrangements, including compliance with CIPFA's **Financial Management Code**.
- To consider the OPCC's and force's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- To review the assessment of fraud risks and potential harm to the OPCC and force from fraud and corruption.
- To monitor the counter fraud strategy, actions and resources.
- To review the governance and assurance arrangements for significant partnerships or collaborations.

Financial and governance reporting

Governance reporting

- To review the AGS prior to approval by the PCC and chief constable and consider whether it properly reflects the risk environment and supporting assurances, including the head of internal audit's annual opinion.
- To consider whether the annual evaluation for the AGS fairly concludes that governance arrangements are fit for purpose, supporting the achievement of the OPCC's and force's objectives.

Financial reporting

- To monitor the arrangements and preparations for financial reporting to ensure that statutory requirements and professional standards can be met.
- To review the annual statements of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the council.
- To consider the external auditor's reports to the PCC and the chief constable on issues arising from the audit of the accounts.

Arrangements for audit and assurance

To consider the OPCC's and force's framework of assurance and ensure that it adequately addresses their risks and priorities.

External audit

- To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by PSAA or the auditor panel as appropriate.
- To consider the external auditor's annual letter, relevant reports and the report to those charged with governance.
- To consider specific reports as agreed with the external auditor.

- To comment on the scope and depth of external audit work and to ensure it gives value for money.
- To advise on commissions of additional work from external audit.
- To advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.
- To provide free and unfettered access to the audit committee chair for the auditors, including the opportunity for a private meeting with the committee.

Internal audit

- To recommend for approval the internal audit charter.
- To review proposals made in relation to the appointment of external providers of internal audit services and to make recommendations.
- To review the risk-based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
- To consider significant interim changes to the risk-based internal audit plan and resource requirements.
- To make appropriate enquiries of both management and the head of internal audit to determine if there are any inappropriate scope or resource limitations.
- To consider any impairments to the independence or objectivity of the head of internal audit arising from additional roles or responsibilities outside of internal auditing and to recommend and periodically review safeguards to limit such impairments.
- To consider reports from the head of internal audit on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include:
 - updates on the work of internal audit, including key findings, issues of concern and action in hand as a result of internal audit work
 - regular reports on the results of the QAIP
 - reports on instances where the internal audit function does not conform to the PSIAS and LGAN, considering whether the non-conformance is significant enough that it must be included in the AGS.
- To consider the head of internal audit's annual report, including:
 - the statement of the level of conformance with the PSIAS and LGAN and the results of the QAIP that support the statement (these will indicate the reliability of the conclusions of internal audit)
 - the opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control, together with the summary of the work supporting the opinion (these will assist the committee in reviewing the AGS).
- To consider summaries of specific internal audit reports as requested.
- To receive reports outlining the action taken where the head of internal audit has concluded that management has accepted a level of risk that may be unacceptable to the OPCC or force, or where there are concerns about progress with the implementation of agreed actions.

- To contribute to the QAIP and in particular to the external quality assessment of internal audit that takes place at least once every five years.
- To consider a report on the effectiveness of internal audit to support the AGS where required to do so by the accounts and audit regulations (see Appendix A).
- To provide free and unfettered access to the audit committee chair for the head of internal audit, including the opportunity for a private meeting with the committee.

Accountability arrangements

- To report to the PCC and chief constable on the committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements and internal and external audit functions.
- To report to the PCC and chief constable on a regular basis on the committee's performance in relation to the terms of reference and the effectiveness of the committee in meeting its purpose.
- To publish an annual report on the work of the committee, including a conclusion on the compliance with the CIPFA Position Statement.

Audit committee members – knowledge and skills framework

CORE AREAS OF KNOWLEDGE

Knowledge area	Details of core knowledge required	How the audit committee member is able to apply the knowledge
Organisational knowledge	<ul style="list-style-type: none"> An overview of the authority's governance structures and decision-making processes. Knowledge of the organisational objectives and major functions of the authority. 	<ul style="list-style-type: none"> This knowledge will be core to most of the audit committee's activities, including the AGS review, internal and external audit reports and risk registers.
Audit committee role and functions	<ul style="list-style-type: none"> An understanding of the audit committee's role and place within the governance structures. Familiarity with the committee's terms of reference and accountability arrangements. Knowledge of the purpose and role of the audit committee. 	<ul style="list-style-type: none"> This knowledge will enable the audit committee to prioritise its work to ensure it discharges its responsibilities under its terms of reference and to avoid overlapping the work of others. It will help the committee undertake a self-assessment and prepare its annual report.
Governance	<ul style="list-style-type: none"> Knowledge of the seven principles as outlined in <u>Delivering Good Governance in Local Government: Framework</u> (CIPFA/Solace, 2016). The requirements of the AGS. How the principles of governance are implemented locally as set out in the local code of governance. 	<ul style="list-style-type: none"> The committee will review the local code of governance and consider how governance arrangements align to the principles in the Framework. The committee will plan the assurances it is to receive to adequately support the AGS. The committee will review the AGS and consider how the authority is meeting the principles of good governance. The committee will receive audit reports and information on risks relating to governance.

Knowledge area	Details of core knowledge required	How the audit committee member is able to apply the knowledge
Internal audit	<ul style="list-style-type: none"> • An awareness of the key principles of the PSIAS and the LGAN. • Knowledge of the arrangements for delivery of the internal audit service in the authority and the charter. • How the role of the head of internal audit is fulfilled. • Details of the most recent external assessment and level of conformance with the standards. • Internal audit's strategy, plan and most recent annual opinion. 	<ul style="list-style-type: none"> • The audit committee has oversight of the internal audit function and will monitor its adherence to professional internal audit standards. • The audit committee will review the assurances from internal audit work and will review the risk-based audit plan. • The committee will also receive the annual report, including an opinion and information on conformance with professional standards. • In relying on the work of internal audit, the committee will need to be confident that professional standards are being followed. • The audit committee chair is likely to be interviewed as part of the external quality assessment, and the committee will receive the outcome of the assessment and action plan.
Financial management and financial reporting	<ul style="list-style-type: none"> • Awareness of the financial statements that a local authority must produce and the principles it must follow to produce them. • An understanding of good financial management practice as set out in the CIPFA <u>Financial Management Code</u> (FM Code) and the level of compliance with it. • Knowledge of how the organisation meets the requirements of the role of the CFO as required by <u>The Role of the Chief Financial Officer in Local Government</u> (CIPFA, 2016) and <u>The Role of CFOs in Policing</u> (2021). • An overview of the principal financial risks the authority faces. 	<ul style="list-style-type: none"> • Reviewing the financial statements prior to publication, asking questions. • Receiving the external audit report and opinion on the financial audit. • Reviewing both external and internal audit recommendations relating to financial management and controls. • The audit committee should consider compliance with the FM Code and the role of the CFO and how this is met when reviewing the AGS.
External audit	<ul style="list-style-type: none"> • Knowledge of the role and functions of the external auditor and who currently undertakes this role. • Knowledge of the key reports and assurances that external audit will provide. • Familiarity with the auditor's most recent plan and the opinion reports. • Knowledge about arrangements for the appointment of auditors and quality management undertaken. 	<ul style="list-style-type: none"> • The audit committee will meet with the external auditor regularly and receive their reports and opinions. • Monitoring external audit recommendations and maximising the benefit from the audit process. • The audit committee should monitor the relationship between the external auditor and the authority and support the delivery of an effective service.

Knowledge area	Details of core knowledge required	How the audit committee member is able to apply the knowledge
Risk management	<ul style="list-style-type: none"> Understanding of the principles of risk management, including how it supports good governance and decision making. Knowledge of the risk management policy and strategy of the organisation. Understanding of risk governance arrangements, including the role of members and of the audit committee. Knowledge of the current risk maturity of the organisation and any key areas of improvement. 	<ul style="list-style-type: none"> In reviewing the AGS, the committee will consider the robustness of the authority's risk management arrangements. Awareness of the major risks the authority faces is necessary to support the review of several audit committee agenda items, including the risk-based internal audit plan, external audit plans and the explanatory foreword of the accounts. Typically, risk registers will be used to inform the committee. The committee should also review reports and action plans to develop the application of risk management practice.
Counter fraud	<ul style="list-style-type: none"> An understanding of the main areas of fraud and corruption risk that the organisation is exposed to. Knowledge of the principles of good fraud risk management practice in accordance with the <u>Code of Practice on Managing the Risk of Fraud and Corruption</u> (CIPFA, 2014). Knowledge of the organisation's arrangements for tackling fraud. 	<ul style="list-style-type: none"> Knowledge of fraud risks and good fraud risk management practice will be helpful when the committee reviews the organisation's fraud strategy and receives reports on the effectiveness of that strategy. An assessment of arrangements should support the AGS, and knowledge of good fraud risk management practice will support the audit committee member in reviewing that assessment.
Values of good governance	<ul style="list-style-type: none"> Knowledge of the Seven Principles of Public Life. Knowledge of the authority's key arrangements to uphold ethical standards for both members and staff (eg code of conduct). Knowledge of the whistleblowing arrangements in the authority. 	<ul style="list-style-type: none"> The audit committee member will draw on this knowledge when reviewing governance issues and the AGS. Oversight of the effectiveness of whistleblowing will be considered as part of the AGS. The audit committee member should know to whom concerns should be reported.
Treasury management (only if it is within the terms of reference of the committee to provide scrutiny)	<ul style="list-style-type: none"> <u>Effective Scrutiny of Treasury Management</u> is an assessment tool for reviewing the arrangements for undertaking scrutiny of treasury management. The key knowledge areas identified are: <ul style="list-style-type: none"> regulatory requirements treasury risks the organisation's treasury management strategy the organisation's policies and procedures in relation to treasury management. <p>See also <u>Treasure your assets</u> (Centre for Governance and Scrutiny, 2017).</p>	<ul style="list-style-type: none"> Core knowledge on treasury management is essential for the committee undertaking the role of scrutiny.

SPECIALIST KNOWLEDGE THAT ADDS VALUE TO THE AUDIT COMMITTEE

More specialist knowledge will add value to the committee, helping to ensure the committee is able to achieve a greater depth of understanding. Including members with specialist knowledge means there is an additional resource to support other members. Specialist knowledge may be demonstrated by professional qualification and prior work experience.

When reviewing the overall knowledge of audit committee members or when planning the appointment of co-opted independent members, it is helpful to look for opportunities to include the following specialisms:

- Accountancy, with experience of financial reporting
- Internal auditing
- Risk management
- Governance and legal
- Expert service knowledge relevant for the organisation
- IT systems and security

CORE SKILLS

As well as technical knowledge, the following skills will enhance an audit committee member's aptitude to be on the committee.

Skills	Key elements	How the audit committee member is able to apply the skill
Strategic thinking and understanding of materiality	Able to focus on material issues and the overall position rather than being side tracked by detail.	When reviewing audit reports, findings will include areas of higher risk or materiality to the organisation but may also highlight more minor errors or control failures. The audit committee member will need to pitch their review at an appropriate level to avoid spending too much time on detail.
Questioning and constructive challenge	Able to frame questions that draw out relevant facts and explanations, challenging performance and seeking explanations while avoiding hostility or grandstanding.	The audit committee will review reports and recommendations to address weaknesses in internal control. The audit committee member will seek to understand the reasons for weaknesses and ensure a solution is found.
Focus on improvement	Ensuring there is a clear plan of action and allocation of responsibility.	The audit committee's outcome will be to secure improvements to the governance, risk management or control of the organisation, including clearly defined actions and responsibilities. Where errors or control failures have occurred, the audit committee should seek assurances that appropriate action has been taken.
Able to balance practicality against theory	Able to understand the practical implications of recommendations to understand how they might work in practice.	The audit committee should seek assurances that planned actions are practical and realistic.
Clear communication skills and focus on the needs of users	Support the use of plain English in communications, avoiding jargon, acronyms, etc.	The audit committee will seek to ensure that external documents such as the AGS and the narrative report in the accounts are well written for a non-expert audience.
Objectivity	Evaluate information based on evidence presented, avoiding bias or subjectivity.	The audit committee will receive assurance reports and review risk registers. There may be differences of opinion about the significance of risk and the appropriate control responses, and the committee member will need to weigh up differing views.
Meeting management skills	Chair the meetings effectively: summarise issues raised, ensure all participants can contribute, and focus on the outcome and actions from the meeting.	These skills are essential for the audit committee chair to help ensure that meetings stay on track and address the items on the agenda. The skills are desirable for all other members.

Problem-solving difficulties with the audit committee

It is not uncommon for audit committees to face difficulties or barriers in fulfilling their potential effectiveness. Some of these may be common issues that audit committees in any sector may face; others may be unique to the local authority or police setting. The following assessment may be of value in helping audit committee members or those supporting the committee to recognise and address the challenges.

Areas of difficulty	Possible causes	Possible improvement options
Lack of experience and continuity of knowledge among audit committee members.	<ul style="list-style-type: none"> Where turnover of membership is very frequent, it will be difficult for the committee to build up experience. 	<ul style="list-style-type: none"> Enhanced level of support and training to members will be required. To enhance continuity, the authority should consider recruitment of independent members.
Audit committee members do not feel confident in their knowledge of particular areas.	<ul style="list-style-type: none"> Lack of training and support. 	<ul style="list-style-type: none"> Enhanced level of support and training to members.
Independent members lack knowledge of the organisation and lack connections with key managers.	<ul style="list-style-type: none"> Poor induction. Limited opportunities to engage with the organisation outside of formal meetings. 	<ul style="list-style-type: none"> Improve induction. Identify appropriate meetings, briefings or other opportunities that independent members could attend to help develop better understanding.
Poor management of audit committee meetings means that work is unfocused or fails to reach a clear conclusion.	<ul style="list-style-type: none"> Lack of experience or skill in managing meetings by the chair. Committee members are unsure about their role. Poor support from the committee secretary. 	<ul style="list-style-type: none"> Training and support. Develop a mentoring/coaching programme. Chair seeks feedback from meeting participants. Consider skills and experience in the selection of the chair. Provide training and guidance to committee members on their role. Improve committee support.
The audit committee spends too much time on minor details rather than underlying arrangements of governance, risk and control.	<ul style="list-style-type: none"> Agenda management fails to prioritise key areas. The chair does not intervene to keep the focus at an appropriate level. 	<ul style="list-style-type: none"> Review the process of agenda development. Review the terms of reference and provide training. The chair seeks feedback from meeting participants. Provide the chair with committee management training.

Areas of difficulty	Possible causes	Possible improvement options
The committee lacks focus, and members struggle to gain an overall understanding of their remit.	<ul style="list-style-type: none"> • Committee members have a range of objectives rather than focusing on governance, risk, control and audit matters. • The committee is too large or lacks continuity because of regular attendance by substitutes. • Infrequent attendance by senior officers. 	<ul style="list-style-type: none"> • Training and emphasis on the non-political and strategic focus of the committee. • Reform of the committee structure to reduce membership and remove use of substitutes.
Senior officers do not understand the work of the committee and are not sighted on its output.	<ul style="list-style-type: none"> • The audit committee fails to engage with other committees in the authority. • Attendance is often limited to the CFO and the head of internal audit. 	<ul style="list-style-type: none"> • Expand attendance at audit committee meetings – for example, invite heads of service when major risks or control issues are being discussed – and share the CIPFA guidance (FAQs) more widely.
Elected representatives not directly involved with the committee have little understanding of its work and do not see its output.	<ul style="list-style-type: none"> • Committee recommendations are not directed to appropriate member bodies. • Reporting arrangements are not effective. • Wider induction arrangements do not cover the audit committee. 	<ul style="list-style-type: none"> • Invite newly elected members to attend audit committee meetings. • Review reporting and accountability arrangements. • Prepare an annual report that sets out how the committee has fulfilled its responsibilities. • Share the CIPFA guidance (FAQs).
Recommendations made by the audit committee are not actioned.	<ul style="list-style-type: none"> • A poor relationship between the committee and the executive or senior officers. • The audit committee's recommendations are not adequately aligned to organisational objectives. 	<ul style="list-style-type: none"> • A senior officer provides internal facilitation to support improved relationships. • Improve knowledge and skills among audit committee members. • Ensure better engagement with appropriate managers or the executive at an earlier stage.
The audit committee fails to make recommendations or follow up on issues of concern.	<ul style="list-style-type: none"> • A weak or inexperienced chair. • Members are inexperienced or do not fully understand their role. • Poor briefing arrangements prior to meetings. • Committee reports fail to adequately identify the action required by the committee. 	<ul style="list-style-type: none"> • Provide guidance and support. • Improve briefing to the chair prior to the meeting. • Ensure reports contain clear recommendations.
The audit committee strays beyond its terms of reference – for example, undertaking a scrutiny role.	<ul style="list-style-type: none"> • The terms of reference do not adequately scope the work of the committee. • Misunderstanding about the role of the committee. • Inadequate guidance from the committee secretary to the chair on its role. 	<ul style="list-style-type: none"> • Review the terms of reference and provide training and guidance.

Areas of difficulty	Possible causes	Possible improvement options
Political points of view interfere with the work of the audit committee.	<ul style="list-style-type: none"> • A lack of understanding about the role of the committee. • Difficulty separating the work of the committee from the wider politics of authority. 	<ul style="list-style-type: none"> • Seek feedback from those interacting with the committee or external assessment. • Provide support or training for the chair. • Consider the role of independent members.
A breakdown in the relationship between committee members and the executive, PCC or chief constable/deputy chief constable, or with senior management.	<ul style="list-style-type: none"> • A lack of understanding about the role of the committee. • Differing perceptions on the value of the committee • Personality clashes. 	<ul style="list-style-type: none"> • Review the terms of reference and provide training and guidance. • A senior officer provides internal facilitation to support improved relationships. • Seek an external assessment or facilitation. • Change the chair or membership if the constitution or opportunity arises.

Self-assessment of good practice

This appendix provides a high-level review that incorporates the key principles set out in CIPFA's Position Statement and this publication. Where an audit committee has a high degree of performance against the good practice principles, it is an indicator that the committee is soundly based and has in place a knowledgeable membership. These are the essential factors in developing an effective audit committee.

A regular self-assessment should be used to support the planning of the audit committee work programme and training plans. It will also inform the annual report.

Good practice questions	Does not comply					Partially complies and extent of improvement needed*				Fully complies
	Major improvement	Significant improvement	Moderate improvement	Minor improvement	No further improvement					
Weighting of answers	0	1	2	3	5					

Audit committee purpose and governance

1	Does the authority have a dedicated audit committee that is not combined with other functions (eg standards, ethics, scrutiny)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
2	Does the audit committee report directly to the governing body (PCC and chief constable/full council/full fire authority, etc)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3	Has the committee maintained its advisory role by not taking on any decision-making powers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4	Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's 2022 Position Statement?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5	Do all those charged with governance and in leadership roles have a good understanding of the role and purpose of the committee?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6	Does the audit committee escalate issues and concerns promptly to those in governance and leadership roles?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7	Does the governing body hold the audit committee to account for its performance at least annually?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

* Where the committee does not fully comply with an element, three options are available to allow distinctions between aspects that require significant improvement and those only requiring minor changes.

Good practice questions	Does not comply	Partially complies and extent of improvement needed			Fully complies
	Major improvement	Significant improvement	Moderate improvement	Minor improvement	No further improvement
Weighting of answers	0	1	2	3	5
8 Does the committee publish an annual report in accordance with the 2022 guidance, including:					
<ul style="list-style-type: none"> compliance with the CIPFA Position Statement 2022 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> results of the annual evaluation, development work undertaken and planned improvements 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> how it has fulfilled its terms of reference and the key issues escalated in the year? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Functions of the committee					
9 Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement as follows?					
Governance arrangements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Risk management arrangements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Internal control arrangements, including:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> financial management value for money ethics and standards counter fraud and corruption 					
Annual governance statement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial reporting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Assurance framework	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Internal audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
External audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 Over the last year, has adequate consideration been given to all core areas?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11 Over the last year, has the committee only considered agenda items that align with its core functions or selected wider functions, as set out in the 2022 guidance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12 Has the committee met privately with the external auditors and head of internal audit in the last year?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Good practice questions	Does not comply	Partially complies and extent of improvement needed			Fully complies
	Major improvement	Significant improvement	Moderate improvement	Minor improvement	No further improvement
Weighting of answers	0	1	2	3	5

Membership and support

13 Has the committee been established in accordance with the 2022 guidance as follows?					
<ul style="list-style-type: none"> • Separation from executive 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • A size that is not unwieldy and avoids use of substitutes 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • Inclusion of lay/co-opted independent members in accordance with legislation or CIPFA's recommendation 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14 Have all committee members been appointed or selected to ensure a committee membership that is knowledgeable and skilled?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15 Has an evaluation of knowledge, skills and the training needs of the chair and committee members been carried out within the last two years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16 Have regular training and support arrangements been put in place covering the areas set out in the 2022 guidance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17 Across the committee membership, is there a satisfactory level of knowledge, as set out in the 2022 guidance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18 Is adequate secretariat and administrative support provided to the committee?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19 Does the committee have good working relations with key people and organisations, including external audit, internal audit and the CFO?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Effectiveness of the committee

20 Has the committee obtained positive feedback on its performance from those interacting with the committee or relying on its work?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21 Are meetings well chaired, ensuring key agenda items are addressed with a focus on improvement?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22 Are meetings effective with a good level of discussion and engagement from all the members?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23 Has the committee maintained a non-political approach to discussions throughout?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Good practice questions	Does not comply	Partially complies and extent of improvement needed			Fully complies
	Major improvement	Significant improvement	Moderate improvement	Minor improvement	No further improvement
Weighting of answers	0	1	2	3	5
24 Does the committee engage with a wide range of leaders and managers, including discussion of audit findings, risks and action plans with the responsible officers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
25 Does the committee make recommendations for the improvement of governance, risk and control arrangements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26 Do audit committee recommendations have traction with those in leadership roles?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27 Has the committee evaluated whether and how it is adding value to the organisation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
28 Does the committee have an action plan to improve any areas of weakness?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
29 Has this assessment been undertaken collaboratively with the audit committee members?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subtotal score	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total score					
Maximum possible score					200**

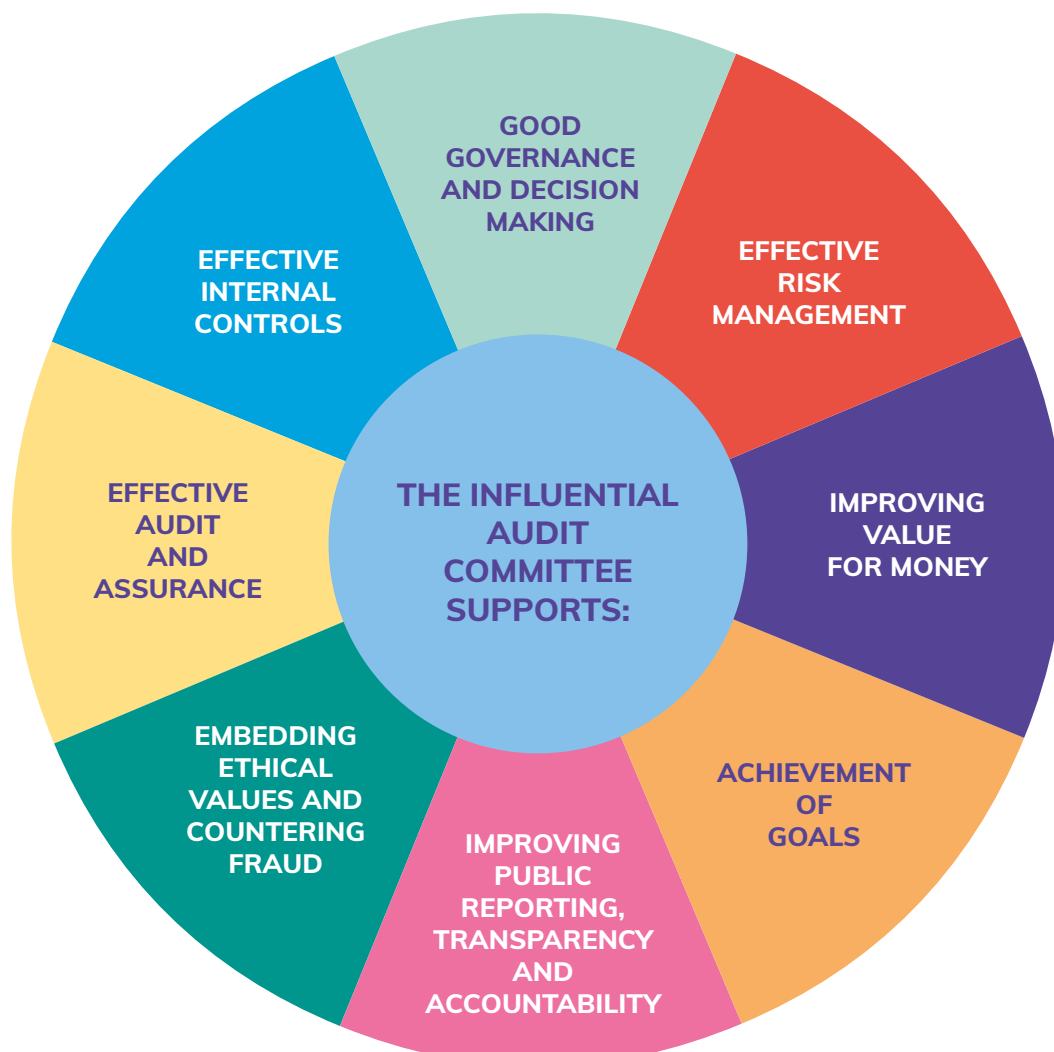
** 40 questions/sub-questions multiplied by five.

Evaluating the impact and effectiveness of the audit committee

An audit committee's effectiveness should be judged by the contribution it makes to and the beneficial impact it has on the authority's business. Since it is primarily an advisory body, it can be more difficult to identify how the audit committee has made a difference. Evidence of effectiveness will usually be characterised as 'influence', 'persuasion' and 'support'.

The improvement tool below can be used to support a review of effectiveness. It identifies the broad areas where an effective audit committee will have impact.

Figure 1: The influential audit committee



The table includes examples of what the audit committee might do to have impact in each of these areas.

The third area includes key indicators that might be expected to be in place if arrangements are in fact effective. These indicators are not directly within the control of the audit committee, as it is an advisory body. They do provide an indication that the authority has put in place adequate and effective arrangements, which is the purpose of the committee.

Use the tool for discussion and evaluation of the strengths and weakness of the committee, identifying areas for improvement.

Areas where the audit committee can have impact by supporting improvement	Examples of how the audit committee can demonstrate its impact	Key indicators of effective arrangements	Your evaluation: strengths, weaknesses and proposed actions
<p>Promoting the principles of good governance and their application to decision making.</p>	<ul style="list-style-type: none"> • Supporting the development of a local code of governance. • Providing a robust review of the AGS and the assurances underpinning it. • Supporting reviews/audits of governance arrangements. • Participating in self-assessments of governance arrangements. • Working with partner audit committees to review governance arrangements in partnerships. 	<ul style="list-style-type: none"> • Elected members, the leadership team and senior managers all share a good understanding of governance, including the key principles and local arrangements. • Local arrangements for governance have been clearly set out in an up-to-date local code. • The authority's scrutiny arrangements are forward looking and constructive. • Appropriate governance arrangements established for all collaborations and arm's-length arrangements. • The head of internal audit's annual opinion on governance is satisfactory (or similar wording). 	
<p>Contributing to the development of an effective control environment.</p>	<ul style="list-style-type: none"> • Encouraging ownership of the internal control framework by appropriate managers. • Actively monitoring the implementation of recommendations from auditors. • Raising significant concerns over controls with appropriate senior managers. 	<ul style="list-style-type: none"> • The head of internal audit's annual opinion over internal control is that arrangements are satisfactory. • Assessments against control frameworks such as CIPFA's FM Code have been completed and a high level of compliance identified. • Control frameworks are in place and operating effectively for key control areas – for example, information security or procurement. 	

Areas where the audit committee can have impact by supporting improvement	Examples of how the audit committee can demonstrate its impact	Key indicators of effective arrangements	Your evaluation: strengths, weaknesses and proposed actions
Supporting the establishment of arrangements for the governance of risk and for effective arrangements to manage risks.	<ul style="list-style-type: none"> Reviewing risk management arrangements and their effectiveness, eg risk management maturity or benchmarking. Monitoring improvements to risk management. Reviewing accountability of risk owners for major/ strategic risks. 	<ul style="list-style-type: none"> A robust process for managing risk is evidenced by independent assurance from internal audit or external review. 	
Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively.	<ul style="list-style-type: none"> Reviewing the adequacy of the leadership team's assurance framework. Specifying the committee's assurance needs, identifying gaps or overlaps in assurance. Seeking to streamline assurance gathering and reporting. Reviewing the effectiveness of assurance providers, eg internal audit, risk management, external audit. 	<ul style="list-style-type: none"> The authority's leadership team have defined an appropriate framework of assurance, including core arrangements, major service areas and collaborations and external bodies. 	
Supporting effective external audit, with a focus on high quality and timely audit work.	<ul style="list-style-type: none"> Reviewing and supporting external audit arrangements with focus on independence and quality. Providing good engagement on external audit plans and reports. Supporting the implementation of audit recommendations. 	<ul style="list-style-type: none"> The quality of liaison between external audit and the authority is satisfactory. The auditors deliver in accordance with their audit plan and any amendments are well explained. An audit of high quality is delivered. 	
Supporting the quality of the internal audit activity, in particular underpinning its organisational independence.	<ul style="list-style-type: none"> Reviewing the audit charter and functional reporting arrangements. Assessing the effectiveness of internal audit arrangements, providing constructive challenge and supporting improvements. Actively supporting the quality assurance and improvement programme of internal audit. 	<ul style="list-style-type: none"> Internal audit that is in conformance with PSIAS and LGAN (as evidenced by the most recent external assessment and an annual self-assessment). The head of internal audit and the organisation operate in accordance with the principles of the CIPFA <u>Statement on the Role of the Head of Internal Audit</u> (2019). 	

Areas where the audit committee can have impact by supporting improvement	Examples of how the audit committee can demonstrate its impact	Key indicators of effective arrangements	Your evaluation: strengths, weaknesses and proposed actions
<p>Aiding the achievement of the authority's goals and objectives by helping to ensure appropriate governance, risk, control and assurance arrangements.</p>	<ul style="list-style-type: none"> • Reviewing how the governance arrangements support the achievement of sustainable outcomes. • Reviewing major projects and programmes to ensure that governance and assurance arrangements are in place. • Reviewing the effectiveness of performance management arrangements. 	<ul style="list-style-type: none"> • Inspection reports indicate that arrangements are appropriate to support the achievement of service objectives. • The authority's arrangements to review and assess performance are satisfactory. 	
<p>Supporting the development of robust arrangements for ensuring value for money.</p>	<ul style="list-style-type: none"> • Ensuring that assurance on value-for-money arrangements is included in the assurances received by the audit committee. • Considering how performance in value for money is evaluated as part of the AGS. • Following up issues raised by external audit in their value-for-money work. 	<ul style="list-style-type: none"> • External audit's assessments of arrangements to support best value are satisfactory. 	
<p>Helping the authority to implement the values of good governance, including effective arrangements for countering fraud and corruption risks.</p>	<ul style="list-style-type: none"> • Reviewing arrangements against the standards set out in the <i>Code of Practice on Managing the Risk of Fraud and Corruption</i> (CIPFA, 2014). • Reviewing fraud risks and the effectiveness of the organisation's strategy to address those risks. • Assessing the effectiveness of ethical governance arrangements for both staff and governors. 	<ul style="list-style-type: none"> • Good ethical standards are maintained by both elected representatives and officers. This is evidenced by robust assurance over culture, ethics and counter fraud arrangements. 	

Areas where the audit committee can have impact by supporting improvement	Examples of how the audit committee can demonstrate its impact	Key indicators of effective arrangements	Your evaluation: strengths, weaknesses and proposed actions
<p>Promoting effective public reporting to the authority's stakeholders and local community and measures to improve transparency and accountability.</p>	<ul style="list-style-type: none"> Working with key members/ the PCC and chief constable to improve their understanding of the AGS and their contribution to it. Improving how the authority discharges its responsibilities for public reporting – for example, better targeting the audience and use of plain English. Reviewing whether decision making through partnership organisations remains transparent and publicly accessible and encourages greater transparency. Publishing an annual report from the committee. 	<ul style="list-style-type: none"> The authority meets the statutory deadlines for financial reporting with accounts for audit of an appropriate quality. The external auditor completed the audit of the financial statements with minimal adjustments and an unqualified opinion. The authority has published its financial statements and AGS in accordance with statutory guidelines. The AGS is underpinned by a robust evaluation and is an accurate assessment of the adequacy of governance arrangements. 	

OVERALL QUESTIONS TO CONSIDER

- 1 Does the committee proactively seek assurance over the key indicators?
- 2 How proactive is the committee in responding to aspects of governance, risk, control and audit that need change or improvement?
- 3 Are recommendations from the committee taken seriously by those responsible for taking action?

REPORTING RESULTS

The outcome of the review can be used to inform the committee's annual report.

77 Mansell Street, London E1 8AN
+44 (0)20 7543 5600

cipfa.org/

10/2022



Full Council

12 March 2024

Report of: Tim O’Gara, Director Legal and Democratic Services

Title: Parental Leave Policy for Councillors

Recommendation

That Full Council endorses the Parental Leave Policy for Councillors.

Summary

This report proposes a Parental Leave Policy for Councillors. Adopting a Parental Leave Policy for Councillors was supported by the Independent Remuneration Panel during their recent review of Members’ Allowances. The Parental Leave Policy for Councillors will give councillors rights to maternity, paternity, adoption and shared parental leave allowances.

The Policy is set out in full in Appendix 1 of this report.



Introduction

1. This report contains a proposal for a Parental Leave Policy for Councillors which is based on recommended best practice guidance from the Local Government Association and South West Councils. The introduction of a Parental Leave Policy for Councillors is also supported by the recent review of Members' Allowances by the Independent Remuneration Panel.
2. This policy is designed to contribute towards increasing the diversity of experience, age and background of councillors and the retention of experienced councillors, particularly women, and making public office more accessible to individuals who might otherwise feel excluded.

Parental Leave Policy for Councillors

3. The proposed Parental Leave Policy for Councillors sets out the rights of all councillors to maternity, paternity, adoption and shared parental leave allowances.
4. In summary, the main features of the policy are as follows:
 - Members giving birth are entitled to up to six months' maternity leave from the due date, with the option to extend up to 52 weeks by agreement (paragraph 2.1 of the Policy);
 - Additional rights where a birth is premature (paragraphs 2.2 and 2.3);
 - Members are entitled to take two weeks' paternity leave if they are the biological father or nominated carer of their partner/spouse following birth (paragraph 2.4);
 - Shared Parental Leave that reflects, so far as possible, any employment arrangements (paragraphs 2.5 and 2.6);
 - Members who adopt a child are entitled to up to six months' adoption leave from the date of placement, with the option to extend up to 52 weeks by agreement (paragraph 2.7 of the Policy);
 - Members shall continue to receive their Basic Allowance in full whilst on approved parental leave (paragraph 3.1);
 - Provision for the payment of a proportion of any Special Responsibility Allowance that the Member receives (paragraphs 4.1 – 4.4);
 - Notification obligations for Members using the policy (paragraphs 6.1 – 6.4); and
 - Arrangements for handling of casework during parental leave (paragraphs 7.1 – 7.2).
5. Full details of the proposed Parental Leave Policy for Councillors is set out in Appendix 1 of this report.

RECOMMENDATION

That Full Council endorses the Parental Leave Policy for Councillors.

Appendix 1 – Parental Leave Policy for Councillors

Background papers: None

Parental Leave Policy

Introduction

1.1 This policy sets out members' entitlement to maternity, paternity, adoption and shared parental leave allowances.

1.2 The objective of the policy is to ensure that members are able to take appropriate leave at the time of the child's birth or adoption, that both parents are able to take leave and that reasonable and adequate arrangements are in place to provide cover for portfolio-holders and others in receipt of Special Responsibility Allowances (SRA) during any period of leave.

1.3 Improved provision for new parents will contribute towards increasing the diversity of experience, age and background of councillors. It will also assist with retaining experienced councillors, particularly women, and making public office more accessible to individuals who might otherwise feel excluded.

Leave Periods

Maternity Leave

2.1 Members giving birth are entitled to up to six months' maternity leave from the due date, with the option to extend up to 52 weeks by agreement with the relevant Group Leader or, where a member is a Group Leader or is not a member of a political group, the Leader of Council in consultation with the Monitoring Officer.

2.2 In addition, where the birth is premature, the Member is entitled to take leave during the period between the date of the birth and the due date in addition to the 6 months' period. In such cases any leave taken to cover prematurity of 28 days or less shall be deducted from any extension beyond the initial 6 months.

2.3 In exceptional circumstances, and only in cases of prematurity of 29 days or more, additional leave may be taken by agreement, and such exceptional leave shall not be deducted from the total 52 week entitlement.

Paternity Leave

2.4 Members are entitled to take two weeks' paternity leave if they are the biological father or nominated carer of their partner/spouse following birth.

Shared Parental Leave

2.5 A Member who has made Shared Parental Leave arrangements through their employment is requested to advise the Council of these at the earliest possible opportunity. Every effort will be made to replicate such arrangements in terms of leave from Council.

2.6 Where both parents are Members, leave may be shared up to a maximum of 24 weeks for the first six months and 26 weeks for any leave agreed thereafter, up to a maximum of 50 weeks. Special and exceptional arrangements may be made in cases of prematurity.

Adoption Leave

2.7 A member who adopts a child through an approved adoption agency shall be entitled to take up to six months' adoption leave from the date of placement, with the option to extend up to 52 weeks by agreement with the relevant Group Leader or, where a member is a Group

Leader or is not a member of a political group, the Chair of Council in consultation with the Monitoring Officer.

2.8 Any member who takes leave retains their legal duty under the Local Government Act 1972 to attend a meeting of the Council within a six month period unless Council agrees to an extended leave of absence prior to the expiration of that six month period.

2.9 Any member intending to take leave will be responsible for ensuring that they comply with the relevant notice requirements of the Council, both in terms of the point at which the leave starts and the point at which they return.

2.10 Any member taking leave should ensure that they respond to reasonable requests for information as promptly as possible, and they keep officers and colleagues informed and updated in relation to intended dates of return and requests for extension of leave.

2.11 Absences from Council meetings during any period of Parental Leave will be noted as such, rather than being attributed to general absence.

Basic Allowance

3.1 All Members shall continue to receive their Basic Allowance in full whilst on approved parental leave.

Special Responsibility Allowances

4.1 In line with the BCC staff scheme, members on maternity, paternity, shared parental or adoption leave, who are entitled to a Special Responsibility Allowance (SRA) shall receive the following:

- Weeks 1 to 6 – 90% of SRA
- Weeks 7 to 18 – 50% of SRA
- Weeks 19 to 52 – no payment but retain the right to return to same position or an alternative position with equivalent status and remuneration.

4.2 SRA for up to two weeks' paternity leave will be paid at the full rate.

4.3 Where a replacement is appointed to cover the period of absence that member shall receive an SRA for the period of the temporary appointment.

4.4 Should a Member appointed to replace the member on maternity, paternity, shared parental or adoption leave already hold a remunerated position, the ordinary rules relating to payment of more than one Special Responsibility Allowances shall apply.

Resigning from Office and Elections

5.1 If a member decides not to return at the end of their leave they must notify the Council at the earliest opportunity. All allowances will cease from the effective resignation date.

5.2 If an election is held during the member's leave and they are not re-elected, or decide not to stand for re-election, their Basic Allowance and SRA if appropriate will cease from the Monday after the election date when they would have left office.

Notification Requirements

6.1 The Member must notify the Monitoring Officer by email no later than the end of the 15th week before the expected week of childbirth (maternity/paternity), intended shared parental or adoption leave or as soon as is reasonably practicable and provide:

- (i) the week the baby/child is due (in the case of adoption leave – date of placement);
- (ii) the period of leave the member intends to take (or in the case of paternity leave if they wish to take one or two weeks leave); and
- (iii) when they want their leave to start.

This will be acknowledged within 2 weeks. An exception to this would be health reasons for the mother or prematurity of the child, in which case notification is to be as soon as possible.

6.2 The Monitoring Officer/Democratic Services will liaise with payroll as required regarding the payment of allowances.

6.3 If the member wishes to return from leave earlier than originally planned, or have a Keeping in Touch (KIT) day, they should notify the Monitoring Officer by email, who will provide confirmation that the information has been received and from what date they will resume responsibilities of any position receiving a SRA or confirm the KIT arrangements as appropriate.

6.4 If a member taking leave wishes to extend this beyond 6 months then no later than 4 weeks before the end of the 6 month period, the member should notify the Monitoring Officer in writing as above. The Monitoring Officer will liaise with the relevant member's Group Leader to agree this, or if the member is independent/not in a group, then the Leader of Council to agree this and confirm that this is acceptable.

HANDLING CASEWORK DURING PARENTAL LEAVE

7.1 Wherever possible, political groups will put arrangements in place to help with casework and related issues.

7.2 The following indicative steps have been agreed for when a member indicates they intend to take a period of parental leave.

The Group Leader has a discussion with the member to establish;

- a. A formal agreement of relevant dates for start and end of period of leave (end date could be amended) and an agreement to notify this and any changes to Democratic Services;
- b. Whether the member would like to maintain any member responsibilities during this period and, if so, which ones;
- c. How and how often the member would like to be contacted;
- d. How they would like their Councillor Contact webpage to be amended regarding contact details;
- e. Record keeping arrangements during the period of leave;
- f. A review and handover of open issues at the start of the period of parental leave;
- g. Return/settling back in review at the end of the leave (work handover, whether further support is needed)
- h. Any other relevant considerations including undertaking a risk assessment as required;
- i. The Group Leader or Political Assistant will communicate the above information to Democratic Services and they will jointly agree what is needed.
- j. Advice and support will be available from Democratic Services.

Review and Disputes

8.1 This policy will be reviewed to ensure that it continues to reflect the provisions in the relevant policies for Council staff.

8.2 Should any dispute arise over the interpretation of this policy, the Monitoring Officer will determine the position.

DRAFT

Full Council

12 March 2024



Report of: Human Resources Committee

Title: The Council's Pay Policy Statement for 2024/25

Ward: City Wide

Recommendation

That Full Council adopts the Pay Policy Statement for 2024/25 to take effect from 1 April 2024.

Summary

The purpose of the report is to consider the Pay Policy Statement for 2024/25.

The significant issues in the report are:

- The Localism Act 2011 requires local authorities to agree and publish a pay policy statement annually before the start of the financial year to which the statement relates.



Policy

1. The Localism Act 2011 requires local authorities (the Full Council) to agree and publish a pay policy statement annually before the start of the financial year to which the statement relates. It is recommended to Full Council by the Human Resources Committee.

Consultation

2. **Internal**
The Mayor/Deputy Mayor.
3. **External**
None required.

Context

4. The Pay Policy Statement explains the Council pay policies for its highest and lowest-paid employees. It is written and published in accordance with the Localism Act 2011 and guidance issued by the Secretary of State.
5. The Statement has been generally updated but no changes of significance have been made since the 2023/24 version. Further information has been added relating to the use of interims.
6. Full Council at its meeting of 17 March 2022 approved the following addition to the Pay Policy Statement for 2022/23: *“The Council’s policy is that the pay of the highest paid employee should be no more than 10 times that of the lowest full time equivalent paid employee.”* This clause is reviewed by the Human Resources Committee annually.

Proposal

7. That Full Council adopts the Pay Policy Statement for 2024/25 to take effect from 1 April 2024.

Other Options Considered

8. None.

Risk Assessment

9. None.

Public Sector Equality Duties

- 10a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
 - i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under

the Equality Act 2010.

- ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
 - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
 - iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
 - tackle prejudice; and
 - promote understanding.
- 10b) An Equality Impact Assessment has not been completed as no significant change to policy is proposed by this report.

Legal and Resource Implications

Legal

“The Pay Policy Statement 2024/5 fulfils the legal requirement placed on the Council by s.38(1) of the Localism Act 2011 to produce an annual pay policy statement.”
Husinara Jones, Solicitor/Team Manager, 29 February 2024

Financial

(a) Revenue

“The Pay Policy Statement is cognisant of the organisational context and the constraints of the 2024/25 budget and the Council’s forthcoming Workforce Strategy will need to be delivered within the budget as agreed by the council. The policy statement sets out the direction of travel in relation to pay for Bristol’s officers for the year ahead and has no financial implications for the revenue and capital budgets.

The policy needs to have regard to Section 40 of the Localism Act 2011 and the supplementary guidance on openness and accountability. The Statement of Accounts will provide the retrospective assurance that this policy, including the interim rates, has been adhered to.”
Denise Murray (Director Finance), 26 February 2024

(b) Capital

Not applicable

Land

Not applicable.

Personnel

“There are no HR implications of the recommendation.”

James Brereton (Head of Human Resources), 17 February 2024

Appendices:

A – Proposed Pay Policy Statement for 2024/25

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: None.

Bristol City Council

Pay Policy Statement for the period 1 April 2024 to 31 March 2025

Introduction

1. It is essential that the Council attracts and keeps people with the right talents and commitment to lead and deliver great services to Bristol's citizens. At the same time the Council must ensure best value for the taxpayer.
2. This Statement explains the Council pay policies for its highest and lowest-paid employees. For the avoidance of doubt "employees" means those individuals who have a contract of employment with Bristol City Council. It therefore excludes agency workers, interims and officeholders.
3. This statement is written and published in line with the Localism Act 2011 (the Act) and guidance issued by the Secretary of State (the Guidance). It is also in line with Guidance issued under Section 26 of the Local Government Act 1999. The Guidance is clear that decisions on pay policies should be made by councillors. In practice, decisions on pay policies relating to the Council's highest-paid employees (chief officers) are recommended by the Human Resources Committee to the Full Council through this statement. The pay of each chief officer is decided on their appointment by the Selection Committee and is set within the grade for the post taking into account relevant market factors. Exceptionally, pay of a chief officer can be adjusted by the Human Resources Committee on request, subject to having the support of the Chief Executive (for example, where changes to a director post result in a change of grade). All decisions on pay for chief officers must be in line with the pay policies set out in this statement.
4. This Statement is reviewed every year, the Mayor is consulted, and any proposals made are considered by the Human Resources Committee, which then recommends the statement to the Full Council for approval. Meetings of the Full Council and the Human Resources Committee are open to the public. Selection Committee meetings are not open to the public.
5. In line with the law (the Local Authorities (Elected Mayor and Mayor's Assistant) (England) Regulations 2002), the pay of the Mayor's Assistant is determined by the Mayor, within the financial resources available to the Council. The Mayor's Assistant is currently paid at Director (Level 1). The position of Mayor's Assistant will cease to exist when the office of Mayor ends in May 2024.

6. As recommended by the Guidance, the Statement sets out clearly and separately its policies on each of the requirements listed in the relevant sections of the Act.
7. The Council is committed to equal pay for all its employees and to removing any bias in its pay systems related to age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership and pregnancy and maternity. Equal pay applies to all contractual terms and conditions as well as pay.

Development priorities for 2024/25

8. The Council’s forthcoming Workforce Strategy will include the aim to resolve pay compression issues, particularly at the lower end of the pay scale. Consideration will be given to undertaking an equal pay audit, reviewing the approach to job evaluation and what if any relationship there should be between performance and pay, particularly in relation to the Council’s highest-paid employees.

Pay of the Council’s highest-paid employees

9. The Council’s highest-paid employees are the Chief Executive, Executive Directors and Directors. These roles are evaluated using the Hay methodology. The salary ranges are set from time to time by the Human Resources Committee, informed by independent recommendations and market data. The Council increases the salary ranges and salaries of the Chief Executive, Executive Directors and Directors in line with pay awards agreed by the Joint Negotiating Committee for Chief Executives of Local Authorities and the Joint Negotiating Committee for Chief Officers of Local Authorities (the JNCs). The salary ranges are currently:

Role	Minimum	Maximum
Chief Executive	£175,998	£187,163
Executive Director	£150,096	£180,096
Director Level 2	£111,522	£131,522
Director Level 1	£95,331	£115,331

Pay of the Council’s lowest-paid employees

10. The Council’s lowest-paid employees are those who are paid the Real Living Wage (as set by the Living Wage Foundation). The Council has adopted this definition because it has decided that none of its employees should be paid less than the Real Living Wage. The Council became an accredited Living Wage Employer with effect from 5 November 2018. The Council has paid its own employees no less than the Real Living Wage since 1 October 2014. The Real Living Wage is £12 per hour with effect from 1 April 2024, which equates to a salary of £23,151 (based on a full-time week of 37

hours).

11. Since 1 April 2020 apprentices, interns, student placements and trainees aged 18 years and over have been paid no less than the Real Living Wage. Apprentices aged under 18 years are paid no less than 80% of the Real Living Wage. An additional allowance of £25 per week is paid to apprentices who have left local authority care, and this is paid throughout their apprenticeship for as long as they live in independent accommodation.

Relationship between the pay of the Council's highest and lowest-paid employees

12. Will Hutton's 2011 Review of Fair Pay in the Public Sector recommended that all public service organisations publish their top to median pay ratio to allow the public to hold them to account. The Government's terms of reference for the Hutton review suggested that no public sector manager should earn more than 20 times the lowest paid person in the organisation. The Council's policy is that the pay of the highest paid employee should be no more than 10 times that of the lowest full time equivalent paid employee. The change in these ratios at the Council over the years is shown in the following table:

Date	Top to median pay ratio	Top to lowest salary ratio
31 March 2014	6.68:1	12.87:1
31 March 2015	6.29:1	11.85:1
31 December 2015	6.75:1	11.33:1
31 December 2016	6.23:1	10.05:1
31 December 2017	5.24:1	8.34:1
31 December 2018	6.03:1	9.77:1
31 December 2019	5.89:1	9.50:1
31 December 2020	5.73:1	9.45:1
31 December 2021	5.63:1	9.36:1
31 December 2022	5.46:1	8.93:1
31 December 2023	5.38:1	8.58:1

Pay of Chief Executive, Executive Directors and Directors when they start

13. Starting pay is agreed by the Selection Committee.
14. The Guidance says that Full Council or a meeting of members should have the opportunity to vote before salary packages totalling £100,000 or more are offered for new appointments. Through its Constitution Full Council delegates this to the Selection Committee.

Increases and additions to pay for Chief Executive, Executive Directors and Directors

15. As stated above, the Council increases the salaries of the Chief Executive, Executive Directors and Directors in line with pay awards agreed by the JNCs.

16. Any other changes to the pay of the Chief Executive, Executive Directors and Directors are determined by the Human Resources Committee except for changes within 10% of the minimum of the salary ranges for Executive Directors and Directors and seeking re-evaluation of Director roles, which can be approved by the Chief Executive.

17. The Chief Executive, Executive Directors and Directors are not eligible for market pay supplements or any other additions to pay.

Performance-related pay for Chief Executive, Executive Directors and Directors

18. There is currently no performance-related pay for Chief Executive, Executive Directors and Directors.

Bonuses for Chief Executive, Executive Directors and Directors

19. There are no bonuses for Chief Executive, Executive Directors and Directors.

Pay of Chief Executive, Executive Directors and Directors when they leave

20. When the Chief Executive, Executive Director or Director leaves they will be paid in line with what they are entitled to under their contract of employment (their notice period is three months) and the Council's policies.

21. The dismissal/compensation for loss of office of the Chief Executive, Executive Directors and Directors is determined by the Human Resources Committee, except for the Head of Paid Service, Chief Finance Officer and Monitoring Officer, where any dismissal is a matter for Full Council.

Paying Chief Executive, Executive Directors and Directors "off-payroll"

22. Where individuals appointed to cover the role of Chief Executive, Executive Director or Director are not employees of the Council, they will be engaged in line with the Council's financial and procurement regulations and the relevant tax legislation (eg, IR35).

23. The Council is fully compliant with the rules governing the prevention of tax evasion. In addition to this, the Council is committed to taking no part in the aiding of any form of tax avoidance and Council employees are required to take

care not to engage in contractual arrangements that could be perceived as being primarily designed to reduce the rate of tax paid by any person or company.

24. The Council aims to ensure that the pay of the highest paid interim is no more than 10 times that of the lowest paid employee. The top to lowest pay ratio for those interims included in the Council's published accounts for the 2022/23 financial year was 9.41:1.

Returning Officer fees

25. The Council's Returning Officer for elections and referenda is appointed by Full Council. Fees are paid for these duties. The fees vary depending on the type of poll and are mostly set and paid by the Government. The fees payable for local polls are in line with those set by the Government for Police and Crime Commissioner elections.

More information about the pay of Chief Executive, Executive Directors and Directors

26. The Council is committed to being open about its policies on pay. Approved pay policy statements are published on [the Council's website](#). Other information that the Council must publish under the Local Government Transparency Code 2015 is available via the same webpage.

Pay gap reporting

27. The Council publishes data on its pay gaps on [the Council's website](#).



Full Council

12 March 2024

Report of: Selection Committee

Title: Designation of Interim Section 151 Officer

Ward: n/a

Recommendation

That Full Council confirms the designation of Tony Kirkham as Interim Section 151 Officer with effect from 1 April 2024.

Summary

The report seeks confirmation from Full Council for the designation of the candidate nominated by the Selection Committee as Interim Section 151 Officer.

The significant issues in the report are:

- The Council's Constitution requires that the Full Council confirm the designation of the Section 151 Officer before an offer is made to the nominated candidate.



Policy

1. The Selection Committee is responsible for recommending to the full Council the designation of an individual as the Authority's Section 151 officer.

Consultation

2. **Internal**
The "Executive Objections Procedure" (Annex 1 to the Officer Employment Rules within the Council's Constitution) has been followed.
3. **External**
Not applicable.

Context

4. The Council's staffing structure incorporates the designation of the section 151 officer within the role of Director: Finance.
5. The current Director: Finance and Section 151 Officer will be leaving Bristol City Council on 31 March 2024. A recruitment process has taken place to cover the role on an interim basis pending the recruitment for the permanent role.
6. At its meeting of 28 February 2024, the Selection Committee interviewed the candidate. The decision of the Committee was to recommend Tony Kirkham for the role of Interim Director: Finance and Section 151 Officer.
7. This report seeks confirmation of the appointment of Tony Kirkham as the Council's designated Section 151 officer in accordance with the requirements of the Council's constitution.

Proposal

8. **That Full Council confirms the designation of Tony Kirkham as interim Section 151 Officer with effect from 1 April 2024.**

Other Options Considered

9. None.

Risk Assessment

10. None.

Public Sector Equality Duties

- 11a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker

considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:

- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
 - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
 - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
 - iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
 - tackle prejudice; and
 - promote understanding.
- 11b) An equality impact assessment has not been undertaken in relation to this proposal because it concerns one individual.

Legal and Resource Implications

Legal

Under Section 151 of the Local Government and Housing Act 1989, the authority has a statutory duty to designate one of its officers as its chief financial officer (s.151 officer). This designation is subject to confirmation by the full Council.

Advice provided by Husinara Jones, Solicitor, 29 February 2024

Financial

(a) Revenue

“This role is provided for within the Council’s Revenue Budget.”

Kathryn Long (Finance Business Partner - Resources), 29 February 2024

(b) Capital

Not applicable.

Land

Not applicable.

Personnel

“The HR implications of the recommendation are as set out in the body of the report.”

James Brereton (Head of Human Resources), 29 February 2024

Appendices:

None.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

None.

MOTIONS RECEIVED FOR 12 MARCH 2024 FULL COUNCIL

GOLDEN MOTION (LABOUR): The Caring Economy

This Council notes:

- The UK is one of the most expensive countries in the world for childcare. Parents continue to face huge difficulties finding the right care for their children. Likewise, carers face a number of challenges.
- The West of England Combined Authority has adopted a local industrial strategy, and Bristol City Council is in the early stages of developing an economic strategy. Research has found that a 2% investment in care produces double the number of jobs for women and almost as many jobs for men as the same investment in construction.
- Following a campaign from Labour MPs, the Government now recognises childcare as a form of infrastructure, meaning the Community Infrastructure Levy could be spent on capital costs for childcare provision.

This Council believes:

- Further action needs to be taken to ensure that children across Bristol get the best start in life, regardless of the post-code and economic background they were born into.
- Early years intervention is crucial for improving life outcomes. The council and its partners should continue to prioritise the outcomes of Bristol's children and young people and embed their interests in all its work.
- Childcare remains far too expensive, and it is unacceptable that in 2023, some parents are unable to go back to work due to childcare costs.
- Likewise, action needs to be taken to support carers, both through the council, through its partners, and throughout Bristol.
- Bristol needs a National Care Service introduced, that follows the principles outlined in the Fabian Society's pamphlet 'A National Care Service for all'

This Council resolves to:

- Call on members of the Strategy and Resources Committee to continue to protect maintained nurseries as a priority and reject any proposals to reduce funding for them in budgets put forward to Full Council in future. Furthermore, work alongside the Schools Forum to explore reforming the budget setting model by moving to a benchmarked model based on final summer term registrations from each September, giving nurseries the flexibility they need to maintain the best possible provision for our children.
- Call on Party Group Leaders to write to the Government to ask it recognises state nursery provision a statutory service and provide additional funding to local government to fund this, and lobby the Government to follow the lead of the Welsh Government and exempt nursery schools in Bristol from paying business rates.
- Call on the Children and Young People committee to explore other ways of making childcare more accessible in Bristol.
- Call on the Mayor to instruct appropriate officers to explore allocating future Strategic Community Infrastructure Levy raised in regeneration areas towards capital costs of new establishing new childcare centres and / or nursery schools.
- Call on the Mayor to request West of England Combined Authority explores options of using its investment fund to offer grants to new childcare providers and subsidise the salaries of new employees in the childcare sector. Should this not be viable, call on Party Group Leaders to lobby the Government to do so, with council officers supporting these efforts.
- Recognise childcare as infrastructure and have it included referenced as such in Bristol's upcoming economic strategy.

- Call on the Mayor to instruct officers to adopt the asks of the Caring Economy campaign and request officers report back to Full Council on its progress in future.

Motion Submitted 29 February 2024

Proposed by Councillor Amal Ali

SILVER MOTION (KNOWLE COMMUNITY PARTY): VALUING THE COMMUNITY SECTOR

This council is facing a considerable financial shortfall and there is general concern that even more valued community services will be closed. In some cases, a much better solution is to encourage the community to take over the service with an asset transfer or to let the community become involved in managing the venture or facility.

Too often the option of community management is considered late in the day after the salami slicing council department has made the task twice as hard.

Cllrs from all parties will no doubt have examples from their own wards of ventures that are working or others that could be given a chance. I have added in notes a list of the ventures within Knowle ward as an example.

Asset transfers give the new owners access to grants that the council could not and are able to tap into enthusiasm and willingness to volunteer. Customers become more flexible and forgiving of small errors.

This Council has the services of a very good specialist officer to deal with asset transfers but there is concern that the back-up is not always as positive as it should be and a short consideration of asset transfers by Communities Scrutiny has led to the need for a second report. This could be done by extending time available to Communities Scrutiny or even better by a scrutiny enquiry day.

In the meantime, some positive factors that should provide encouragement:

1. We should look at the community value and not just a narrow and potentially misleading financial calculation as it affects the council in the short term.
2. we should look at how partners (e.g. police and NHS) can be involved.
3. we should be encouraged if the income is commercial from the public and not purely grants.
4. we must have the option of a responsive licensing facility prior to actual CAT.
5. we should be encouraged if a recognised problem is being tackled that has not been effectively up until now.
6. help in kind in early stages should be considered by the council.

This Council therefore calls for the Administration to show a more positive attitude towards asset transfers and community management and taking into account points 1-6, calls for action to follow a scrutiny enquiry and that a regular review be set up to consider progress and potential new opportunities.

NOTES

Examples from Knowle Ward:

1. Arnos Vale Cemetery - compulsorily purchased for £1 from "developer" and handed to trust formed by campaigners. Huge grants attracted and successful commercial and community activity. Voted one of the best cemeteries in the country.
2. The Park Daventry Road - old Merrywood school on closure 20+ years ago given to trust that brought together charities investing in training, education and community

benefit. Turbo charged by asset transfer and recently completed a new £10M + new community building and a key partner in new secondary school opening shortly on part of the site. A good example of council cooperation.

3. Redcatch community centre - some 20+ years ago a group of local people took over a dilapidated unwanted council building and with grants and local effort turned it into a massively popular, high quality community centre with low hourly charges. All volunteer, no wages taken by anybody involved. Asset transfer followed and used as an example by officers of a successful CAT in report to scrutiny.
4. Jubilee pool - council failed to run this much-loved community facility efficiently. Despite unfriendly conditions imposed by Mayor and severe challenges of energy costs memberships has doubled and there is a trading profit. Cat completed 30/9/22.
5. Redcatch Community Garden - took over redundant bowling green 5 years ago. Have attracted grants, despite failure of council to extend license efficiently and attract 200,000 visits a year for training, social activity and environmental and horticultural education. Asset transfer finally after much delay getting started.
6. Redcatch Park Pavillion- parks department a few years back aborted investment plans for urgent repairs and said they wanted to asset transfer instead. Partnership formed between community garden and The Park football club who needed extra facilities because of Daventry Rd developments. Parks department have failed to progress CAT or even licence and sports changing facilities unusable. In the biggest irony, the football club had previously done exactly the sort of renovation needed and the lowest bidder for the aborted scheme is a local sponsor of the club and stands ready to do the work for them for free. One of the most successful sporting organisations in Bristol with an emphasis on disabled and female teams frozen out.
7. There are many other community organisations, including our parks group, that have transformed Redcatch Park, that do excellent work and what binds the vast majority of them together is a desire to benefit the local community, roll up their sleeves and contribute positively. Being held back by the council is very frustrating.

Proposed by Councillor Gary Hopkins (Knowle Community Party)

Received 29 February 2024

Electoral Reform

Council Notes:

1. First Past the Post (FPTP) originated when land-owning aristocrats dominated parliament and voting was restricted to property-owning men.
2. In Europe, only the UK and authoritarian Belarus still use archaic single-round FPTP for general elections. Internationally, Proportional Representation (PR) is used to elect the parliaments of more than 80 countries. These countries tend to be more equal, freer and greener.
3. PR is the national policy of the Liberal Democrats, Labour Party, Green Party, SNP, Plaid Cymru, Reform UK and Women's Equality Party along with a host of Trade Unions and pro-democracy organisations.
4. PR is already used to elect the parliaments and assemblies of Scotland, Wales and Northern Ireland. Its use should now be extended to include Westminster.

Council believes:

1. PR ensures all votes count, have equal value, and that seats won match votes cast. Under PR, MPs and Parliaments better reflect the age, gender and protected characteristics of both local communities and of the nation.
2. MPs better reflecting the communities they represent in turn leads to improved decision-making, wider participation and increased levels of ownership of decisions taken.
3. PR would also end minority rule. In 2019, 43.6% of the vote produced a government with 56.2% of the seats and 100% of the power. Fair, proportional votes also prevent 'wrong winner' elections such as occurred in 1951 and February 1974.

Council resolves:

1. to write to H.M. Government calling for a change in our outdated electoral laws and to enable Proportional Representation to be used for UK general elections.

Motion to be moved by: Cllr Varney

Date of submission: 29 February 2024

ENDORSEMENT OF THE PLANT BASED TREATY

Full Council notes that:

1. In November 2018 Full Council declared a Climate Emergency and Bristol committed to becoming carbon neutral and climate resilient by 2030. [1]
2. The sixth Intergovernmental Panel on Climate Change (IPCC) reported in 2021 in its Working Group 1 Assessment Report [2] that it is “virtually certain” that heat waves have become more frequent and more intense since the 1950s, with human-caused warming being “the main driver” and some of the heat extremes seen over the past decade would have been “extremely unlikely to occur” without the climate crisis.
3. The earth's average surface temperature is projected to hit 1.5C above pre-industrial levels around 2030, a decade earlier than the IPCC predicted just three years ago.
4. Between 2014 and 2021 there has been faster growth of atmospheric concentrations of methane. Growth since 2007 is largely driven by emissions from fossil fuels and agriculture, with 32% of methane emissions attributed to animal agriculture.
5. The UN recommends 45% cuts to methane by 2030 [3] in order to limit temperature rises to 1.5 degrees Celsius.
6. Data derived from the IPCC 2014 5th assessment [4] reveals animal agriculture emissions as 35% of energy production, a figure which excludes deforestation emissions attributed to the growing of crops for farmed animals.
7. The Amazon rainforest is now a carbon source rather than a carbon sink as a direct result of deforestation, with around 80% of the deforestation caused by animal agriculture. [5]
8. The 2019 Land Use report by Ritchie, H. and Roser, M. (2019)[6], calculated that 78% of farmland is used to farm animals yet supplies just 18% of global calories and 37% of protein.
9. A global initiative is underway calling for a Plant Based Treaty [7] that through its three Rs, Relinquish, Redirect and Restore aims to halt the accelerating expansion of animal agriculture, incentivise and promote a plant-based food system, rewild critical ecosystems in line with the global commitment to limit warming to 1.5°C, and work to mitigate the climate crisis with fair, equitable transition plans.
10. The Plant Based Treaty has been welcomed by 20 Members of the UK Parliament through EDM 434 [8] which calls on the Government “to be a world leader in recognising the negative impact of industrial animal agriculture on climate change and commit to developing a global strategy to transition towards more sustainable plant-based food systems.”
11. Several local authorities across the UK have already made a commitment to move towards a plant-based future, including Lewisham Borough Council (fully plant-based in all corporate events), Enfield Borough Council (does not serve meat at any meetings or events), Faversham Town Council (fully plant-based at events), Hythe Town Council (fully plant-based at all council functions), Leeds City Council (two meat free days per week in schools), Oxfordshire County Council (fully plant-based in all meetings & events), and Cambridge City Council (fully plant-based at meetings & promoting PB at events).

Full Council believes that:

1. The rapid, strong, and sustained reduction in the three greenhouse gases, namely Carbon Dioxide, Methane and Nitrous Oxide and zero deforestation is a climate imperative.
2. The Paris Climate Agreement is silent on the impact of animal agriculture, one of the largest sources of greenhouse gases, and that needs to be collectively addressed by other means.

Full Council resolves to:

1. Formally endorse the call for a Plant Based Treaty and write to the UK government to call for a global Plant Based Treaty.
2. Help mitigate the climate, ocean, and biodiversity crisis by addressing our food system, including promoting the benefits of locally grown, plant-based foods. For example, encouraging council-run schools to have regular, meat-free days.
3. Lead by example and follow other local authorities in making a commitment to plant-based food at all council meetings and events, where food is served.

Motion to be moved by: Cllr Varney

Date of submission: 29th February 2024

Women's Safety

Council Notes

1. Council notes with concern the detrimental impact that violence against women and girls by men has on individual women, their dependents, their communities and society as a whole. Council also notes that women living in poverty are particularly vulnerable to experiencing violence and face disproportionate challenges in accessing the necessary support to make them safe. Lack of access to secure housing, precarious employment, difficulty accessing social security and poverty work to keep women in abusive situations.
2. The Public Order Bill will potentially silence the right to protest in a meaningful or impactful way and make it difficult for women to be heard on this issue.
3. Council further notes there are already many excellent initiatives and campaigns by local and national organisations aimed at safeguarding the welfare of individuals, such as the work of Bristol Nights to tackle the issue of harassment facing women in the night time economy

Council Believes

1. Council believes everyone should have the right to be safe from violence and harassment on our streets and in our communities.
2. Council also acknowledges that it is not just women who are at risk but that any individual may be vulnerable to attack for various reasons.

Council Resolves

1. To have a zero-tolerance approach to misogyny
2. To work with schools, colleges, the University, and workplaces to ensure that consent and bystander intervention training are available as standard, which are known to be effective, and commits to offering such training to employees to set an example.
3. Council further calls for work with venues across Bristol to ensure they embody these values and staff are sufficiently trained to deal with vulnerable people, sexual violence and harassment, and security and measures such as CCTV are adequate and effective.
4. Council also accepts there are steps the Authority can take to help and calls for a review of street lighting to see where gaps and dark spots may exist across Bristol and for the improvements recommended in the review to be built into the Council's capital programme. Good street lighting will not just help people feel safer, but also make a valuable contribution towards improving their safety.
5. Council resolves to work with partners to ensure that non-contact sexual offences, such as voyeurism and indecent exposure, are treated as the serious crimes they are, with support for victims, full investigations, and early intervention for perpetrators, as these crimes are known to be associated with an escalation to more serious offences.
6. Council instructs the Mayor to write to the Government to request funding into research into these offences and how they escalate and invest in local police forces to ensure they have access to the technology and other resources to enable them to link up related offences and catch perpetrators before their actions result in further incidents

Motion to be moved by: Cllr Classick

Date of submission: 29th February 2024

FACING REALITY ON DELIVERY OF MASS TRANSIT

“This Council endorses the stance recently taken by the Regional Mayor in seeking to rule out further consideration or exploration of the option to build a substantial mass transit underground for our city.

Council is particularly concerned over the City Mayor’s largely unsubstantiated claim (made in his last State of the City Address) that an overground mass transit system is undeliverable.

Whilst, from a practical, engineering, point of view, it might still be arguable or conceivable that some tunnelling could be a solution to overcome an exceptional geological or other feature along the proposed three main routes, this Council recognises that Mayor Rees’s hazy (at best) vision of a Bristol Metro is completely unrealistic in terms of cost and timescale.

Accordingly, Council calls on the City Mayor to accept and finally publicly acknowledge this reality and to commit to working more collaboratively on the Combined Authority on this major infrastructure project. Attracting Government capital investment and delivery of a viable, modern, and attractive public transport system has to be a political priority for the present and any future Administration.”

Motion to be moved by: Cllr Mark Weston

Date of submission: 29.02.24

LOCAL EFFLUENT ECOLOGICAL RIVER REVIEW

“This Council acknowledges the concerns which have recently been raised highlighting the deterioration in the state of the country’s rivers, waterways, and coastline, caused by the dumping of untreated sewage. Worryingly, more than 384,000 discharges of raw sewage were reported by water companies across England and Wales in 2023, and environmental campaigners point out that even Lake Windermere is now threatened by encroaching phosphorus pollutants.

Council recognises that the Government has taken significant steps to address these problems by seeking to provide stronger powers to regulating authorities in the Environment Act 2021 and through a new “Plan for Water” which aims to provide an extra £1.6bn in funding for infrastructure investment. These are all necessary but more work will be needed to improve the management of our water systems.

Last year, Council was hugely sympathetic to and supportive of the Conham River Bathing Group in its campaign to clean up the River Avon and bid for access to Bristol Harbour for swimming. All the accepted arguments used in the debate at that time over the importance of these habitats and leisure spaces dictate that much more needs to be done at a national and local level.

Therefore, Council calls on the Mayor to support and where possible resource such initiatives as:-

- Working closely with community volunteer groups like SusWot etc. to help coordinate river cleaning action days.
- Commit to conducting an audit of the city’s rivers and tributaries to identify problems, policies and plans to improve them.
- Investigate whether changes to development plans could make a meaningful contribution by requiring even more environmental features in new builds such as ‘blue roofs’ (capture & storage) and better drainage facilities.
- Lobby Central Government – perhaps through the LGA – for even tougher action on water companies found to have broken the law. In addition, there needs to be an exploration of alternative strategies, methods or systems which separate sewage from storm overflows entirely.

Clearly, there are no easy solutions to this environmental challenge. Nevertheless, our Victorian-era sewer network is coming to an end of its working life and is increasingly unable to cope with the demands of a growing population. As a result, Council believes that the vast majority of people (once made aware of the threat this poses to human health and wildlife) will demand that its resolution is made a political priority.”

Motion to be moved by: Cllr Steve Smith

Date of submission: 29.02.24

FUTURE PROOFING BRANCH LIBRARY NETWORK

“This Council notes the previous unanimous cross-party support expressed over the importance of the Library Service and maintaining this amenity for the citizens of Bristol.

The benefits of public libraries are well known and long established, ranging from promoting a love of literature and learning, the preservation of our heritage assets, to providing public spaces for shared cultural experiences.

The recent controversy over restricted access to many branch libraries over the Winter months revived concerns that these valuable places are being allowed to wither on the vine.

Accordingly, this Council asks the Mayor to back an all-Party commitment in the forthcoming local elections to include a pledge in their respective Manifestos to keep open and build upon the hours of operation of our branch network.

Furthermore, agreement should be sought to incorporate such an obligation into the Corporate Plan in order to entrench and enhance protection of future provision.”

Motion to be moved by Councillor Mark Weston

Date of Submission: 29.02.24

REINSTATING OR RESTORING WHITE LINE ROAD MARKINGS

“This Council has serious concerns about the current practice of our Highways Department with regard to the common non-reinstatement of important road markings and white lines following resurfacing treatment or other necessary street works.

The present approach or policy appears to be to allow the removal of these features to become permanent on the basis that this supposedly improves road safety and incidentally saves money.

By introducing uncertainty into the minds of motorists/road users, this in theory is said to avoid complacency, which white lines are thought to produce - thereby leading to greater concentration on the part of individuals. In practice, accidents are more likely and most people view white lines and other road markings as essential for road guidance and safety.

Government guidelines on these matters state that there are some areas, where reinstatement may not be necessary, for example in quiet cul-de-sacs. However, it is clear that this notion has been applied well beyond its original limited intention to impact much used busy residential and access roads. This was never the intention, is highly dangerous and likely to contribute to an increase in road accidents.

Accordingly, Council calls on the Mayor to issue an instruction to Highways Officers, which encourages them to utilise local knowledge more, before making any final decision on the non-reinstatement of road markings and white carriageway lines. To this end, early consultation with ward councillors in this process should be mandatory and ultimately the view of ward councillors should hold sway”.

MOTION TO BE MOVED BY Councillor John Goulandris

Date of Submission: 29.02.24

Plant Based solutions for the Climate

A motion for a debate at Bristol City Council on plant based solutions to the climate emergency.

This council:

Notes:

- A recent study found that it will be impossible for the EU to cut its methane emissions in line with what the science says is needed (45% reduction by 2030) without cutting emissions in the meat and dairy sector. [1]
 - Producing a kilo of beef creates, on average, 12 times more CO2e than a kilo of tofu or other soya based proteins; [2]
 - Producing a litre of dairy milk uses, on average, at least four times as much land as producing a litre of plant milk. [3]
 - Savings to the NHS will come from healthier, plant-based diets. Sustain estimates that meat over-consumption costs the NHS directly £1.2 billion, and 45,000 deaths annually. [4]
 - A 2018 Oxford University study concluded that adopting a plant-based diet is the single biggest thing we can do to reduce emissions.
 - Henry Dimbleby, in the National Food Strategy concluded that a 30% reduction in meat consumption is necessary for future food security. The National Food Strategy also states that obesity alone accounts for 8% of annual health spend in the UK, or £18bn. [5]
 - In June 2021, the Committee on Climate Change (CCC) recommended that the consumption of beef, lamb and dairy should be reduced by at least 20% by 2030.
 - Sir David Attenborough has said that we ‘must reduce our meat & dairy consumption for the sake of the planet’, & that the planet ‘simply cannot sustain billions of meat eaters’
 - That a growing number of councils have made a commitment to plant-based catering or a shift away from meat, eg Lewisham Borough Council - fully plant-based in all corporate events; Enfield Borough Council - does not serve meat at any meetings or events ; Leeds City Council - two meat free days per week in schools; Oxfordshire County Council - fully plant-based in all meetings & events; Cambridge City Council - fully plant-based at meetings & promoting PB at events; Exeter City Council; Edinburgh City Council; Salford City Council; Norwich City Council, and others.

Believes:

- We should act in line with the One City Climate Strategy which identifies consumption in the city as the leading source of global heating emissions to be tackled;
- Without meat and dairy consumption, global farmland use could be reduced by more than 75% – an area equivalent to the US, China, European Union and Australia combined – and still feed the world. Loss of wild areas to agriculture is the leading cause of the current mass extinction of wildlife. [6]
- What we do with land is important from a climate perspective because of its ‘opportunity cost’. If land wasn’t being used for livestock farming it could be used for something that is beneficial for the climate and ecological emergencies, like reforestation, which removes carbon from the air, or rewilding.

Therefore Council Calls on the Mayor to:

- Ensure that food provided at all council-sponsored events and meetings is entirely plant-based, preferably using ingredients sourced from local food surplus organisation, using these events to promote plant-based food options through information about the climate benefits and relative cost of different protein/food sources
- Ensure that Council school meals services have plant-based menus available as part of their regular offer on at least two days per week
- Work on outreach to schools and young people to actively influence and inform of food choices and their impact on the environment, health and animal welfare.

- Encourage and empower students to make informed decisions about the food available in their school.
- Inspire, promote and support initiatives surrounding food growing, preparation and waste avoidance, especially as part of school and community projects.
 - Recognise the benefit of sourcing food locally from producers who follow sustainable principles.
 - When events occur on City Council open spaces, and where catering is provided, ensure that plant-based options are available (ie minimum from at least one caterer), secured through the use of licensing or terms and conditions of hire (where reasonably possible).
 - Secure through a contract specification when re-tendering for suppliers that plantbased food and drink options are to be available at kiosks on City Council open spaces and Council run cafes (where reasonably possible). Similarly when possible, via future contract specification when re-tendering for suppliers for Council run cafes, specify that vegetable/legume rich plant-based options are listed prominently on menus, above non plant-based options in line with Flexitarian principles.
 - Endorse the Plant Based Treaty [7] locally and on behalf of the city write to the government to support the UK signing the Plant Based Treaty, inviting all Party Group Leaders to sign the letter.

Motion submitted by: Cllr Martin Fodor

Date of submission: 29th February 2024

Footnotes

1. [http://changingmarkets.org/wpcontent/uploads/2022/06/CE_Delft_210502_Methane_reduction_potential_in_the_EU_Def .pdf](http://changingmarkets.org/wpcontent/uploads/2022/06/CE_Delft_210502_Methane_reduction_potential_in_the_EU_Def.pdf)
2. www.ethicalconsumer.org/food-drink/climate-impact-meat-vegetarian-vegan-diets
3. www.ethicalconsumer.org/food-drink/plant-vs-dairy-comparing-their-climateimpacts
4. <https://www.foodfortheplanet.org.uk/faqs>
5. National Food Strategy (published July 2021) - <https://www.nationalfoodstrategy.org/wp-content/uploads/2021/07/National-FoodStrategy-Recommendations-in-Full.pdf>
6. <https://josephpoore.com/Science%20360%206392%20987%20-%20Accepted%20Manuscript.pdf>
7. <https://plantbasedtreaty.org/>

Mobilise community investments to tackle climate change

Full Council notes:

1. That this council unanimously declared a climate emergency in November 2018 following a Green Motion to Council
2. The motion committed the city to achieve net zero carbon impact by 2030 and there are now just 6 years left to this target date
3. A new low risk model called Community Municipal Investments [CMI] was developed by Leeds University and Abundance Investments platform with UK Government and EU support. This had the support of 4 local authorities including Bristol City Council. [1]
4. This concept is now proven to mobilise local and other investment and it channels local savings into local projects with low risk and a modest returns. [2]
5. The same process can be repeated again annually for further funds to be raised to support new projects.
6. The council has been progressing a package of low carbon opportunities through the City Leap Joint Venture but this uses private sector capital from its partner companies, Ameresco and Vattenfall. No individual savings are likely to be involved.
7. Municipal Bonds can also be used to raise capital for local projects and the LGA offers a platform for this form of investment to be supported.

Full Council believes:

1. That offering local savers a way to support the city's journey to carbon neutrality mobilises community engagement in the process of change, attracts significant sums for named projects, and should be developed. 72% of people want to lend savings to help councils develop Climate Emergency Plans [3]
2. That offering security and a modest rate of interest through municipal bonds is an established way to develop local infrastructure [4]. This could complement other projects such as the £15millions invested through Bristol Energy Cooperative.
3. That CMIs can help us fund and develop a series of practical projects for a low carbon transition in partnership with others which will be popular with local savers.
4. The Mayor should recognise that CMIs and Green Municipal Bonds as part of the package of investments that will create positive economic opportunities and carbon neutrality while building community wealth.
5. Bristol should join the growing number of other councils using CMIs to develop local opportunities for local investors such as Plymouth, LB Hammersmith and Fulham, LB Southwark, Cotswold, West Berkshire, LB Camden [5]
6. We need to create a lending facility for private individual who want to upgrade their homes and save energy on as low an interest rate as possible.

Full Council resolves:

1. To call on the Mayor to agree to begin development of Community Municipal Investments for the city.
2. That the Mayor promote CMI as a way residents and institutions can be engaged and actively involved in contributing to a zero carbon city.
3. To work up a Green Bond scheme for the city to fund carbon saving infrastructure projects.
4. To request officers to identify carbon saving projects suited to CMI and Green Bond investments in conjunction with partners including the City Leap joint venture.

Motion to be moved by: Cllr Martin Fodor

Date of submission: 29th February 2024

References:

1. The report supported by Bristol: <https://baumaninstitute.leeds.ac.uk/research/financing-for-society/>
2. Initial proposed interest rate is 1.2%. See: Your questions answered on Green Community Bonds | Abundance Blog
<https://medium.abundanceinvestment.com/community-municipal-investments-your-questions-answered-25218ed4d2cb>
3. Survey by One Poll, 2020, cited by the Local Government Association.
4. https://medium.abundanceinvestment.com/community-municipal-investments-the-new-option-for-your-low-risk-money-a9cc5d72e03a?source=post_internal_links-----1-----
5. These include: Leeds Council, Warrington, and West Berkshire. Eg Invest now: <https://info.westberks.gov.uk/wbcmi>; <https://www.abundanceinvestment.com/invest-now/warrington-2025>

A Universal Basic Income Trial for Bristol

This council notes:

1. The drastic impacts of the Covid Pandemic on employment and household incomes in the city;
2. The threat to income and employment from automation and artificial intelligence, which could affect a great many more jobs in future;
3. The development of universal basic income (UBI) trials in other countries, which offer a non-means-tested sum paid by the state to cover the basic cost of living, which is paid to all citizens individually, regardless of employment status, wealth, or marital status, which has been widely debated in recent months;
4. That a trial of UBI was promised by the Labour party had the party won the last general election;
5. The resolutions of other local authorities including Sheffield, Birmingham, Lewes, and Brighton and Hove [with cross party support] calling for trials of UBI;
6. A network of Universal Basic Income Labs has been set up and works with local authorities across the UK developing UBI proposals to address problems such as poverty, inequality, discrimination and environmental damage, long-term and immediately, in relation to coronavirus. One is operating in Bristol.
7. Birmingham City Council has issued a briefing on UBI. (1)
8. UBI has been Green Party Policy since about 1973 and more recently taken up by other parties. (2)

This council believes:

1. That the current benefit system is failing citizens, with Universal Credit causing hardship to many communities;
2. A UBI is the fairest, most effective way to mitigate the effects of coronavirus on people's incomes as it does not discriminate between employment status, caring responsibilities, age, or disability when providing basic support;
3. There is a danger of increasing numbers of people facing poverty as a result of the coronavirus crisis;
4. Testing a UBI is needed, as a UBI has the potential to help address key challenges such as inequality, poverty, precarious employment, loss of community, and breach of planetary boundaries through: i. Giving employers a more flexible workforce whilst giving employees greater freedom to change their jobs; ii. Valuing unpaid work, such as caring for family members and voluntary work; iii. Removing the negative impacts of benefit sanctions and conditionality; iv. Giving people more equal resources within the family, workplace and society; v. Breaking the link between work and consumption, thus helping reduce strain on the environment in line with the One City Climate Strategy; vi. Enabling greater opportunities for people to work in community and cultural activities or to train or reskill in areas that will be needed to transition to a lower-carbon economy.
5. The success of a UBI pilot should not be measured only by impact upon take-up of paid work, but also the impact upon communities and what the people within them do, how they feel, and how they relate to others and the environment around them; and, Page 261
6. Given its history of social innovation, wealth of expertise, and active networks across community, business and public services, Bristol is ideally placed to pilot a UBI.

This council calls on the Mayor to:

- 1) Send a joint letter with the other party leaders to the Secretary of State for Work and Pensions, the Chancellor of the Exchequer, the leader of the party in Government, their counterparts in all opposition political parties in parliament, and all local MPs, asking for a trial of Universal Basic Income in the city citing the above reasons.

Motion proposer: Ani Stafford-Townsend Central Ward Green Party Councillor

Date of submission: 29th February 2024

Sources

Birmingham City Council's official UBI briefing - see

https://birmingham.cmis.uk.com/Birmingham/Document.ashx?czJKcaeAi5tUFL1DTL2UE4zNRBcoShgo=nb28HJzZZy8R6UE9qsv3LHJckreeBwn50TbZg0riXhiHQcf3zr1WGQ%3D%3D&rUzwRPF%2BZ3zd4E7lkn8Lyw%3D%3D=pwRE6AGJFLDNIh225F5QMaQWCTPHwdhUfCZ%2FLUQzgA2uL5jNRG4jdQ%3D%3D&mCTIbCubSffXsDGW9IXnlG%3D%3D=hFflUdN3100%3D&kCx1AnS9%2FpWZQ40DXFvdEw%3D%3D=hFflUdN3100%3D&uJovDxwdjMPoYv%2BAJvYtyA%3D%3D=ctNJff55vVA%3D&FgPIIEJYlotS%2BYGoBi5oIA%3D%3D=NHdURQburHA%3D&d9Qjj0ag1Pd993jsyOJqFvmyB7X0CSQK=ctNJff55vVA%3D&WGewmoAfeNR9xqBux0r1Q8Za60lavYmz=ctNJff55vVA%3D&WGewmoAfeNQ16B2MHuCpMRKZMwaG1PaO=ctNJff55vVA%3D&fbclid=IwAR3v5XWzNYc_KENecR4_O6k4xSFL847QcMyKppBD6IUO5x2gLp5E3GdI3_M

2) <https://www.bristol247.com/opinion/yoursay/otherpartieswillridiculegreenpolicies/> Page

2

ISRAEL-GAZA CONFLICT

This council notes:

1. Following the terrorist attack on Israel by Hamas on 7 October, Israeli forces imposed a “complete siege” on Gaza, with “no electricity, no food, no fuel.”
2. The political leadership of the UK has rightly condemned the atrocities carried out by Hamas. However, they have refused to condemn Israel’s atrocities or back the United Nations General Assembly resolution calling for an “immediate, durable and sustained humanitarian truce” and “continuous, sufficient and unhindered” provision of lifesaving supplies and services for civilians”..
3. Israel is continuing to attack civilian targets in Gaza. Only limited humanitarian aid has been allowed to enter, and supplies of water are critically low.
4. More than 30,000 Palestinians and 1,400 Israelis have now been killed, and there are over 100 Israelis and foreign nationals held as hostages.
5. Israel currently is illegally occupying East Jerusalem, the West Bank, the Golan Heights and Gaza, and is engaged in an illegal programme of settlement in these territories, as recognised by the United Nations and the majority of its member nations including the UK.
6. Previous conflicts in the region have been associated with increases in community tensions, islamophobia, antisemitism and hate crime in the UK.

This council believes:

1. There must be an immediate ceasefire to end the violence. Humanitarian aid and basic services must be immediately restored. Hostages must be immediately released.
2. Israel’s actions in Gaza include the indiscriminate bombing of residential areas and refugee camps, forced displacement of civilians, and blockades on electricity, food, fuel and water, which amount to collective punishment. These constitute war crimes and crimes against humanity under international law.
3. The long absence of a meaningful political dialogue and peace process has created a vacuum, which has been filled by those who offer violence as a solution. There is only one way to secure peace between Israel and the Palestinians. That is for a just political settlement based on the end of occupation of the Palestinian territories and the creation of a Palestinian state. A just and lasting peace in the region cannot and will not be brought about through violence, but will only be the result of a political negotiation based on democratic principles, equal rights for all and an end to occupation.
4. As a UN Security Council member, with a particular responsibility due to its historical mandate, the UK must do all in its power to prevent the spread of the conflict to Page 264 neighbouring countries, and press urgently for a new political initiative that addresses the fundamental cause of these latest acts of violence.
5. There can be no place for hate in our city. Bristol must be a safe place for those of all faiths and nationalities. We must support those whose families and loved ones are caught up in this conflict. And as a City of Sanctuary we extend a special welcome to those fleeing war and persecution.

This council resolves:

1. To ask the mayor and party group leaders to write to the UK government demanding that it call for an immediate ceasefire.
2. To call for a renewed peace process to establish a political settlement that guarantees freedom, justice and safety for both Israelis and Palestinians.
3. To work with city partners to ensure safety for our Muslim and Jewish communities, and to be ready to welcome refugees from the Occupied Palestinian Territories.

Motion submitted by: Cllr Barry Parsons, Cllr Mohamed Makawi, Cllr Martin Fodor (Green Party)

Date of submission: 29th February 2023

Energy Crisis and Cost of Living

Full Council notes that:

- We must take action to address the energy crisis and its impact on fuel poverty especially when the energy price cap keeps on rising.
- We must be ready to protect our citizens from this crisis which will plunge people into poverty at no fault of their own.
- We must protect the most vulnerable in our community who may be left out.
- We must support the volunteers and action groups who will offer their help, with a well organised and well-informed action plan.
- That this is a huge problem that needs to be addressed and that having a actionable plan sooner may not be conceivable. However, this problem is not going away.
- There is a strong link between lifting people out of poverty and making real terms cost savings, especially in education, welfare, and criminal justice.
- If you convince people who can afford implementing energy saving actions that are cost neutral, a model to facilitate change is created that can then be funded for lower income homes in the future.

Full council believes that:

- Support for households so far is very welcome - but it simply does not go far enough.
- People are struggling to pay their bills and intervention is needed.
- The support so far has not extended to businesses, schools, and other public institutions such as hospitals and care homes, who will not be able to afford electricity therefore either going under or seeing periods of closures.
- Bristol is fortunate in having the Bristol Energy Network (BEN) which has the skills and expertise to resurrect their approaches around education and support outlined in the resolution.

The Council Resolves to:

1. Work with WECA and the Skills and Carbon Reduction Initiative (under the green recovery fund) to seek funding for a direct-action campaign with the “No Cold Homes” Bristol partnership including Bristol Energy network.
2. Work with BEN and the No Cold Homes partnership (subject to any procurement rules) to support them in delivering their programme of education and ‘DIY’ approach to low cost, impactful measures open to homeowners and tenants. (e.g. draft-proofing, perplex secondary glazing etc).
3. Provide a dedicated tab and a web page on the Cost-of-Living Hub, with regularly updated details of all support available, including details of the Warm / Welcome Spaces Programme
4. Work with Bristol’s energy suppliers to widely advertise the discounts and grants available to fixed or low-income Bristolians.

Notes -

Reference - Warm Home Discount Scheme: Overview - GOV.UK (www.gov.uk)
About Us - Enough is Enough (wesayenough.co.uk)

The warm home discount scheme: if you live in England and Wales, you qualify if you either:

- get the Guarantee Credit element of Pension Credit - known as 'core group 1'
- are on a low income and have high energy costs - known as 'core group 2'

How you apply for the Warm Home Discount Scheme depends on how you qualify for the discount.

Motion to be moved by: Cllr Lisa Stone

Date of submission: 29th February 2023

Standing up for Responsible Tax Conduct

Full Council notes that:

1. The pressure on organisations to pay their fair share of tax has never been stronger.
2. Polling from the Institute for Business Ethics finds that “corporate tax avoidance” has, since 2013, been the clear number one concern of the British public when it comes to business conduct.
3. Almost two thirds of people (64%) agree that the Government and local councils should consider a company’s ethics and how they pay their tax, as well as value for money and quality of service provided, when awarding contracts to companies.
4. Around 17.5% of public contracts in the UK have been won by companies with links to tax havens.
5. It has been conservatively estimated that losses from multinational profit-shifting (just one form of tax avoidance) could be costing the UK some £17bn per annum in lost corporation tax revenues.
6. The Fair Tax Mark offers a means for business to demonstrate good tax conduct, and has been secured by a wide range of businesses across the UK, including FTSE-listed PLCs, co-operatives, social enterprises and large private businesses.

Full Council believes that:

1. Paying tax is often presented as a burden, but it shouldn’t be.
2. Tax enables us to provide services from education, health and social care, to flood defence, roads, policing and defence. It also helps to counter financial inequalities and rebalance distorted economies.
3. As recipients of significant public funding, local authorities should take the lead in the promotion of exemplary tax conduct; be that by ensuring contractors are paying their proper share of tax, or by refusing to go along with offshore tax dodging when buying land and property.
4. Where councils hold substantive stakes in private enterprises, influence should be wielded to ensure that such businesses are exemplars of tax transparency and tax avoidance is shunned.
5. More action is needed, however, as current and proposed new UK procurement law significantly restricts councils’ ability to either penalise poor tax conduct (as exclusion grounds are rarely triggered) or reward good tax conduct, when buying goods or services.
6. UK cities, counties and towns can and should stand up for responsible tax conduct - doing what they can within existing frameworks and pledging to do more given the opportunity, as active supporters of international tax justice.

Full Council resolves to:

1. Approve the Councils for Fair Tax Declaration.
2. Lead by example and demonstrate good practice in our tax conduct, right across our activities.
3. Ensure IR35 is implemented robustly and contract workers pay a fair share of employment taxes.
4. Not use offshore vehicles for the purchase of land and property, especially where this leads to reduced payments of stamp duty.
5. Undertake due diligence to ensure that not-for-profit structures are not being used inappropriately by suppliers as an artificial device to reduce the payment of tax and business rates.
6. Demand clarity on the ultimate beneficial ownership of suppliers UK and overseas and their consolidated profit & loss position, given lack of clarity could be strong indicators of poor financial probity and weak financial standing.
7. Promote Fair Tax Mark certification especially for any business in which we have a significant stake and where corporation tax is due.

8. Support Fair Tax Week events in the area, and celebrate the tax contribution made by responsible businesses are proud to promote responsible tax conduct and pay their fair share of corporation tax.

Support calls for urgent reform of UK procurement law to enable local authorities to better penalise poor tax conduct and reward good tax conduct through their procurement policies.

Motion submitted 29 February 2024

Motion to be moved by: Cllr Tom Renhard

Democracy Motion

This Council notes that the Conservative Government's Elections Act replaced the Supplementary Vote system used to elect Metro Mayors and Police and Crime Commissioners with First Past The Post.

First Past the Post (FPTP) originated when land-owning aristocrats dominated parliament and voting was restricted to property-owning men.

In Europe, only the UK and authoritarian Belarus still use archaic single-round FPTP for general elections. Meanwhile, internationally, Proportional Representation (PR) is used to elect parliaments in more than 80 countries. Those countries tend to be more equal, freer, and greener.

PR ensures all votes count, have equal value, and that those seats won match votes cast. Under PR, MPs, Parliaments, and other bodies better reflect the age, gender mix and protected characteristics of local communities and the nation.

MPs (and other representatives) better reflecting their communities leads to improved decision-making, wider participation, and increased levels of ownership of decisions taken.

PR would also end minority rule. In 2019, 43.6% of the vote produced a government with 56.2% of the seats and 100% of the power. PR also prevents 'wrong winner' elections such as occurred in 1951 and February 1974.

PR is already used to elect the parliaments and assemblies of Scotland, Wales, and Northern Ireland. So why not English Local Government or Westminster?

The Elections Act also brought in compulsory photo ID for people wanting to vote, despite the fact that three and a half million people in this country do not have any photo ID, while those forms of ID that are acceptable have been rigged to disadvantage and deter younger voters.

In contrast the Welsh Senedd passed the Local Government and Elections (Wales) Bill on 21 January this year which delivered the following:

- The right of Local Councils to scrap First Past the Post and instead elect Councillors using the Single Transferable Vote
- Votes at 16 - extending the franchise to 16 and 17 year olds and to all foreign citizens legally resident in Wales.
- Automatic Voter Registration - The bill also paves the way for an overhaul of Wales' outdated and ineffective system of voter registration. The bill could lead to a new system where registration officers can identify people missing from the register and let them know they'll be added.

English voters are already disadvantaged compared to voters in Northern Ireland, where STV has been used to elect Councils for decades, Scotland, where the same move was made in 2007, and now Wales is making the same changes.

This Council agrees to join the campaign by the Electoral Reform Society to demand the same rights for English voters that are already enjoyed by voters in Northern Ireland where STV has been used for years, Scotland, where STV came in for Council elections in 2007 and in Wales where Councils will, inevitably, make the move to fair voting.

This Council also commits to working with other Councils, Core Cities, and others to amend and if necessary repeal the Elections Act in order to:

- Reverse the scrapping of the Supplementary Vote system that ensures more votes count in Metro Mayor and PCC elections;
- Demand the list of acceptable photo ID for voters in the Elections Act is amended so younger and poorer voters are not excluded; including fully funding the cost of providing voter ID cards for voters with no other valid forms of ID
- Allow:
 - English Councils to switch to STV if they so chose
 - Votes at 16 for all UK elections
 - Automatic Voter Registration enabling registration officers to identify people missing from the register and let them know they'll be added.

Finally this Council acknowledges that British democracy is broken and calls on all UK political parties to embrace electoral reform for all elections so everyone can vote for the candidates or parties they truly believe in, safe in the knowledge that their vote will always count. Council therefore resolves to write to H.M. Government calling for a change in our outdated electoral laws to enable Proportional Representation to be used for all UK elections.

Motion submitted 29 February 2024

Proposed by: Cllr Fabian Breckels

Food sustainability motion

This Council notes

- Livestock is responsible for 14% of global greenhouse gases.
- Meat consumption has dropped by 17% in the decade leading up to 2019,
- However, the Government's Food strategy for England recommended cutting meat consumption by a further 30% in a decade.
- As well as reducing meat consumption, work to promote local food growing and reducing food waste is needed to make our food system more sustainable.
- The Labour administration in Bristol is already leading the way on this, as is evident in it being awarded Gold Status for Food Sustainability.

This Council believes:

- We can build on this good work by further encouraging people to make more carbon-friendly food choices.
- Gradual steps are needed if we are to encourage people to take up more sustainable diets and blunt instruments like total bans may cause people to simply not use Council / council-procured catering.

This Council resolves to:

- Explore with Council catering services to offer only plant-based options on one day a week – in a system like 'Meat Free Mondays' Through the One City network, encourage schools, universities, and businesses to do the same.
- Encourage any events on Council-landed, or council-funded events, to offer vegan and vegetarian options.
- Reach out to local schools to encourage them to review their cooking courses to include a wider range of sustainable options and promote plant-based cooking.

Motion submitted 29 February 2024

Proposed by Cllr Katja Hornchen