

Audit Committee Agenda



Date: Monday, 29 January 2024

Time: 2.00 pm

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

Distribution:

Councillors: Andrew Brown (Chair), Fabian Breckels, John Geater, Zoe Goodman, Jonathan Hucker, Guy Poultney, David Wilcox (Vice-Chair), Amirah Cole, Patrick McAllister, Adebola Adebayo and Simon Cookson

Copies to: Simba Muzarurwi (Chief Internal Auditor), Denise Murray (Director - Finance & Section 151 Officer), Nancy Rollason (Head of Legal Services), Husinara Jones (Solicitor), Alison Mullis, Tony Whitlock and Lucy Fleming (Head of Democratic Engagement)

Issued by: Allison Taylor, Democratic Services

City Hall, PO Box 3399, Bristol BS1 9NE

Tel: 0117 92 22237

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

Date: Friday, 19 January 2024



Agenda

1. Welcome, Introductions and Safety Information

(Pages 4 - 6)

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 Previous Meeting

To agree the following minutes as a correct record:-

(Pages 7 - 24)

20 November 2023

Extraordinary Audit Committee 18 December 2023.

5. Action sheet

(Pages 25 - 30)

6. Public Forum

Up to 30 minutes is allowed for this item.

Any member of the public or Councillor may participate in Public Forum. The detailed arrangements for so doing are set out in the Public Information Sheet at the back of this agenda. Public Forum items should be emailed to democratic.services@bristol.gov.uk and please note that the following deadlines will apply in relation to this meeting:-

Questions - Written questions must be received 3 clear working days prior to the meeting. For this meeting, this means that your question(s) must be received in this office at the latest by 5 pm on **24 January 2024**.

Petitions and Statements - Petitions and statements must be received on the working day prior to the meeting. For this meeting this means that your



submission must be received in this office at the latest by 12.00 noon on **26 January 2024**.

Members of the press and public who plan to attend a public meeting at City Hall 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**.

7. Work Programme

To note the work programme.

(Pages 31 - 33)

8. External Audit Plan for year ending 31 March 2023

(Pages 34 - 66)

9. Procurement Compliance Update

(Pages 67 - 71)

10. Update on the Council's Debt and Arrears Position

(Pages 72 - 98)

11. Internal Audit Update Report

(Pages 99 - 107)

12. Risk Management: Corporate Risk Report (Q3) - To follow

13. Property Management Programme Update

(Pages 108 - 116)

14. Temporary Accommodation Programme Update

(Pages 117 - 123)

15. Children and Families Transformation Programme Update

(Pages 124 - 143)



Public Information Sheet

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

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

Attendance at Public meetings

Public meetings including Cabinet, Full Council, regulatory meetings (where planning and licensing decisions are made) and scrutiny are held at City Hall.

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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.

COVID-19 Safety 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

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.

Public Forum

Members of the public may make a written statement ask a question or present a petition to most meetings. Your statement or question will be sent to the Committee Members and will be published on the Council's website before the meeting. Please send it to democratic.services@bristol.gov.uk.

The following requirements apply:



- The statement is received no later than **12.00 noon on the working day before the meeting** and is about a matter which is the responsibility of the committee concerned.
- The question is received no later than **5pm three clear working days before the meeting.**

Any statement submitted should be no longer than one side of A4 paper. If the statement is longer than this, then for reasons of cost, it may be that only the first sheet will be copied and made available at the meeting. For copyright reasons, we are unable to reproduce or publish newspaper or magazine articles that may be attached to statements.

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. Other committee papers may be placed on the council's website and information within them may be searchable on the internet.

During the meeting:

- Public Forum is normally one of the first items on the agenda, although statements and petitions that relate to specific items on the agenda may be taken just before the item concerned.
- There will be no debate on statements or petitions.
- The Chair 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.
- Your time allocation may have to be strictly limited if there are a lot of submissions. **This may be as short as one minute.**
- If there are a large number of submissions on one matter a representative may be requested to speak on the groups behalf.
- 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.
- Under our security arrangements, please note that members of the public (and bags) may be searched. This may apply in the interests of helping to ensure a safe meeting environment for all attending.
- 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.

For further information about procedure rules please refer to our Constitution

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



Webcasting/ Recording of meetings

Members of the public attending meetings or taking part in Public forum are advised that all Full Council and Cabinet meetings and some other committee meetings are now filmed for live or subsequent broadcast via the council's [webcasting pages](#). The whole of the meeting is filmed (except where there are confidential or exempt items). If you ask a question or make a representation, then you are likely to be filmed and will be deemed to have given your consent to this. If you do not wish to be filmed you need to make yourself known to the webcasting staff. However, the Openness of Local Government Bodies Regulations 2014 now means that persons attending meetings may take photographs, film and audio record the proceedings and report on the meeting (Oral commentary is not permitted during the meeting as it would be disruptive). Members of the public should therefore be aware that they may be filmed by others attending and that is not within the council's control.

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 Audit Committee

20 November 2023 at 2pm



Members Present:-

Councillors: Andrew Brown – Chair, David Wilcox – Vice-Chair Elect, Fabian Breckels, John Geater, Zoe Goodman, Jonathan Hucker, Patrick McAllister

Independent Members of the Committee: Simon Cookson

Councillors Gollop, Fodor & Hopkins – Resources Scrutiny Members attended for Items 19 & 20.
Councillor Townsend -People Scrutiny Chair attended for Items 19 & 20.

Officers in Attendance:-

Denise Murray – Director of Finance, Simba Muzarurwi – Chief Internal Auditor, Alison Mullis – Deputy Chief Internal Auditor, Richard Young – Head of Strategic Finance, Tony Whitlock – Finance Business Partner, Allison Taylor – Democratic Services

Also in attendance:-

Joachim Adenusi – Risk & Insurance Senior Officer, Phil Eames – Audit Manager, Louise Lee – Audit Manager, Mette Jakobsen – Director Adult Social Care, Fiona Tudge – Director Children & Families, Niotia Ferguson – Head of Procurement & Contract Management, Matthew King – Governance & Performance Manager, Thomas Jarvis – Programme Manager - Education, Gary May – Strategic Programme Lead - Education.

1 Welcome, Introductions and Safety Information

The Chair welcomed all parties to the meeting and in particular welcomed Councillor Patrick McAllister as a new member of the Committee as Councillor Tony Dyer had stood down. He wished to place on record his thanks to Councillor Dyer for his help and support during his time on the Committee. The Chair also welcomed Councillor David Wilcox who was Vice Chair nominated and to be confirmed at the next Full Council. The Committee noted the emergency evacuation procedure for the Council Chamber if required.

2 Apologies for absence.

Apologies for absence were received from Councillor Cole and Adebola Adebayo.



3 Declarations of Interest.

There were none.

4 Minutes of Previous Meeting.

RESOLVED – that the minutes of 25 September 2023 be approved as a correct record .

5 Action Sheet.

The Chair referred to Action 1 and clarified that the risks should be rated by the highest rated risk first then descending.

6. Public Forum

The statements were noted.

7. Work Programme

The Committee noted the Work Programme for future meetings.

8. 21/22 External Audit - Grant Thornton verbal update.

The GT representative informed the Committee that the outstanding information requested had now been received and there was now one financial instrument matter to deal with. It was anticipated that the audit would be completed in the next couple of weeks.

Resolved – That the verbal update be noted.

9. Treasury Management Mid-Year Report.

The report was summarized for the benefit of the Committee and the following points arose from discussion:-

1. It was agreed to clarify as an action why the expected borrowing for the next 5 years had risen from £608M to £641M;
2. The Bristol Beacon was funded by the Capital Programme for which there would be a detailed breakdown at the end of the financial year; It was also noted the funding came from a number of sources;
3. There was an increase in the Net debt from the September 2023 to March 2024 due as some income streams would be received in advance and debt was needed to support the funding of the Capital programme. It was noted that the rate was missing from a cell but was 4.72%
4. The HRA Business Plan was being reviewed as part of the budget process in light of Barton House.
5. In relation to Para. 23, in terms of assurance, it was reported that it was necessary to carry out an assessment on the effective timing of borrowing.
6. In relation to Para. 31 it was confirmed that the HRA funding within the Capital Programme had reduced.



Resolved – That the Treasury Management Mid-Year Report be noted.

10. Q2 2023/24 Corporate Risk Report Update.

The report was summarized for the benefit of the Committee and the following points arose from discussion:-

1. The Chair informed the Committee that the Risk Owner of CRR12 had been unable to attend the Committee as she was still dealing with the Barton Hill as a live incident. It was agreed to submit written questions to the Clerk who would forward on for written responses from the Head of Service which would be shared with the Committee;
2. With respect to CRR25 and likelihood of progressing the risk earlier than 2028 it was agreed to feedback via the Action Sheet;
3. It was reported that some risks were overarching and that DSG fell into CRR15 & CRR13. The service risk registers held the detailed plans for DSG;
4. An update on mitigation actions was requested in respect of CRR27;
5. It was noted that Barton House would feed into mitigation measures and risk CRR52;
6. It was noted that the summary table 4x4 grid was confusing and this would be addressed as an officer action.

Resolved – That the Q2 2023/24 Corporate Risk Report update be noted.

11. Internal Audit Half Year Report 2023/24.

The Director Children & Families & the Director Adult Social Care were in attendance for Transition from Children to Adults IA review – (Appendix 2) and summarised as follows:-

1. Issues with transition had been acknowledged by senior management and a project had already been initiated to review and improve upon the existing transition arrangements. The findings of the audit would inform the development of the project;
2. The IA provided limited assurance and raised four high priority and medium priority weaknesses;
3. The first immediate action was to join the 2 existing teams together into a Young Adults Transition Service and additional resources was brought into the teams;
4. 80% of audit actions had been completed;
5. Other LA's had been looked at for benchmarking purposes as it was important to improve the service with good evidence.

The following points arose from discussion:-

1. It was agreed to provide the Committee, via the Action Sheet, with greater detail on the numbers of young people who might need support to transition;
2. Young people would be identified from the age of 14 and would be monitored by the team all the time;
3. As the IA review was limited assurance it would be subject to a detailed follow up in Q1 next year and outcomes would be reported to the Audit Committee in the normal way;
4. There were multiple reasons for the failings and the service had been systematically fractured;
5. There was a request for members to have access to Power PI dashboard and the CIA agreed to take this request away and report back;



6. The number of actions to address the limited assurance opinion was acknowledged and positive outcomes were anticipated.

Resolved –

1. That the planned follow up work of the Internal Audit Service during the first half of the 2024/25 financial year be noted;
2. That the Audit Committee be assured on actions taken to complete the agreed priorities for the rest of the year.

12. Counter Fraud Update.

The report was summarized for the benefit of the Committee and the following points arose from discussion:-

1. It was noted that procurement and direct payments are areas of significant fraud risk but fraud is always difficult to prov. While every case of suspected fraud is investigated the council's approach is to prevent the fraud from happening in the first place. Work is ongoing with management to complete risk assessments across all the areas of the business where there is a significant risk of fraud.
2. The responsibility for managing fraud risks in contracts rests with the commissioning managers who should undertake necessary due diligence to ensure that they are paying for what they have commissioned and received.
3. It was confirmed that relevant training was given to all BCC officers who commissioned services.

Resolved - That the Half Year Fraud report for the 2023/24 financial year be noted.

13. Audit Committee's Half Yearly report to Full Council 2023/24 (draft)

The report was summarized for the benefit of the Committee and the following points arose from discussion:-

1. The Chair reported that a clause had been added thanking Councillor Dyer for his work on this Committee as Vice-Chair.

Resolved - That the Audit Committee's Half Yearly report to Full Council be approved.

14. Internal Audit Quality Assurance Improvement Programme.

The report was summarized for the benefit of the Committee and the following points arose from discussion:-

1. From an assurance perspective this was an important paper and was welcomed;
2. The CIA confirmed that there were 12 FTE's in the team and he was comfortable with the resources available.

Resolved – That the following be approved:-



- (i) the Internal Audit Quality Assurance and Improvement Programme (QAIP) – Appendix 1;**
- (ii) the Internal Audit Charter – Appendix 2; and**
- (iii) the Internal Audit Strategy – Appendix 3.**

15. Internal Audit 2023/24 Q4 Priorities.

The report was summarized for the benefit of the Committee and the following points arose from discussion:-

1. It was noted that Emergency Planning was on the programme and it was welcomed that Disclosures team including Subject Access Requests processes had been included.

Resolved – That the proposed Quarter (Q) 4 priorities for 2023/24 be approved.

16. Procurement Compliance Update.

The report was summarized for the benefit of the Committee and the following points arose from discussion:-

1. It was confirmed that the 342 breaches was a cumulative figure for Q3 & Q4.

Resolved - That the data on procurement breaches and the actions underway to improve procurement compliance be noted.

17. DSG Deficit Reduction Programme.

The report was summarized for the benefit of the Committee and the following points arose from discussion:-

1. The subject had previously been to Cabinet though members were disappointed to note that it had not been scheduled on the Forward Plan despite it being an annual decision;
2. There was a shortfall of 400 places for EHCP requirements. There had not previously been sufficiency planning so this was now being picked up so that needs could be met without over supplying at a cost to BCC;
3. It was agreed to provide outside of the meeting the current number of existing specialist provision places;
4. The Director Finance reported that there would be a forecast trajectory for the next 5/10 years and the demand would be worked through. Provision would be created so that need is met within the Local Authority area where appropriate .
5. 200 pupils with EHCP's were in independent & maintained schools and 193 children were still waiting for an EHCP place and for these the development of alternative learning provision was being considered. A key strategy was for need to be identified earlier and appropriate measures put in place to prevent escalation of need where possible – early years was a key time for early intervention and prevention. There would also be support for families to support their child;
6. It was acknowledged that relationships had previously broken down but work was taking place to engage with schools and the Parent/Carers Forum and relationships are improving. Best practice from other LA's would be reviewed and the outcome of a consultation would be shared widely and come to Cabinet in early 2024 for a key decision. A project was underway regarding how schools worked with



parents and the learning would be shared in the future. A key, wide-reaching cultural change is required to achieve inclusivity across the system, the Council and stakeholders will work together to solve the issues and not just BCC;

7. A Councillor noted the positive things taking place but had no real sense that the service was turning a corner. If it was so easy to increase the number of places and reduce costs why had it not been done before and what were the implications if it did not work. He also could not get a sense of the contingent risk to BCC and financial impact on BCC and Council tax. He needed much greater reassurance;
8. The Director Finance responded that all the information was not found in one report. 5.2 showed the extrapolations for how bad it could get and the blue line showed the mitigations. The proposals that bridged the gap could be found in the Schools Forum reports;
9. Officers were confident in the plans and financials behind them though it was noted that area of EHCP could not be fixed and isolation from other dependent elements. The savings had been reviewed over the year and they continued to be reflected on and were considered to be realistic;
10. A Councillor reported that the report considered at the Schools Forum in September 23 was not in the public domain and she was taking the matter up with the MO. It was not known whether by law any decisions were required by the Cabinet member for Children's Services;
11. It was noted that there had been some delays in providing 288 additional special needs places due to the complexity of some of the projects;
12. The Director Finance reported that it was not possible to predetermine the outcome regarding the statutory override as there were lots of variables and assumptions. There would be a deficit even if all plans came to fruition and there was a positive trajectory and decisions had been based on that. It was not possible to know the position at the end of 2027 when the statutory override ended.

Resolved - That the progress made on the DSG Deficit Reduction Programme be noted.

18. Exclusion of Press and Public

That under s.100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item(s) of business on the grounds that it (they) involve(s) the likely disclosure of exempt information as defined in paragraph(s) 3 (respectively) of Part 1 of schedule 12A of the Act.

19. DSG Deficit Reduction Programme.

The Committee was briefed on matters in an exempt session.

20 Date of Next Meeting

The next meeting is scheduled to be held on 29 January 2024 at 2pm.

The meeting ended at 5.10pm

CHAIR _____











Minutes of the Extraordinary Audit Committee

18 December 2023 at 2pm



Members Present:-

Councillors: David Wilcox – Vice-Chair, John Geater, Zoe Goodman, Jonathan Hucker, Patrick McAllister, Guy Poultney

Independent Members of the Committee: Adebola Adebayo

Officers in Attendance:-

Denise Murray – Director Finance, Simba Muzarurwi – Chief Internal Auditor, Tim O’Gara – Director Legal & Democratic Services, Lucy Fleming – Head of Democratic Engagement, Allison Taylor – Democratic Services

1 Welcome, Introductions and Safety Information

The Chair welcomed all parties to the meeting. The Committee noted the emergency evacuation procedure for the Council Chamber if required.

2 Apologies for absence.

Apologies for absence were received from Councillors Cole, Brown & Breckels and from Simon Cookson.

3 Declarations of Interest.

There were none.

4 Public Forum

There was none.



5. Constitution for Committee Model.

The Director Legal & Democratic Services summarized the report as follows:-

1. The report was before the Audit Committee as per the agreed decision pathway before it was considered at Full Council;
2. There were a few recommendations of the CMWG which had not yet been considered at Full Council, in particular the proposals relating to local decision making which were included in the report;
3. Some parts of the Constitution had not been reviewed and were not before the Committee, for example the Financial & Procurement Regulations & Planning and Licensing Codes of Conduct. Some minor amendment may need to be made via officer delegation to these parts of the Constitution in due course;
4. There remained a few inconsistencies and typos in the current draft and these would be corrected in the final drafting.

The following points arose from general comments on the draft Constitution:-

1. The Lead Officers from the CMWG were thanked for all their hard work and the previous Chair, current Chair and Vice-Chair were thanked for their leadership. The draft was welcomed and struck the right balance;
2. It was confirmed that it was the Audit Committee's role to provide assurance that what was proposed addressed the needs of the Council and aligned with expectations;
3. Procurement rules would require refreshing in light of the new act going through Parliament;
4. It was not anticipated that the emergency decision making procedures would be used other than in exceptional circumstances but they were included as a practical way of ensuring robust decision-making on a day to day basis;
5. There was no stand-alone Scrutiny function but if the Council decided it did want this function the 2012 Regulations sets out the arrangements needed. Health scrutiny stood alone and flood risk management and crime and disorder would sit with the relevant Policy Committees;
6. Policy development work would take place through Task & Finish groups, with the option for Policy Committees to also hold Inquiry Days;
7. It was not anticipated that there would be an increase in the workload of either the Values & Ethics Sub-Committee or the Audit Committee.
8. Cabinet and Scrutiny had been replaced with Policy Committees and the same safeguards and checks and balances were built into the new arrangements.
9. It was emphasized that it was not the role of the Audit Committee to undertake the scrutiny function;
10. A new Code of Corporate Governance would be required in 2024;
11. There would be Forward Plans for each Policy Committee and an Escalation Panel would ensure that there were checks and balances on decisions;
12. There would be much greater use of Agenda setting meetings for Policy Committees in order to promote effective cross-party decision making. It was observed that there should be less need for a scrutiny function if cross-party decision making worked effectively because scrutiny of proposed decisions would take place within the Policy Committees;
13. The membership of an Escalation Panel would not include any members of the relevant Policy Committee who had participated in the decision that was being reviewed by the Panel;
14. The Strategy & Resources Committee was not a review Committee and would not have the Chairs of other Policy Committees as members. It had its own discreet ToR.



The following points arose from discussion of each Article of the Constitution:-

1. **Article 1** - It was agreed to delete Number 6 of Para A1.02 and to reference the Escalation Panel in Number 5;
2. **Article 4** – It was noted that changes to BCC budget framework would be required and this was included in the report;

At this point, Adebola Adebayo left the meeting.

3. **Article 14** – Discussion took place regarding Forward Plans for the Policy Committees and the need to be transparent with the decision-making process and how this could create a tension with short-notice decision making. It was anticipated that Forward Plans would be treated in the same way as current Work Programmes for scrutiny and that there would be 6-monthly workshops to look at Forward Plans. The minutes of Chair’s briefings would also be sent to all members of the relevant Policy Committee;
4. **Article 16** – It was noted that the new governance arrangements would be formally reviewed in 6/9 months-time and it was anticipated that the CMWG would be stood up again at that point to oversee the review;
5. **Part 3.2** – Non-Executive Directors were appointed by the Shareholder as a Reserved Matter and this responsibility would be discharged by the Head of Paid Service in consultation with the Chair of Strategy & Resources Policy Committee;
6. **Para 3.2** - Discussion took place regarding the members of the Audit Committee being independent and therefore not sitting on a Policy Committee or Escalation Panel. The Director Finance stated that it was a matter of what was practically deliverable whilst maintaining maximum independence and having regard to public perception. It was agreed to amend the ToR of the Audit Committee so that the Leader & Deputy Leader of the Council and Chair and Vice-Chair of Policy Committees could not sit on Audit Committee;
7. **Part 3.5** – ToR of Area Committees amend to ‘shall’ be petition debate;
8. **Part 4.1** – CPR9.4 – there was some concern that there were now 3 questions instead of 2 as Public Forum was time limited and responses often took some time;
9. **Part 4.1** – CPR17.1 – To be amended in light of equalities legislation on standing up;
10. **Part 4.5** – CMR12.1 – remove brackets in first sentence and add ‘after the meeting’ before ‘cannot be moved unless’;
11. Throughout the Constitution it was agreed to review abbreviations and cross-referencing for consistency and delete obsolete references which relate to executive functions.

Based on the comments above the following matters would be reported to Full council



Part of Constitution	Comments from Audit Committee
Article 1.02	In the Articles of the Constitution delete point (6) and update point (5) as follows: to keep the implementation of decisions and the operational effectiveness of service areas under review.
Part 3.2	In the Terms of Reference for the Audit Committee, the Leader, Deputy Leader, Chairs and Vice-chairs of Policy Committees should not sit on the Audit Committee.
Part 3.5	In the Terms of Reference for Area Committees, where a petition has 200 signatures or more it will trigger a petition debate at the Area Committee.
Part 4.1	In the Council Procedure Rules, the requirement to stand to address Full Council shall be updated to comply with equalities legislation.
General comment	Delete obsolete references throughout the Constitution which relate to executive functions.
General comment	Abbreviations to be reviewed and corrected where required to ensure consistency throughout the Constitution.
General comment	Cross-referencing to be reviewed and corrected where required to ensure consistency throughout the Constitution.

The Chair asked if there were any other matters the Committee wished to raise and the following points arose from discussion:-

1. A Councillor was concerned that the current draft weakened the role of Scrutiny and lost accountability for decision making. He was assured that arrangements in place would provide a more collaborative approach and that scrutiny would take place during the decision-making process and it was a matter of embedding the new ways of working. It was also agreed to update point 5 of Article A1.02 with ‘and to keep the implementation of decisions and operational effectiveness of service areas under review’ and to delete point 6.

With no further matters for discussion it was:-

Resolved – That subject to the amendments agreed above the Constitution be recommended to Full Council for adoption from May 2024.

The meeting ended at 5.20pm.

CHAIR _____











Audit Committee Action Sheet – 20 November 2023

Action number	Item/report	Action	Responsible officer(s)	Action taken / progress
1	9 – Treasury Management Mid-year report 23/24	Expected borrowing for next 5 years was £608m and now states £641m – explanation for increase in figures.	Jon Clayton	<p>The expected borrowing is different as it covers different financial periods, as detailed below.</p> <p>The expected borrowing over the MTFP of £608m refers to the Treasury Management Outturn report for 22/23 that looks back over the past 12 months relating to the planned borrowing need as set out in the Treasury Management Strategy for 22/23 – 27/28).</p> <p>The £641m refers to the Treasury Management Mid-Year report, that looks back over the past 6 months for 23/24 relating to the planned borrowing need as set out in the Treasury Management Strategy for 23/24 – 28/29.</p>
2	10 – Q2 Corporate Risk Report	To correct the grids in 4x4 summary.	Joachim Adenusi	We have reviewed all the risk grids and made corrections in alignment with our 4X4 risk matrix summary.

3	10 – Q2 Corporate Risk Report	To provide an update on mitigation measures for CRR27	Joachim Adenusi	<p>The Capital Transport Programme (CPTP) is an ongoing piece of work initiated by G&R director to look at delivery of capital projects across G&R. The programme is part way through the process and once completed, the actions implemented will deliver improvements expected. Hence, the mitigation currently showing it as 50% complete.</p> <p>The health check reviews were carried out as part of the CPTP as well as through a WECA process, feedback is nearly completed, thus, this should move the mitigation to 100% by the next risk update. Also, a proposal for restructuring and recruitment has been put forward for senior management to review, hence rate of 10% completion, while waiting for their feedback.</p>
4	10 – Q2 Corporate Risk Report	CRR25 – likeliness of progressing the risk earlier than 2028.	Joachim Adenusi	<p>The Channel Shift project is part of the Digital Transformation Programme (DTP). Work is being undertaken on the Full Business Case (FBC) which will be presented to the DTP in April 2024. Workshops are taking place to identify opportunities for channel shift initially focussing on services delivered through Citizen Services. The FBC will then put forward solutions.</p> <p>Please note, telephone support through the contact centre and face to face support through the Citizen Service Point will continue for those citizens that require the support.</p>
5	10 – Q2 Corporate Risk Report	Members to send written questions in relation to CRR12 to Clerk who will collate responses from HoS for circulation to Committee	Allison Taylor	Officer responses circulated to members 19/12

6	11 – IA Half year report 23/24	To provide a figure for the number of young people who had ‘fallen through the cracks’	Fiona Tudge	Please see attached Appendix 1 – circulated to members 2/1
7	11 – IA Half year report 23/24	Member request for access to Power BI Dashboard	Simba Muzarurwi	It would be inappropriate to do so as this is a management tool although the Committee can be given all the information they need to enable them to undertake their role.
8	18 – DSG Deficit Reduction Programme	How many existing specialist provision places were there	Gary May/Thomas Jarvis	Please see attached Appendix 2– circulated to members 20/12
9	18 – DSG Deficit Reduction Programme	To provide a breakdown of current position for delivering additional specialist school places before September 24	Gary May/Thomas Jarvis	Please see attached Appendix 2 – circulated to members 20/12

There is no evidence for anyone having “fallen through the cracks”. Education, Children’s Social Care and Adults Social Care colleagues have now reviewed all people they think may need Transitions support and the table below shows where the young people are currently supported.

Following the audit last year, Bristol City Council has carried out a full review of all the young people who may require transitions support and is confident that all of those identified are known and in safe provisions or allocated to practitioners in either Education Services, Children’s Social Care or Adults Social Care. This will depend on the young person’s circumstances and current provision.

Internal audit noted that not all assessments were completed in a timely way – the gap in data that led to some assessments being delayed has now been resolved and current changes to internal processes are supporting improvements to timely and outcome focused assessments.

These young people were in educational placements with wrap around support, some of these people will have had engagement in younger years with an early transitions assessment and been supported through practitioner engagement with their EHCP review.

Young people will often reach higher benefits with a later care act assessment, if they are in educational placements through to 19 or older and these are planned to be delivered at the right time for the person. The Transitions Service is aware of all the young people with complex needs and works with colleagues in schools, education, and social care to ensure they are supported through to assessment at the best time. Some young people will need transition to adult services, and some won’t – they are not falling through the gap – but moving into independent living without the need for social care in adulthood. The Transitions Service makes sure they are prioritising the right young people at the right time, which is determined through close working with colleagues in other services.

Below is a table showing the number of 16–19-year-olds in the cohort list

Age	This column shows the number of young people in Education Services with EHCPs and in Transitions services	This column shows the number of young people in Children’s Social Care and in Transitions Services	This column shows the number of young people who are in supported services and not yet engaged with Transitions Services
16	104	116	44
17	90	171	56
18	75	161	22
19	71	121	17
Total	340	569	139

The far right column on the table above is a summary of the number of young people who may need support to transition to adulthood but have not yet had transitions team service involvement to date, however the work to encourage independence is included in their EHCP or Social Work plans and communication around cases happens between the practitioners in different services to ensure the right actions are being taken for young people. For these people the Transitions Service will carry out further care act assessment work, when the young person is closer to the completion of service and achievement of objectives, to enable them to plan for the services needed to continue their support into adulthood. As noted above some of them are in specialist education schools, such as

Knowle Academy, where they will not be ready for transition work until they are approaching 19/20 year olds. Other young people who are looked after children will be supported by the Through Care Service and will have an allocated practitioner until 21 years old.

However, we recognise the feedback on the young people not being on outcomes at an early enough stage and are working on changing processes and systems recording to ensure improved communication and timely work with the young person is prioritised.

Here is the detail of the current special school places in Bristol.

- Special schools are maintained or academy.
- NMSS is Non-Maintained Special Schools.
- PRU - Pupil Referral Units
- AP - Alternative Provision
- EOTAS - Educated Other than at School – this is usually home schooling places for children with an Education Health and Care Plan (EHCP)

Type of Provision/Placement	2023-24
Special Schools	1,373
NMSS or independent	245
Resourced or SEN Units	318
Hospital schools or AP/PRU	276
EOTAS/Direct Payments	68
TOTAL	5,456

Here is the new provision which has come on line since 2021, and those that will be coming on line up until September 2024

Setting	Number of Places	Need Type	Key Stage	Delivery Date
Venturers'	50	ASC	EYFS/KS1	September 2021
Shirehampton RB	16 (12 HN returned)	SEMH	KS1/2	November 2021
Easton Leap/EIB Learn@ (now located at Soundwell)	8	SEMH	KS1/2	September 2021
Compass Point Phase 1	8	ASC	KS2	September 2021
Compass Point Phase 2	16	ASC	KS1	November 2022
Fishponds Primary	8	MLD/ASC/SEMH	KS1/2	September 2022
May Park Primary	24	ASC/SLCN	KS1/2	January 2023
Glenfrome Primary	12	ASC	KS1/2	April 2023
Briarwood Library	0	PMLD	KS2-4	September 2022
Chester Park Refurbishment	0	ASC/SEMH	KS1	January 2021
Total	142			

Setting	Number of Places	Need Type	Key Stage	Delivery Date
Venturers' Kingfisher (repurposing CC)	20	ASC	KS3	September 2022
Broomhill Juniors	16	SEMH/ASC	KS1-KS2	September 2024
St. Anne's Infants School	24	ASC/SEMH	EYFS-KS1	January 2024
North Star 82 Stable Block	0 (0 additional places as numbers already returned to ESFA)	ASC	KS1-2	March 2024

Sefton Park	12	ASC/SLCN Trauma Informed	KS1-2	January 2024
Easton	12	ASC/SLCN	KS1-2	January 2024
Harry Crook Centre	18	SEMH	KS3-4	September 2024
Oasis Long Cross	14	PMLD/SLD	KS2	September 2024
Oasis New Oak	14	ASC	KS1-2	September 2024
Throgmorton House	0	PMLD	KS1-4	February 2024
Total	130			

**AUDIT COMMITTEE
WORK PROGRAMME 2023/24**

Meeting Date	Assurance Source	Report Details	Routine Work Programme/ Other?	ToR Ref	Officer Providing Report
30-May-23 2:00PM	External Audit	Auditors' Annual Report for 2021/22 and 2022/23	Routine	1.8/1.9	Grant Thornton
	Internal Audit	Internal Audit Annual Report 2022/23	Routine	1.4	Chief Internal Auditor
		Annual Fraud Report 2022/23	Routine	2.4/2.10	Chief Internal Auditor
		Draft Annual Governance Statement 2022/23	Routine	2.5/4.4	Chief Internal Auditor and Director - Finance
		Internal Audit Plan - Quarter 2 2023/24	Routine	1.2	Chief Internal Auditor
	Finance:	Draft Statement of Accounts 2022/22	Routine	3.1	Director - Finance
Update on 2021/22 Annual Governance Statement Issues		Routine	3.1	Director - Finance	
Risk & Insurance	Corporate Risk Report (Q4)	Routine	4.1/4.3	Risk & Insurance Manager	
	SIRO Assurance Report	Routine	4.1/4.3	Director of Legal and Democratic Services (SIRO)	
Other	Audit Committee Terms of Reference	Routine	-	Director of Legal and Democratic Services	
Jul-23	External Audit	Auditors' Annual Report for 2021/22 and 2022/23	Routine	1.8/1.9	Grant Thornton
	Internal Audit	Internal Audit Activity Report	Routine	1.5/1.6/1.7	Chief Internal Auditor
		Audit Committee Annual Report to Full Council (Draft)	Routine	5.1	Chief Internal Auditor
Finance	Debt Write Off Report	New - Routine		Director - Finance	
Sep-23 2:00 PM	External Audit:	External Audit Progress Report	Routine	1.8/1.9	Grant Thornton
	Finance:	Treasury Management - Annual Report	Routine	3.3	Director - Finance
		Final Statement of Accounts and AGS	Routine	3.1/2.5	
	Internal Audit	Internal Audit Activity Report	Routine	1.5/1.6/1.7	Chief Internal Auditor
		Internal Audit Plan - Quarter 3 2023/24	Routine	1.2	Chief Internal Auditor
	Risk Management:	Risk Management Annual Report	Routine	4.1/4.3	Risk and Insurance Manager.
Review of Specific Corporate Risk - CRR13		Routine	4.1/4.3	Director of Finance	
Corporate Risk Report (Q2)		Routine	4.1/4.3	Risk and Insurance Manager	
Customer Relations	Annual Report of Local Government and Social Care Ombudsman Decisions	Routine	1.12	Customer Relations Manager	

Meeting Date	Assurance Source	Report Details	Routine Work Programme/ Other?	ToR Ref	Officer Providing Report
	Other	Governance of Council Companies Bristol Waste Limited - Audit and Risk Committee Assurance Goram Homes - Audit and Risk Committee Assurance	Routine Routine Routine	2.5/4.4 4.4 4.4	Shareholder Liaison Manager Bristol Waste Limited Goram Homes
		Digital Transformation Programme Update	Routine	4.1/4.3	Director: Policy, Strategy and Digital
20 November 2023 2:00 PM	External Audit:	External Audit Findings Report for 2022/23	Routine	1.8/1.9/3.2	Grant Thornton
	Finance:	Treasury Management Mid-Year Report Procurement Breaches Report	Routine Routine	3.3	Director - Finance Director - Finance
	Risk Management	Corporate Risk Report (Q2)	Routine	4.1/4.3	Risk and Insurance Manager
	Internal Audit:	Internal Audit Half Year Update Counter Fraud Half Year Update Report Audit Committee Half Year Report to Full Council (Draft) Internal Audit Quality Assurance and Improvement Plan, Charter and Strategy Internal Audit Plan - Quarter 4 2023/24	Routine Routine Routine Routine Routine	1.5/1.6/1.7 2.4./2.10 5.1 1.1/1.6 1.2	Chief Internal Auditor Chief Internal Auditor Chief Internal Auditor Chief Internal Auditor Chief Internal Auditor
	Other	Update of SEND and DSG Improvement Plans	Routine	4.1/4.3	Executive Director Children and Education
29-Jan-24	External Audit:	External Audit Plan for 2023/24	Routine	1.8/1.9/3.2	Grant Thornton
	Finance	Procurement Breaches Report Debt and Arrears Report	Routine Routine		Director - Finance Director - Finance
	Internal Audit:	Internal Audit Update Report	Routine	1.5/1.6/1.7	Chief Internal Auditor
	Risk Management:	Corporate Risk Report (Q3) Review of Specific Corporate Risk	Routine Routine	4.1/4.3 4.1/4.3	Risk and Insurance Manager Risk Manager / Risk Owner
	Other	Property Management Programme Update Temporary Accommodation Programme Update Children and Families Transformation Programme Update			Director: Property Assets & Infrastructure Director Housing and Landlord Services Executive Director Children and Education
Mar-23 3:00 PM	External Audit:	External Audit Plan for 2023/24	Routine	1.8/1.9/3.2	Grant Thornton
	Finance	Procurement Breaches Report	Routine		Director - Finance
	Internal Audit:	Draft Internal Audit Annual Plan 2024/25 Annual Whistleblowing Update	Routine Routine	1.2 2.4	Chief Internal Auditor Chief Internal Auditor
	Legal:	Code of Corporate Governance	Routine	2.6	Director: Legal& Democratic Services

Meeting Date	Assurance Source	Report Details	Routine Work Programme/ Other?	ToR Ref	Officer Providing Report
	Other Corporate:	Adult Social Care Transformation Programme Update AGS 2022/23 - Actions Tracking Update External Inspections Update	Routine Routine	2.5/4.4/1.7 4.4	Executive Director: Adults and Communities Director: Finance Head of Executive Office

Audit Committee

29 January 2024



Report of: Grant Thornton UK LLP

Title: External Audit Plan for year ending 31 March 2023

Ward: N/A

Member Presenting Report: Grant Thornton UK LLP

Recommendation

To note the External Audit plan for 2022-23

Summary

Attached is the external audit plan for the year ending 31 March 2023 provided by the Council's external auditors Grant Thornton LLP. The document provides an overview of the planned scope and timing of the statutory audit of Bristol City Council for those charged with governance (the Audit Committee).



Policy

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

Consultation

1. **Internal**
Director of Finance
2. **External**
None

Proposal

3. **None**

Other Options Considered

4. **None**

Risk Assessment

5. **None** necessary for this report

Summary of Equalities Impact of the Proposed Decision

6. **None** necessary for this report

Legal and Resource Implications

Legal

None arising from this report

Financial

(a) Revenue

None arising from this report

(b) Capital

None arising from this report

Land

None arising from this report

Personnel

None arising from this report

Appendices:

Grant Thornton's External Audit Plan

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

None

Bristol City Council audit plan

Year ending 31 March 2023

Bristol City Council
8 January 2024

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Contents



Your key Grant Thornton team members are:

Barrie Morris

Key Audit Partner

T 0117 305 7708

E barrie.morris@uk.gt.com

Beth Bowers

Director

T 0117 305 7726

E beth.ac.bowers@uk.gt.com

Chrissa Viente

Assistant Manager

T 0117 305 7600

E Chrissa.Viente@uk.gt.com

Section	Page	
Key matters	3	The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Council or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. 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.
Introduction and headlines	X	
Significant risks identified	X	
Group audit scope and risk assessment	X	
Other matters	X	
Our approach to materiality	X	
IT Audit Strategy	X	
Value for Money Arrangements	X	
Risks of significant VFM weaknesses	X	
Audit logistics and team	X	
Audit fees	X	
Independence and non-audit services	X	
Communication of audit matters with those charged with governance	X	

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Key matters



National context

For the general population, rising inflation rates, in particular for critical commodities such as energy, food and fuel, is pushing many households into poverty and financial hardship, including those in employment. At a national government level, recent political changes have seen an emphasis on controls on spending, which in turn is placing pressure on public services to manage within limited budgets.

Local Government funding continues to be stretched with increasing cost pressures due to the cost of living crisis, including higher energy costs, increasing pay demands, higher agency costs in social care as well as other service areas and increases in supplies and services. Local authority front-line services play a vital role in protecting residents from rising costs; preventing the most vulnerable from falling into poverty and helping to build households long-term financial resilience. At a local level, councils are also essential in driving strong and inclusive local economies, through their economic development functions and measures like increasing the supply of affordable housing, integrating skills and employment provision, and prioritising vulnerable households to benefit from energy saving initiatives. Access to these services remains a key priority across the country, but there are also pressures on the quality of services. These could include further unplanned reductions to services and the cancellation or delays to major construction projects such as new roads, amenities and infrastructure upgrades to schools, as well as pothole filling.

Our recent value for money work has highlighted a number of governance and financial stability issues at a national level, which is a further indication of the mounting pressure on audited bodies to keep delivering services, whilst also managing transformation and making savings at the same time.

In planning our audit, we will take account of this context in designing a local audit programme which is tailored to your risks and circumstances.

Audit Reporting Delays

In a report published in January 2023 the NAO have highlighted that since 2017-18 there has been a significant decline in the number of local government body accounts including an audit opinion published by the deadlines set by government. The NAO outline a number of reasons for this and proposed actions. In March 2023, we issued [About time?](#), which explored the reasons for delayed publication of audited local authority accounts. In our view, it is critical to early sign off that draft local authority accounts are prepared to a high standard and supported by strong working papers.

Changes to the council's Group structure

Bristol Heat Networks Limited was a wholly owned subsidiary of Bristol Holding Limited incorporated on 31 October 2018. In July 2022 Cabinet approved the transfer of the Council's Heat Network Assets to Bristol Heat Networks Limited. The sale of Bristol Heat Networks Ltd to Vattenfall Heat UK Ltd was completed on 4 January 2023.

Key matters



Our Responses

- As a firm, we are absolutely committed to audit quality and financial reporting in the local government sector. Our proposed work and fee, as set out further in our Audit Plan, has been discussed with the Director of Finance.
- We will consider your arrangements for managing and reporting your financial resources as part of our audit in completing our Value for Money work.
- Our value for money work will also consider your arrangements relating to governance and improving economy, efficiency and effectiveness.
- We will continue to provide you and your Audit Committee with sector updates providing our insight on issues from a range of sources and other sector commentators via our Audit Committee updates.
- We hold annual financial reporting workshops for our audited bodies to access the latest technical guidance and interpretation, discuss issues with our experts and create networking links with other audited bodies to support consistent and accurate financial reporting across the sector.

Introduction and headlines

Purpose

This document provides an overview of the planned scope and timing of the statutory audit of Bristol City Council ('the Council') for those charged with governance.

Respective responsibilities

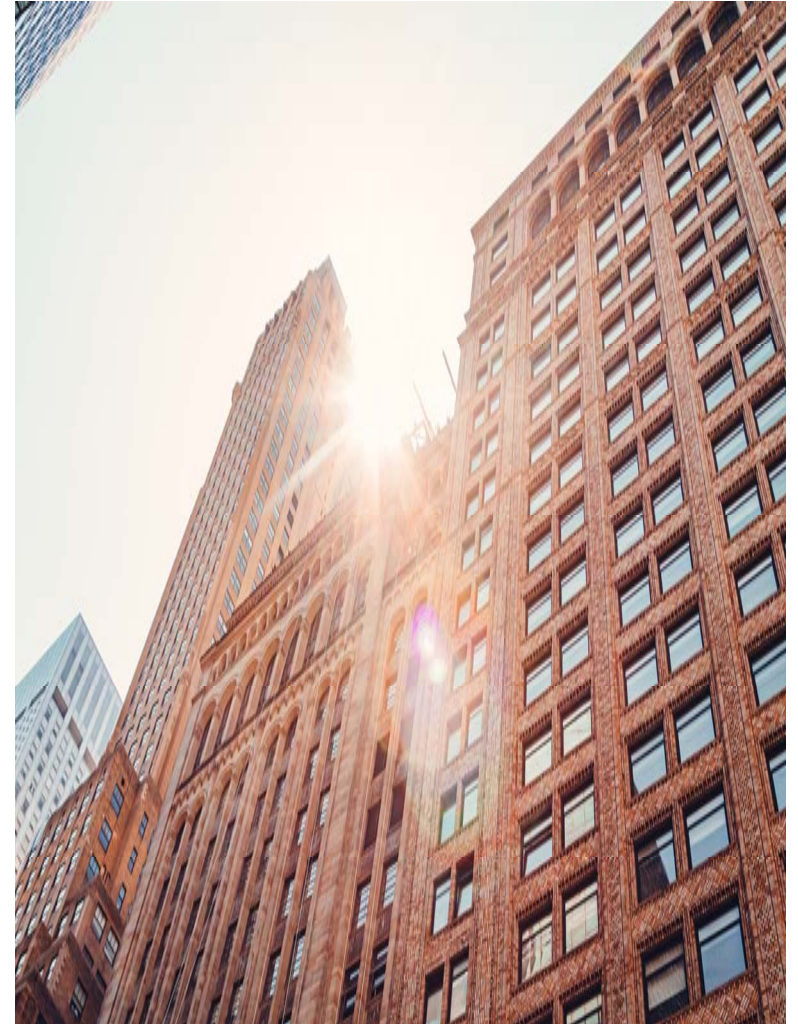
The National Audit Office ('the NAO') has issued a document entitled Code of Audit Practice ('the Code'). This summarises where the responsibilities of auditors begin and end and what is expected from the audited body. Our respective responsibilities are also set out in the agreed in the Terms of Appointment and Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA), the body responsible for appointing us as auditor of Bristol City Council. We draw your attention to both of these documents.

Scope of our audit

The scope of our audit is set in accordance with the Code and International Standards on Auditing (ISAs) (UK). We are responsible for forming and expressing an opinion on the Council and group's financial statements that have been prepared by management with the oversight of those charged with governance (the Audit committee); and we consider whether there are sufficient arrangements in place at the Council and group for securing economy, efficiency and effectiveness in your use of resources. Value for money relates to ensuring that resources are used efficiently in order to maximise the outcomes that can be achieved.

The audit of the financial statements does not relieve management or the Audit Committee of your responsibilities. It is the responsibility of the Council to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for. We have considered how the Council is fulfilling these responsibilities.

Our audit approach is based on a thorough understanding of the Council's business and is risk based.



Introduction and headlines

Significant risks

Those risks requiring special audit consideration and procedures to address the likelihood of a material financial statement error have been identified as:

- Management override of controls
- Valuation of land and buildings
- Valuation of investment properties
- Valuation of the pension fund net liability
- Valuation of investment in First Corporate Shipping Ltd

We will communicate significant findings on these areas as well as any other significant matters arising from the audit to you in our Audit Findings (ISA 260) Report.

Group Audit The Council is required to prepare group financial statements that consolidate the financial information of Bristol Holding Limited, BE2020 Limited (formerly Bristol Energy Limited), Bristol Waste Company Limited, Goram Homes Limited and Bristol Heat Networks Limited.

Materiality

We have determined planning materiality to be £19.25m for the council and £19.3m for the group (PY £16.16m for the council and £16.65m for the group), which equates to 1.4% of your gross operating costs for the year. We are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance.

As part of our risk assessment, we have considered the impact of unadjusted prior period errors. As a result of the volume of unadjusted errors in the prior period, we have reduced performance materiality from 75% to 65%.

Clearly trivial has been set at £0.950m (PY £0.808m).

Value for Money arrangements

Our risk assessment regarding your arrangements to secure value for money was reported to the Audit Committee on 20 January 2023 and the interim Auditor's Annual Report was presented to the committee on 24 July 2023.

Introduction and headlines

New Auditing Standards

There are two auditing standards which have been significantly updated this year. These are ISA 315 (Identifying and assessing the risks of material misstatement) and ISA 240 (the auditor's responsibilities relating to fraud in an audit of financial statements). We provide more detail on the work required later in this plan.

Audit logistics

Our planning has been completed and our fieldwork will take place between December 2023 and March 2024. Our key deliverables are this Audit Plan, our Audit Findings Report and Auditor's Annual Report.

Our proposed fee for the audit will be £268,552 (PY: £306,305) for the Council, subject to the Council delivering a good set of financial statements and working papers and no significant new financial reporting matters arising that require additional time and/or specialist input.

We have complied with the Financial Reporting Council's Ethical Standard (revised 2019) and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.

Significant risks identified

Significant risks are defined by ISAs (UK) as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement.

Risk	Risk relates to	Reason for risk identification	Key aspects of our proposed response to the risk
<p>The revenue cycle includes fraudulent revenue transactions (ISA240)</p> <p>Page 45</p>	Group and Council	<p>Under ISA (UK) 240 there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue.</p> <p>This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.</p> <p>Having considered the risk factors set out in ISA240 and the nature of the revenue streams at the Council, we have determined that the risk of material fraud arising from revenue recognition can be rebutted because:</p> <p>there is little incentive to manipulate revenue recognition;</p> <p>The council's revenue streams are non-complex in nature; and</p> <p>the culture and ethical frameworks of local authorities, including Bristol City Council, mean that all forms of fraud are seen as unacceptable.</p>	At the planning stage we do not consider this to be a significant risk for Bristol City Council or for the Group given the immaterial revenue streams. We will continue to consider this risk as we progress through the audit.

'Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, due to either size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty.' (ISA (UK) 315)

Significant risks identified

Risk	Risk relates to	Reason for risk identification	Key aspects of our proposed response to the risk
Risk of fraud related to expenditure recognition (PAF Practice Note 10)	Council	<p>In line with the Public Audit Forum Practice Note 10, in the public sector, auditors must also consider the risk that material misstatements due to fraudulent financial reporting may arise from the manipulation of expenditure recognition (for instance by deferring expenditure to a later period).</p> <p>This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to expenditure recognition.</p> <p>We have determined that the risk of material fraud arising from expenditure recognition can be rebutted because, per Practice note 10, misstatements may arise where the audited body is under pressure to meet externally set targets. This environment does not exist at the Council.</p>	At the planning stage we do not consider this to be a significant risk for Bristol City Council. We will continue to consider this risk as we progress through the audit.

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Management should expect engagement teams to challenge management in areas that are complex, significant or highly judgmental which may be the case for accounting estimates and similar areas. Management should also expect to provide to engagement teams with sufficient evidence to support their judgments and the approach they have adopted for key accounting policies referenced to accounting standards or changes thereto.

Where estimates are used in the preparation of the financial statements management should expect teams to challenge management's assumptions and request evidence to support those assumptions.

Significant risks identified

Risk	Risk relates to	Reason for risk identification	Key aspects of our proposed response to the risk
Management override of controls	Group and Council	Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management override of controls is present in all entities. We therefore identified management override of control, in particular journals, management estimates and transactions outside the course of business as a significant risk, which was one of the most significant assessed risks of material misstatement.	<p>We will:</p> <ul style="list-style-type: none"> • evaluate the design effectiveness of management controls over journals; • analyse the journals listing and determine the criteria for selecting high risk unusual journals ; • test unusual journals recorded during the year and after the draft accounts stage for appropriateness and corroboration; • gain an understanding of the accounting estimates and critical judgements applied made by management and consider their reasonableness with regard to corroborative evidence; and • evaluate the rationale for any changes in accounting policies, estimates or significant unusual transactions.

Significant risks identified

Risk	Risk relates to	Reason for risk identification	Key aspects of our proposed response to the risk
Valuation of land and buildings	Council	<p>The Authority revalues its land and buildings on a rolling five-yearly basis. This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved and the sensitivity of this estimate to changes in key assumptions. Additionally, management will need to ensure the carrying value in the Authority financial statements is not materially different from the current value or the fair value (for surplus assets) at the financial statements date.</p> <p>We therefore identified valuation of land and buildings as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	<p>We will:</p> <ul style="list-style-type: none"> • evaluate management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work; • evaluate the competence, capabilities and objectivity of the Council's valuation expert; • write to the valuer to confirm the basis on which the valuation was carried out; • challenge the information and assumptions used by the valuer to assess completeness and consistency with our understanding; • test revaluations made during the year to see if they had been input correctly into the Authority's asset register; • evaluate the assumptions made by management for those assets not revalued during the year and how management has satisfied themselves that these are not materially different to current value at year end; and • engage an auditor's expert to support our response to the valuation of land and buildings.

Significant risks identified

Risk	Risk relates to	Reason for risk identification	Key aspects of our proposed response to the risk
Valuation of investment properties	Council	<p>The Authority is required to revalue its investment properties at fair value on an annual basis at 31 March. This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved and the sensitivity of this estimate to changes in key assumptions.</p> <p>We therefore identified valuation of investment property, as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	<p>We will:</p> <ul style="list-style-type: none"> • evaluate management's processes and assumptions for the calculation of the estimate, the instructions issued to the valuation experts and the scope of their work; • evaluate the competence, capabilities and objectivity of the valuation expert; • discuss with the valuer the basis on which the valuations were carried out; • challenge the information and assumptions used by the valuer to assess completeness and consistency with our understanding; • test revaluations made during the year to see if they had been input correctly into the Authority's asset register; and • engage an auditors' expert to support our response to the valuation of investment properties.
Valuation of investment in First Corporate Shipping Ltd	Council	<p>The Authority holds material long term investments in its balance sheet. These include the estimated valuation an unquoted equity investment. These investments are by their nature hard to value estimates, and management have estimated their value based on a range of estimation techniques. We have identified the valuation of the Authority's long term unquoted investments as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	<p>We will:</p> <ul style="list-style-type: none"> • discuss the valuation techniques adopted with management and obtain their calculations for the valuation of the unquoted equity investments and assess these against accounting standards; and • engage our internal valuations experts to review management's estimates and to provide us with assurance over the valuation of the Authority's unquoted equity investments.

Significant risks identified

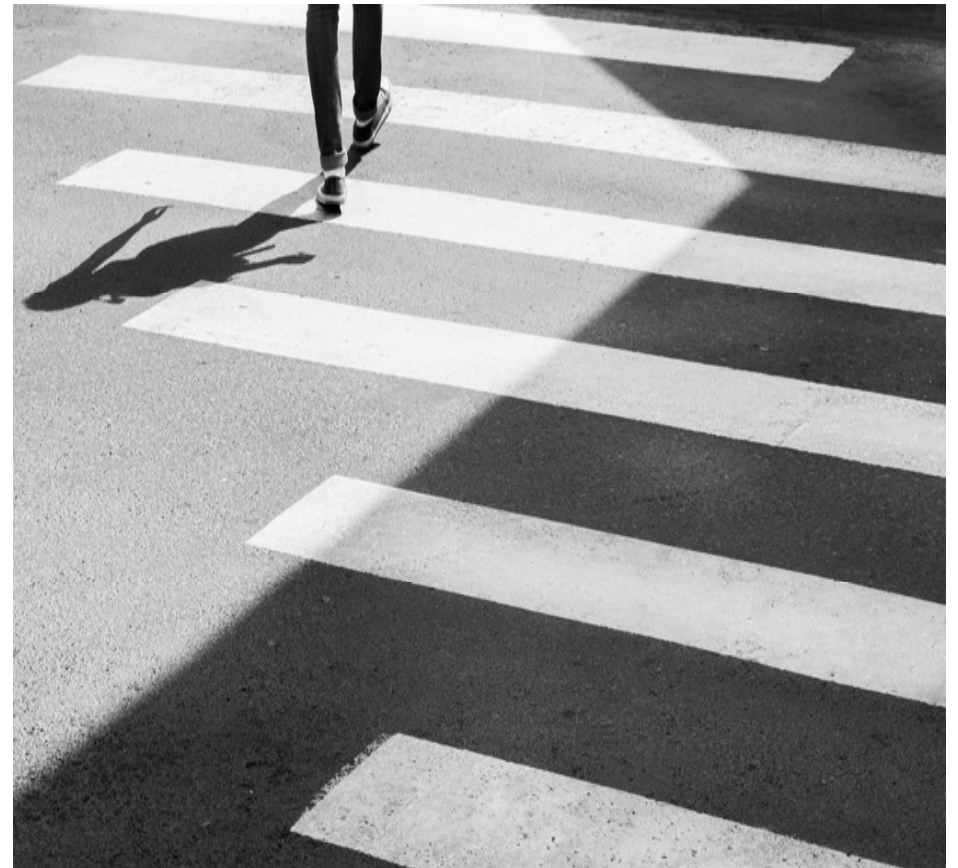
Risk	Risk relates to	Reason for risk identification	Key aspects of our proposed response to the risk
Valuation of the Pension Fund net liability	Council	<p>The Authority's pension fund net liability, as reflected in its balance sheet as the net defined benefit liability, represents a significant estimate in the financial statements.</p> <p>The pension fund net liability is considered a significant estimate due to the size of the numbers involved and the sensitivity of the estimate to changes in key assumptions. A small change in the key assumptions (discount rate, inflation rate, salary increase and life expectancy) can have a significant impact on the estimated IAS 19 liability. In particular the discount and inflation rate.</p> <p>We have therefore concluded that there is a significant risk of material misstatement in the IAS 19 estimate due to the assumptions used in their calculation, which was one of the most significant assessed risks of material misstatement.</p>	<p>We will:</p> <ul style="list-style-type: none"> • update our understanding of the processes and controls put in place by management to ensure that the Authority's pension fund net liability is not materially misstated and evaluate the design of the associated controls; • evaluate the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work; • assess the competence, capabilities and objectivity of the actuary who carried out the Authority's pension fund valuation; • assess the accuracy and completeness of the information provided by the Authority to the actuary to estimate the liability; • test the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuarial report from the actuary; • undertake procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performing any additional procedures suggested within the report; and • obtain assurances from the auditor of Avon Pension Fund as to the controls surrounding the validity and accuracy of membership data; contributions data and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements.

Group audit scope and risk assessment

In accordance with ISA (UK) 600, as group auditor we are required to obtain sufficient appropriate audit evidence regarding the financial information of the components and the consolidation process to express an opinion on whether the group financial statements are prepared, in all material respects, in accordance with the applicable financial reporting framework.

Key changes within the group:

Bristol Heat Networks Limited was a wholly owned subsidiary of Bristol Holding Limited incorporated on 31 October 2018. In July 2022 Cabinet approved the transfer of the Council's Heat Network Assets to Bristol Heat Networks Limited. The sale of Bristol Heat Networks Ltd to Wattenfall Heat UK Ltd was completed on 4 January 2023.



Group audit scope and risk assessment

Component	Individually Significant?	Level of response required under ISA (UK) 600	Risks identified	Planned audit approach
Bristol City Council	Yes	Full scope UK statutory audit performed by Grant Thornton UK LLP	See risks identified on pages 8 to 13	Full scope audit performed by Grant Thornton UK LLP
Bristol Holding Limited	No	Analytical procedures at group level	None	Analytical review performed by Grant Thornton UK LLP
PE2020 Limited (formerly Bristol Energy Limited)	No	Analytical procedures at group level	None	Analytical review performed by Grant Thornton UK LLP
Bristol Waste Company Limited	No	Analytical procedures at group level	None	Analytical review performed by Grant Thornton UK LLP
Goram Homes Limited	No	Analytical procedures at group level	None	Analytical review performed by Grant Thornton UK LLP

Audit scope

- Audit of the financial information of the component using component materiality
- Audit of one more classes of transactions, account balances or disclosures relating to significant risks of material misstatement of the group financial statements
- Review of component's financial information
- Specified audit procedures relating to risks of material misstatement of the group financial statements
- Analytical procedures at group level

Other matters

Other work

In addition to our responsibilities under the Code of Practice, we have a number of other audit responsibilities, as follows:

- We read your Narrative Report and Annual Governance Statement and any other information published alongside your financial statements to check that they are consistent with the financial statements on which we give an opinion and our knowledge of the Council.
- We carry out work to satisfy ourselves that disclosures made in your Annual Governance Statement are in line with requirements set by CIPFA.
- We carry out work on your consolidation schedules for the Whole of Government Accounts process in accordance with NAO group audit instructions.

Page 53 We consider our other duties under legislation and the Code, as and when required, including:

- giving electors the opportunity to raise questions about your 2022/23 financial statements, consider and decide upon any objections received in relation to the 2022/23 financial statements;
- issuing a report in the public interest or written recommendations to the Council under section 24 of the Local Audit and Accountability Act 2014 (the Act).
- application to the court for a declaration that an item of account is contrary to law under section 28 or a judicial review under section 31 of the Act
- issuing an advisory notice under section 29 of the Act
- We certify completion of our audit.

Other material balances and transactions

Under International Standards on Auditing, 'irrespective of the assessed risks of material misstatement, the auditor shall design and perform substantive procedures for each material class of transactions, account balance and disclosure'. All other material balances and transaction streams will therefore be audited. However, the procedures will not be as extensive as the procedures adopted for the risks identified in this report.

Our approach to materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law.

Matter	Description	Planned audit procedures
1	<p>Determination</p> <p>We have determined financial statement materiality based on a proportion of the gross expenditure of the group and Council for the financial year. Materiality at the planning stage of our audit is £19.25m for the council and £19.3m for the group, which equates to 1.4% of your draft gross expenditure for the period.</p>	<p>We determine planning materiality in order to:</p> <ul style="list-style-type: none"> – establish what level of misstatement could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements – assist in establishing the scope of our audit engagement and audit tests – determine sample sizes and – assist in evaluating the effect of known and likely misstatements in the financial statements
2	<p>Other factors</p> <p>An item does not necessarily have to be large to be considered to have a material effect on the financial statements.</p>	<p>An item may be considered to be material by nature where it may affect instances when greater precision is required.</p> <ul style="list-style-type: none"> – We have identified senior officer remuneration as a balance where we will apply a lower materiality level, as these are considered sensitive disclosures. We have set a materiality of £20,000.

Our approach to materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law.

Matter	Description	Planned audit procedures
3	<p>Reassessment of materiality</p> <p>Our assessment of materiality is kept under review throughout the audit process.</p>	<p>We reconsider planning materiality if, during the course of our audit engagement, we become aware of facts and circumstances that would have caused us to make a different determination of planning materiality.</p>
4	<p>Other communications relating to materiality we will report to the Audit Committee</p> <p>Whilst our audit procedures are designed to identify misstatements which are material to our opinion on the financial statements as a whole, we nevertheless report to the Audit Committee any unadjusted misstatements of lesser amounts to the extent that these are identified by our audit work. Under ISA 260 (UK) 'Communication with those charged with governance', we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. ISA 260 (UK) defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria.</p>	<p>We report to the Audit Committee any unadjusted misstatements of lesser amounts to the extent that these are identified by our audit work. In the context of the Group and Council, we propose that an individual difference could normally be considered to be clearly trivial if it is less than £950,000 (PY £808,000). If management have corrected material misstatements identified during the course of the audit, we will consider whether those corrections should be communicated to the Audit Committee to assist it in fulfilling its governance responsibilities.</p>

Our approach to materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law.

	Council Amount (£)	Group Amount (£)	Qualitative factors considered
Materiality for the financial statements	19,250,000	19,300,000	<p>We considered materiality from the perspective of the users of the financial statements. The Council prepares an expenditure based budget for the financial year with the primary objective to provide services for the local community and therefore gross expenditure at the Net Cost of Services level was deemed as the most appropriate benchmark. This benchmark was used in the prior year. We deemed that 1.5% was an appropriate rate to apply to the expenditure benchmark.</p> <p>We have used total assets as benchmark for the Group financial statements, as this is the benchmark with additional group items. Considering that this is the first year that the component auditors undertake work on the components financial statements. We deemed that 1.4% was an appropriate rate to apply to the total asset benchmark.</p>
Materiality for specific transactions, balances or disclosures senior officer remuneration	20,000	N/A	A lower level of materiality was determined for the Senior Officer Remuneration disclosures in the single entity accounts due to the sensitivity and potential public interest in these disclosures.

IT audit strategy

In accordance with ISA (UK) 315 Revised, we are required to obtain an understanding of the relevant IT and technical infrastructure and details of the processes that operate within the IT environment. We are also required to consider the information captured to identify any audit relevant risks and design appropriate audit procedures in response. As part of this we obtain an understanding of the controls operating over relevant Information Technology (IT) systems i.e., IT general controls (ITGCs). Our audit will include completing an assessment of the design and implementation of relevant ITGCs. We say more about ISA 315 Revised on slide 21.

The following IT systems have been judged to be in scope for our audit and based on the planned financial statement audit approach we will perform the indicated level of assessment:

IT system	Audit area	Planned level IT audit assessment
Agresso	Financial reporting	• Detailed assessment
Civica	Housing management	• Detailed assessment
Northgate	Revenues and benefits	• Detailed assessment
iTrent	Payroll	• Detailed assessment

Value for Money arrangements

Approach to Value for Money work for the period ended 31 March 2023

The National Audit Office issued its latest Value for Money guidance to auditors in January 2023. The Code expects auditors to consider whether a body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Auditors are expected to report any significant weaknesses in the body's arrangements, should they come to their attention. In undertaking their work, auditors are expected to have regard to three specified reporting criteria. These are as set out below:

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Improving economy, efficiency and effectiveness

How the body uses information about its costs and performance to improve the way it manages and delivers its services.



Financial Sustainability

How the body plans and manages its resources to ensure it can continue to deliver its services.

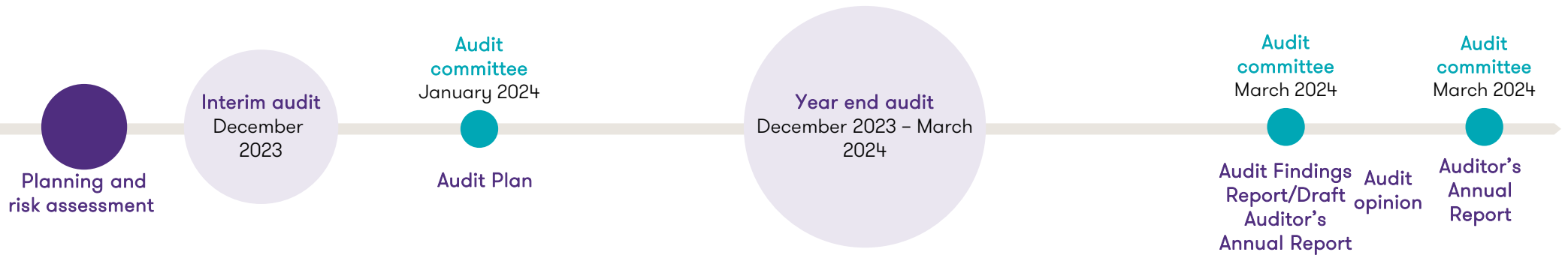


Governance

How the body ensures that it makes informed decisions and properly manages its risks.

Our 2022-23 Value for Money assessment was undertaken in conjunction with our 2021-22 assessment. The 2022-23 Value for Money Audit Plan was presented to Audit Committee on 20th January 2023 and the Auditor's Annual Report was presented in draft format on 24th July 2023. This report will be finalised once the financial statements audit for 2022-23 has concluded.

Audit logistics and team



Barrie Morris, Key Audit Partner

Barrie leads our relationship with you and takes overall responsibility for the delivery of a high-quality audit, meeting the highest professional standards and adding value to the Council.



Beth Bowers, Director

Beth plans, manages and leads the delivery of the audit, is your key point of contact for your finance team and is your first point of contact for discussing any issues.



Chrissa Viente, Audit In-charge

Chrissa's role is to assist in planning, managing and delivering the audit fieldwork, ensuring the audit is delivered effectively and efficiently. Chrissa supervises and co-ordinates the on-site audit team.

Audited Entity responsibilities

Where audited bodies do not deliver to the timetable agreed, we need to ensure that this does not impact on audit quality or absorb a disproportionate amount of time, thereby disadvantaging other audited bodies. Where the elapsed time to complete an audit exceeds that agreed due to an entity not meeting its obligations we will not be able to maintain a team on site. Similarly, where additional resources are needed to complete the audit due to an entity not meeting their obligations we are not able to guarantee the delivery of the audit to the agreed timescales. In addition, delayed audits will incur additional audit fees.

Our requirements

To minimise the risk of a delayed audit, you need to :

- ensure that you produce draft financial statements of good quality by the deadline you have agreed with us, including all notes and the Annual Governance Statement
- ensure that good quality working papers are available at the start of the audit, in accordance with the working paper requirements schedule that we have shared with you
- ensure that the agreed data reports are available to us at the start of the audit and are reconciled to the values in the accounts, in order to facilitate our selection of samples for testing
- ensure that all appropriate staff are available on site throughout (or as otherwise agreed) the planned period of the audit
- respond promptly and adequately to audit queries.

Audit fees and updated Auditing Standards including ISA 315 Revised

In 2017, PSAA awarded a contract of audit for Bristol City Council to begin with effect from 2018/19. The fee agreed in the contract was £156,839. Since that time, there have been a number of developments, particularly in relation to the revised Code and ISA's which are relevant for the 2022/23 audit. For details of the changes which impacted on years up to 2021/22 please see our prior year Audit Plans.

The major change impacting on our audit for 2022/23 is the introduction of ISA (UK) 315 (Revised) - Identifying and assessing the risks of material misstatement ('ISA 315'). There are a number of significant changes that will impact the nature and extent of our risk assessment procedures and the work we perform to respond to these identified risks. Key changes include:

- Enhanced requirements around understanding the Council's IT Infrastructure, IT environment. From this we will then identify any risks arising from the use of IT. We are then required to identify the IT General Controls ('ITGCs') that address those risks and test the design and implementation of ITGCs that address the risks arising from the use of IT.
- Additional documentation of our understanding of the Council's business model, which may result in us needing to perform additional inquiries to understand the Council's end-to-end processes over more classes of transactions, balances and disclosures.
- We are required to identify controls within a business process and identify which of those controls are controls relevant to the audit. These include, but are not limited to, controls over significant risks and journal entries. We will need to identify the risks arising from the use of IT and the general IT controls (ITGCs) as part of obtaining an understanding of relevant controls.
- Where we do not test the operating effectiveness of controls, the assessment of risk will be the inherent risk, this means that our sample sizes may be larger than in previous years.

These are significant changes which will require us to increase the scope, nature and extent of our audit documentation, particularly in respect of your business processes, and your IT controls. We will be unable to determine the full fee impact until we have undertaken further work in respect of the above areas. However, for an authority of your size, we estimate an initial increase of £5,000. We will let you know if our work in respect of business processes and IT controls identifies any issues requiring further audit testing. There is likely to be an ongoing requirement for a fee increase in future years, although we are unable yet to quantify that.

The other major change to Auditing Standards in 2022/23 is in respect of ISA 240 which deals with the auditor's responsibilities relating to fraud in an audit of financial statements. This Standard gives more prominence to the risk of fraud in the audit planning process. We will let you know during the course of the audit should we be required to undertake any additional work in this area which will impact on your fee.

Taking into account the above, our proposed work and fee for 2022/23, as set out below, is detailed overleaf and has been communicated to the Director of Finance.

Audit fees

	Actual Fee 2020/21	Estimated Fee 2021/22*	Proposed fee 2022/23
Bristol City Council Audit	£303,839	£306,302	£268,552
Total audit fees (excluding VAT)	£303,839	£306,302	£268,552

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Fee subject to PSAA approval

Assumptions

In setting the above fees, we have assumed that the Council will:

- prepare a good quality set of accounts, supported by comprehensive and well-presented working papers which are ready at the start of the audit
- provide appropriate analysis, support and evidence to support all critical judgements and significant judgements made during the course of preparing the financial statements
- provide early notice of proposed complex or unusual transactions which could have a material impact on the financial statements.

Relevant professional standards

In preparing our fee estimate, we have had regard to all relevant professional standards, including paragraphs 4.1 and 4.2 of the FRC's [Ethical Standard \(revised 2019\)](#) which stipulate that the Engagement Lead (Key Audit Partner) must set a fee sufficient to enable the resourcing of the audit with partners and staff with appropriate time and skill to deliver an audit to the required professional and Ethical standards.

Audit fees – detailed analysis

Scale fee published by PSAA 2019	£172,902
Additional audit procedures arising from a lower materiality	£3,750
Enhanced audit procedures for Property, Plant and Equipment	£5,000
Brought forward ongoing fee from 2019/20	£181,652
<i>New issues for 2020/21</i>	
Additional work on Value for Money (VfM) under new NAO Code	£20,000
Increased audit requirements of revised ISAs 540 / 240 / 700	£6,000
Enhanced audit procedures on journals testing (not included in the Scale Fee)	£3,000
Additional procedures to address other local risk factors	£43,150
Total audit fees 2020/21 (excluding VAT)	£253,802

All variations to the scale fee will need to be approved by PSAA

Audit fees – detailed analysis

<i>New issues for 2021/22</i>	
FRC response - additional review, EQCR or hot review	£1,500
Enhanced audit procedures for Infrastructure	£2,500
Total audit fees 2021/22 (excluding VAT)	£257,802
<i>New issues for 2022/23</i>	
Enhanced audit procedures for Payroll – Change of circumstances	£500
Enhanced audit procedures for Collection Fund- reliefs testing	£750
Increased audit requirements of revised ISAs - 315	£5,000
Additional VFM work relation to significant risk areas (reduced as offset by joint report efficiencies)	£2,000
Procedures to assess the transfer of the Heat Networks	£2,500
Total proposed audit fees 2022/23 (excluding VAT)	£268,552

All variations to the scale fee will need to be approved by PSAA

Independence and non-audit services

Auditor independence

Ethical Standards and ISA (UK) 260 require us to give you timely disclosure of all significant facts and matters that may bear upon the integrity, objectivity and independence of the firm or covered persons. relating to our independence. We encourage you to contact us to discuss these or any other independence issues with us. We will also discuss with you if we make additional significant judgements surrounding independence matters.

An ex-Grant Thornton partner (Stephen Peacock) currently occupies a senior position within the Council, although we consider this fact has had no bearing on our audit judgement or independence, we continue to draw this to your attention.

We confirm that we have implemented policies and procedures to meet the requirements of the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.

Independence and non-audit services

Other services

The following other services provided by Grant Thornton were identified.

The amounts detailed are fees agreed to-date for audit related and non-audit services to be undertaken by Grant Thornton UK LLP in the current financial year.

These services are consistent with the group and Council's policy on the allotment of non-audit work to our auditors.

Any changes and full details of all fees charged for audit related and non-audit related services by Grant Thornton UK LLP and by Grant Thornton International Limited network member Firms will be included in our Audit Findings report at the conclusion of the audit.

None of the services provided are subject to contingent fees.

Service	Fees £	Threats	Safeguards
Audit related			
Agreed upon procedures on the Authority's Housing Benefit Subsidy Claim 2021-22 and 2022-23	£42,198 (21-22) £44,850* (22-23)	Self-Interest (because this is a recurring fee)	
Agreed upon procedures on the Authority's Pooling of Housing Capital Receipts return 2021-22 and 2022-23	£8,000 (21-22) £10,000* (22-23)	Self-Interest (because this is a recurring fee)	The level of this recurring fee taken on its own is not considered a significant threat to independence as the fee for this work is 128,048 in comparison to the total fee for the audit of £268,552 and in particular relative to Grant Thornton UK LLP's turnover overall. Further, it is a fixed fee and there is no contingent element to it. These factors all mitigate the perceived self-interest threat to an acceptable level.
Agreed upon procedures on the Authority's Teacher's Pension Return 2021-22 and 2022-23	£8,000 (21-22) £10,000* (22-23)	Self-Interest (because this is a recurring fee)	
Agreed procedures on behalf of Homes England in relation to the receipt of social housing and assistance and grants to facilitate the development and provision of affordable housing 2021-22 and 2022-23	£6,000 (21-22) £8,000* (22-23)	Self-Interest (because this is a recurring fee)	
	£128,048		

* Estimated fees to be confirmed on completion of work

Communication of audit matters with those charged with governance

Our communication plan	Audit Plan	Audit Findings	
Respective responsibilities of auditor and management/those charged with governance	•		
Overview of the planned scope and timing of the audit, form, timing and expected general content of communications including significant risks and Key Audit Matters	•		ISA (UK) 260, as well as other ISAs (UK), prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table here.
Confirmation of independence and objectivity of the firm, the engagement team members and all other indirectly covered persons	•	•	This document, the Audit Plan, outlines our audit strategy and plan to deliver the audit, while the Audit Findings will be issued prior to approval of the financial statements and will present key issues, findings and other matters arising from the audit, together with an explanation as to how these have been resolved.
A statement that we have complied with relevant ethical requirements regarding independence. Relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged. Details of safeguards applied to threats to independence	•	•	
Significant matters in relation to going concern	•	•	
Matters in relation to the group audit, including: Scope of work on components, involvement of group auditors in component audits, concerns over quality of component auditors' work, limitations of scope on the group audit, fraud or suspected fraud	•	•	We will communicate any adverse or unexpected findings affecting the audit on a timely basis, either informally or via an audit progress memorandum.
Views about the qualitative aspects of the Group's accounting and financial reporting practices including accounting policies, accounting estimates and financial statement disclosures		n/a	
Significant findings from the audit		•	
Significant matters and issue arising during the audit and written representations that have been sought		•	
Significant difficulties encountered during the audit		•	
Significant deficiencies in internal control identified during the audit		•	
Significant matters arising in connection with related parties		•	
Identification or suspicion of fraud(deliberate manipulation) involving management and/or which results in material misstatement of the financial statements (not typically council tax fraud)		•	
Non-compliance with laws and regulations		•	
Unadjusted misstatements and material disclosure omissions		•	
Expected modifications to the auditor's report, or emphasis of matter		•	

ISA (UK) 260, as well as other ISAs (UK), prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table here.

This document, the Audit Plan, outlines our audit strategy and plan to deliver the audit, while the Audit Findings will be issued prior to approval of the financial statements and will present key issues, findings and other matters arising from the audit, together with an explanation as to how these have been resolved.

We will communicate any adverse or unexpected findings affecting the audit on a timely basis, either informally or via an audit progress memorandum.

Respective responsibilities

As auditor we are responsible for performing the audit in accordance with ISAs (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Audit Committee

29 January 2024



Report of: Director Finance

Title: Procurement Compliance update

Ward: n/a

Member Presenting Report: n/a

Recommendation

Committee to note the data on procurement breaches and the actions underway to improve procurement compliance

Summary

This report provides an update on non-compliance with the Council's own procurement rules, as well as assurance regarding actions being taken by the Council to improve compliance levels.

The significant issues in the report are:

This report provides an update on non-compliance with the Council's own procurement rules, as well as assurance regarding actions being taken by the Council to improve compliance levels.



Policy

1. Not applicable

Consultation

2. **Internal**
Not applicable
3. **External**
Not applicable

Context

4. When procuring a new contract or amending an existing contract, the Council's own internal Procurement Rules set out:
 - 4.1. What procurement processes can be used in that scenario (procurement route)
 - 4.2. Who needs to give prior authorisation (authorisation)
5. A procurement Breach is when one, or both, of these elements has not been followed.
6. The role of the P&CMS (Procurement & Contract Management Service) is to support and govern procurement and contract management activity undertaken by Officers across the Council. P&CMS's role includes keeping the relevant Cabinet Member informed, as well as reporting on rule breaches to Directors who are ultimately accountable for non-compliance in their Division. P&CMS also liaise with Internal Audit and our external auditors (Grant Thornton) regarding assurance work and investigations regarding procurement compliance.
7. Breaches are defined by the specific procurement rules the Council has chosen to adopt – and are also dependent on the effectiveness of controls, identification and reporting – so it is not possible or meaningful to compare breach numbers between Councils.
8. The council has incorporated within their Procurement Rules a range of good practice principles which enhance spend controls, financial management and transparency principles which in turn enhance public reporting.

An example: Emergency placements

Most significant financial pressures are being experienced in Adults and Childrens Social Care. In compliance with best practice, we recognise that placements may sometimes need to be made at very short notice to safeguard vulnerable individuals, and the Procurement rules rightly make allowances for the auditable decision to follow on as soon as reasonably practical after the emergency placement has been made, without this being a breach. An example of when a placement could result in a breach would be if the service area extends a contractual commitment without first engaging with P&CMS. This would mean the contractual decision had been entered into without undergoing the proper scrutiny to ensure that the decision was justified, within budget and evidenced value for money.

9. The procurement rules were adopted by the administration, and incorporate good practice, compliance and transparency. Each procurement breach means the Council's internal governance controls have not been followed in some way, so the Council's target must ultimately be for there to be zero breaches.

10. The number of procurement breaches has been identified as a significant weakness and has been part of audit findings for the last 3 years, most recently including the Grant Thornton Annual Report on Bristol City (14 July 2023) which recommended *that “The Council should consider what further action is required to reduce the number and value of contract breaches”*.
11. CLB has made procurement compliance a priority, and actions have been agreed to reduce breach numbers. The tables 1 and 2 below summarise the actions agreed and their current status.
12. Table 1 relates to the management actions summarised in the Annual Governance Statement and Value For Money Review for implementation 2023/24.

Table 1

Action	Status
Compliance will be part of the mandatory performance objectives for all Heads of Service in 2023/24.	In place
Quarterly Director Management Team (DMT) (by request) & Executive Director Meetings (EDM) will have regular attendance by procurement business partners	In place
Additional specific quarterly reports on procurement compliance to EDMs, Corporate Leadership Board (CLB) and Cabinet	In place
Overview of future procurement activity will be part of induction for new officers with commissioning responsibilities	In place
Greater Executive Director accountability for compliance	In place
Explore system development and Power BI reporting to increase visibility of contract end dates and spend monitoring	Explored/ alternatives (see table 2) being considered
<ul style="list-style-type: none"> Oversight in 2023/24 will be through CLB (weekly updates) Ongoing review by Internal Auditors Further updates to be provided to Audit Committee 	In place In place In place

In addition to the actions listed above, Table 2 gives details of additional actions which have been agreed:

Table 2

Action	Status
Organisational annual performance objective to ‘Comply with Management Requirements - procurement rules and regulations’.	In place
Action plans for breaches presented to CLB by each Exec Director CLB 24 Oct 2023	In place
Procurement compliance e-learning developed and officers enrolled, Data Academy apprenticeships, Mandatory induction for commissioning lead	In place
Live breach dashboard made available to Directors, including detailed data on circumstances, root causes and risk factors	In place
Weekly reports on breaches being sent to CLB	In place
Decision-making process and system for children’s social care placements redesigned to embed procurement engagement and sign-off and thereby avoid breaches	In place
Work underway to redesign decision-making processes and accessibility of appropriate newly commissioned frameworks in the following areas Adult Social Care (go live January 2024) , to embed procurement authorisation and thereby avoid breaches:	Partial

<ul style="list-style-type: none"> • Children’s (in place Oct 2023) • Education (in progress) • Construction contracts (in progress) 	
Giving Heads of Service greater visibility of contract register and procurement pipeline	In place
Contract management framework, system and training available, including redesigned training to support adoption of the Contract Management system	In place
HR support for Exec Directors regarding taking disciplinary action when necessary	In place

13. There were a total 342 breaches in FY22/23 and have been 179 in Q1-Q3 2023/24.
14. Reported breach numbers have been affected by work by the P&CMS over that period to tighten controls and improve breach identification. The level of overall procurement activity also has an impact on the absolute numbers of breaches.
15. In Q1-Q3 2023/24, there have been 1859 decisions made, of which 179 were breaches (around 10%).
16. The number of breaches is therefore significantly lower than last year but is still high. Numbers are particularly high in Childrens and Education, this is against a backdrop of significant pressures in these areas. This includes budget overspend due to service demand being above the initial budget resulting in additional unplanned/unavoidable spend.
17. Exec Directors have put action plans in place to reduce breach numbers in their area and progress is being actively monitored on a weekly basis at CLB.
18. Several of the actions require working practices, culture and systems to be redesigned. In some areas, work has been completed to redesign and strengthen decision-making processes to bring P&CMS engagement further upstream and this has started to bring breach numbers down. Other remedial actions such as setting up new procurement frameworks and other process/system changes may take longer to take effect, particularly in the context of needs-led sectors which are suffering from a lack of resources and capacity.
19. Progress has therefore been made to reduce the number of breaches but focus remains on reducing this further. This is supported by good engagement and full ownership by the Senior Leadership Team, Members and Service areas.
20. To support this engagement, periodic reports have been submitted to Audit Committee, in addition to reviews by Internal Audit.
21. Full numbers of breaches will be provided at an end of year report for the Committee and External Audit.

Proposal

Note the report being presented

Other Options Considered

Not applicable

Risk Assessment

Not applicable – no decision being taken

Summary of Equalities Impact of the Proposed Decision

22. Not applicable. No EQIA undertaken, as this report is not requiring a decision to be made.

Legal and Resource Implications

Legal

Not applicable – no decision being taken

(Legal advice provided by n/a)

Financial

(a) Revenue

Not applicable – no decision being taken

(b) Capital

Not applicable – no decision being taken

(Financial advice provided by n/a)

Land

Not applicable

Personnel

Not applicable

(Personnel advice provided by n/a)

Appendices:

none

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

none

Joint: Audit Committee and Resources Scrutiny Commission 29 January 2024



Report of: Director of Finance

Title: Update on the Council's Debt and Arrears Position

Ward: City Wide

Officer Presenting Report: Kevin Smith (Operations Manager, Revenues and Benefits)

Recommendations:

- That the Commission note the internal debt / arrears update report for the period 01 April 2023 to 30 September 2023 and the steps being taken as part of the continued ethical approach to debt collection.

Summary

This report seeks to provide the Commission with a high-level update on the council's debt position and write offs and the ethical steps being taken to improve collection and minimise sundry debt.

The significant issues in this report are:

- That the level of debt across all debt types remains higher than in previous years as services transitioned back to business as usual following the implementation of new processes and resultant IT changes. The ongoing cost of living crisis and the impact from wider global macroeconomic events continues to impact collection, which are covered in more detail later in this report.
- Write offs undertaken during the period 01 April 2023 to 30 September 2023 have increased as a result of increased recovery activity.



1. Summary

- 1.1. This briefing paper provides an overview of the debt position across revenues and benefits, parking services, housing revenue accounts (current and former tenant rent arrears and leasehold and temporary accommodation) and sundry debt (including adult social care) and details the steps being taken to improve collection across a number of service areas.
- 1.2. The paper also provides details of those sums written off in line with the corporate debt management policy and scheme of delegations during the period 01 April 2023 to 30 September 2023.

2. Context

- 2.1. The council sends invoices, bills and demand notices in respect of various statutory and non-statutory charges. The methods for the billing and recovery of statutory charges are prescribed by statute, whereas those in respect of non-statutory debts are less prescribed.
- 2.2. The council collects income from many streams; some of this activity is governed by legislation while others by sound principles of fiscal management. The key to economic, efficient and effective income management is the creation and maintenance of a clear framework that sets out the approach, principles and strategy within which all activities will be conducted.
- 2.3. It is essential that all monies due are collected effectively by the council and that debt owed to the council is kept to a minimum. This is because the council has both a legal duty and a responsibility to its citizens to ensure that income due is collected promptly.
- 2.4. Effective income management processes are critical to the delivery of overall council service objectives. An efficient income management process contributes to the availability of resources for service provision. Every pound of income that is not collected or takes extra effort to collect leads to one or two potential outcomes, namely:
 - A resource needing to be taken from the overall service budget to compensate for the cost of collection, for example charging order costs; or
 - Loss of income for the council, which could in the longer-term result in reduced services.

3. Impact

3.1. Cost of Living Crisis

- 3.1.1. Wider macro-economic events such as the UK's exit from the European Union, response to the pandemic and the war in Ukraine have led to a series of supply chain disruptions, labour shortages, increases in energy prices and ultimately rising costs to produce items and provide services, with the following impacts:
 - Border controls introduced by the government following the UK's departure from the European Union initially affected the flow of imported goods causing supply chain disruption. Whilst initial disruption has been overcome, businesses who import from the EU are faced with increased costs which can be passed on to customers as higher prices¹.
 - The war in Ukraine had a negative impact on energy prices worldwide but the current situation facing the UK is not a question of security of gas supply, but of high gas prices set by

¹ www.iea.org.uk/publications/has-brexit-really-harmed-uk-trade-countering-the-office-of-budgetary-responsibilitys-claims/

international markets. From October 2022 through to Jun 2023, the government implemented an energy price guarantee to limit increases in domestic fuel charges to counter increased wholesale energy costs. The Office of Gas and Electricity Markets (OFGEM) operates an energy price cap which ensures that prices for people on default energy tariffs are fair and that they reflect the cost of energy². The energy price cap has reduced during this period, but further increases may negatively impact on household finances.

- Inflation (CPI) remained high during the first six months of 2023/24, albeit falling from 10.1% in March 2023 to 8.7% in April 2023. Inflation has steadily fallen from April to 6.7% in September 2023 (the latest period for which data is available) and remained unchanged from August 2023³.
- Mortgage rates – the rates for 2- and 5-year fix mortgages have continued to rise over this period in response to the Bank of England raising base rates from historically low figures⁴. As inflation remains significantly above the Bank of England target of 2.0%, we cannot rule out further interest rate rises, although these have remained unchanged for two months. This particularly impacts those on standard variable rate or tracker mortgages but may also impact those whose fixed term deals are due to end over the coming months.
- Rents – the rental market has been buoyant in Bristol for some time and increases in mortgage rates could lead to landlords increasing rent. This will further restrict properties available to those on lower incomes. The government's Renters Reform Bill was introduced to Parliament on 17 May 2023 and, if enacted, may lead to landlords leaving the private rented sector which may negatively impact on both rents and the availability of rental properties.

3.1.2. Business costs have significantly risen over the past year, which presents real challenges as they continue to recover from the pandemic and ensure the resilience of cash-flow in the face of increasing demand conditions. Some assistance has been provided through the Energy Bills Discount Scheme (EBDS)⁵ which runs from April 2023 to April 2024 which replicated the support available to domestic consumers.

3.1.3. While the crisis will affect all households, some groups will be affected more than others. Low-income households are most at risk and will face particular challenges as a result of reduced real term incomes and increased costs. There is increased pressure on household finances and a situation where living standards are being squeezed such that people cannot afford the standard of living to which they are accustomed. Where this occurs there will undoubtedly be an impact on the level of disposable income available to service debt repayments.

3.1.4. Whilst collection and recovery activity have returned to pre-pandemic levels, the ongoing cost of living crisis continues to impact collection and it is likely that collection rates will not return to pre-pandemic levels until 2024/25.

4. Current Position

4.1. Debt is an evolving position and as such reports reflect a snapshot at a period in time.

Table 1 shows the overarching level of debt per debt type on 30 September 2023. This is a cumulative figure and includes arrears that may stretch back across many years.

² www.ofgem.gov.uk/information-consumers/energy-advice-households/energy-price-cap

³ www.ons.gov.uk/economy/inflationandpriceindices

⁴ www.bankofengland.co.uk/boeapps/database/Bank-Rate.asp

⁵ www.gov.uk/guidance/energy-bill-relief-scheme-help-for-businesses-and-other-non-domestic-customers

Table 1: Debt Summary by Debt Type

Type of debt	Outstanding Debt	Percentage
Accounts Receivable ¹	£67,222,235	36.18%
Council Tax	£52,403,390	28.20%
National Non-Domestic Rates (NNDR)	£24,990,648	13.45%
Overpaid Housing Benefit (Debtors) ¹	£10,195,073	5.49%
Overpaid Housing Benefit (Benefits) ¹	£9,716,624	5.23%
Housing Revenue Accounts (Current Rent Arrears, Former Tenants Arrears and Leasehold) ^{1,2}	£15,627,415	8.41%
Housing (Temporary Accommodation) ^{1,2}	£2,811,000 ⁴	1.51%
Parking Services (Penalty Charge Notices) ^{1,2,3}	£2,833,000 ⁴	1.52%
Total	£186,140,029	100.00%⁴

¹ This figure is subject to annual fluctuations as these debt types are billed or invoiced on an 'as required' basis.

² These debt types are collected outside of Revenues and Benefits.

³ Does not include Clean Air Zone.

⁴ Subject to rounding.

Accounts Receivable

4.3. The sum outstanding in respect of arrears brought forward on 01 April 2023, £76.164m, had reduced to £30.429m by 30 September 2023, a reduction of 60.05%.

4.4. The total value of arrears on 30 September 2023 (which includes invoices raised in 2023/24 and overdue for payment plus the arrears brought forward into 2023/24) totaled £67.222m (representing 36.18% of the total council debt, see Table 1 above).

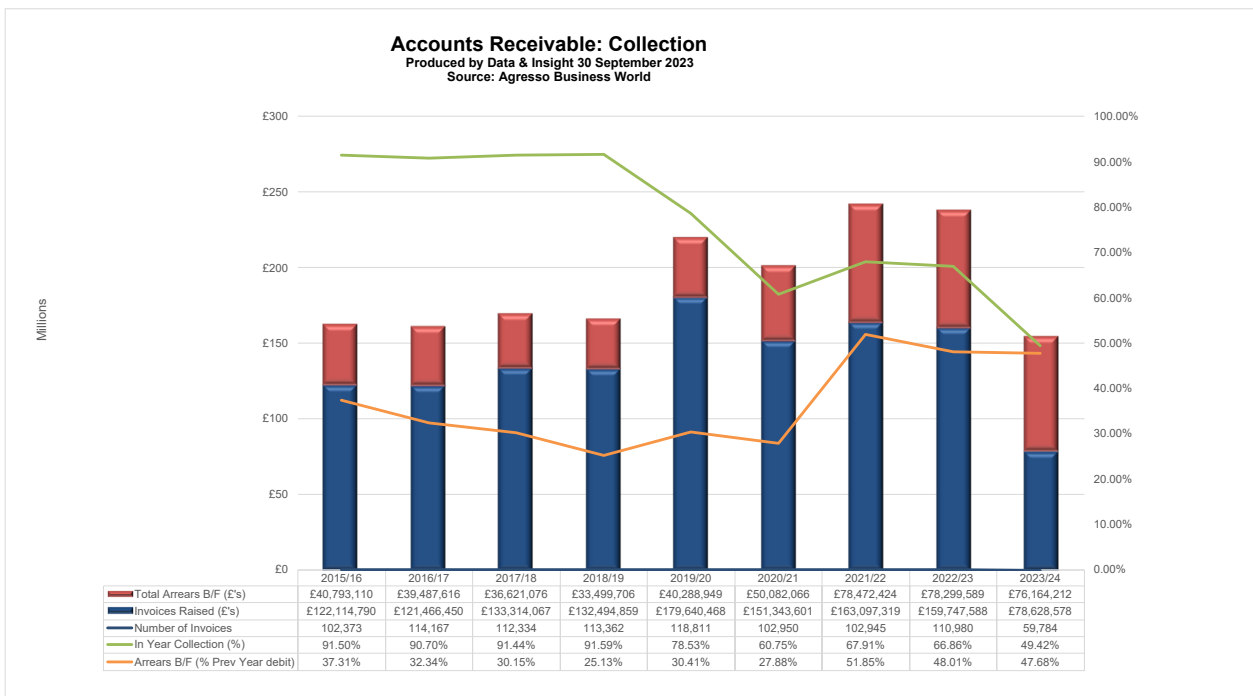
4.5. Table 2 compares data at year end (Q4) 2021/22 and subsequent quarters. The total sum outstanding will fluctuate as invoices are raised and / or move through the dunning cycle.

Table 2: Accounts Receivable

Report Date	Up to 90 days	90 to 365 days	Over 1 year	Total Outstanding
31 Mar 2022	£39,563,980	£17,414,964	£21,320,646	£78,299,589
30 Jun 2022	£28,282,231	£15,587,814	£25,116,989	£68,987,034
30 Sep 2022	£16,599,239	£24,188,877	£21,727,835	£62,515,951
31 Dec 2022	£16,490,933	£25,306,012	£24,295,443	£66,092,387
31 Mar 2023	£30,518,394	£21,286,191	£24,359,627	£76,164,212
30 Jun 2023	£30,623,845	£16,157,187	£28,433,352	£75,214,384
30 Sept 2023	£17,647,437	£26,033,874	£23,540,924	£67,222,235

- 4.6. It should be noted that debt levels across all stages fluctuate over time due to the ad hoc nature of invoicing. Year-end figures are higher due to the number of invoices issued during March to ensure income is received (i.e., credited to cost centres) in the then current fiscal year but which are not payable until after the end of the then current financial year due to 30-day payment terms.
- 4.7. Over one year old debt has reduced by £0.819m, since 31 March 2023 but increased for debt between 90 days and one year by £4.748m over the same period, although, as can be seen from the data in Table 2, this is a similar pattern to previous years, where the total outstanding is reduced at Q1, Q2 and Q3 and then increases again at Q4 where invoices are raised prior to year-end.
- 4.8. Whilst all aged debt is pursued it is recognised that once debt reaches one year old it becomes increasingly difficult to collect for a number of reasons including those set out below:
- Data ages and becomes less relevant.
 - Prioritisation of other debts by debtors.
 - Debtors question the legitimacy of the debt.
- 4.9. The Income Collection team is responsible for collecting outstanding amounts of circa £150m per annum and is responsible for post-invoice collection activity. However, there is a reliance on service areas taking some ownership of unpaid invoices issued within their area early in the collection process, from accurate invoicing to reviewing outstanding debt reports and making proactive contact with customers to encourage payment prior to the more formal collection activity commencing.
- 4.10. The level of debt relating to Adult Social Care is a significant component of the total outstanding arrears figure.
- 4.11. There were 59,784 invoices issued for the total sum of £78.629m during Q1 and Q2 2023/24.
- 4.12. Accounts receivable collection rate trends are shown in Figure 1.

Figure 1: Accounts Receivable Collection



- 4.13. The split of direct debit / non-direct debit payers for open accounts is shown in Table 3.

Table 3: Direct debit / non-direct debit payments

Payment Type	No.	Percentage
Other Payment Methods	12,963	97.22%
Direct Debit	371	2.78%
Total	13,334	100.00%

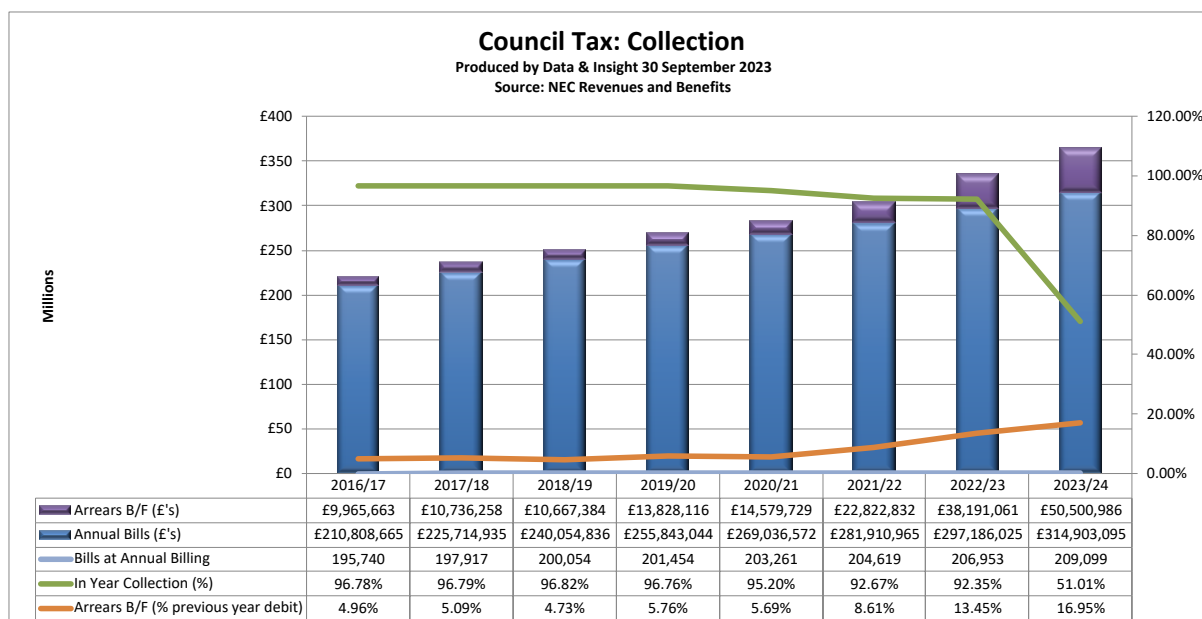
Positives

- 4.14. Permanent resource in adult social care is delivering targeted activity which is helping to reduce the level of older debt. This is in line with Care Act guidance which suggests embedding the initial stages of the recovery of care debt within social care teams.
- 4.15. Some centralisation of debt recovery continues to provide a more consistent approach to debt recovery and an increased focus.
- 4.16. Sundry debt reporting is included in the monthly financial monitoring reports by service area and is now available on an as required basis to budget holders.
- 4.17. Engagement with individual service areas is providing focus on unpaid invoices within those areas.

Council Tax

- 4.18. Council tax debt / arrears on 30 September 2023 totaled £39.682m (representing 28.20% of the total council debt) this is in comparison to £50.501m on 01 April 2023. Collection rate trends are shown in Figure 2. The collection rates prior to 2020/21 are all at pre pandemic levels.
- 4.19. There were 209,099 annual bills issued for the total sum of £314.903m during March 2023.

Figure 2: Council Tax Collection



- 4.20. The split of direct debit / non-direct debit payers for open accounts is shown in

Table 4.

Table 4: Direct debit / non-direct debit payments

Payment Type	No.	Percentage
Other Payment Methods	81,251	38.46%
Direct Debit (inc. Salary Deductions)	129,899	61.54%
Total	211,244	100.00%

4.21. There are a number of annual bills issued for accounts where no payment is due, for example because of full council tax reduction. Excluding these accounts provides the data as shown in Table 5.

Table 5: Direct debit / non-direct debit payments (exc. nil bills)

Payment Type	No.	Percentage
Other Payment Methods	47,861	27.63%
Direct Debit (inc. Salary Deductions)	125,344	72.37%
Total	173,205	100.00%

4.22. Collection outturn in respect of council tax remained stable prior to 2020/21 when outturn was compromised by the impact of the COVID-19 pandemic. This has resulted in the level of arrears increasing significantly over the period 2020/21 and 2021/22 which continued into 2022/23 and 2023/24, as shown by the increase in the arrears brought forward figures in Figure 2. Recovery action continues where there is non-payment, but the volume of cases will likely lead to collection increasing over an extended period.

4.23. Bristol has 62.72% of households (chargeable dwellings) in council tax liability band A and B (19.32% above the national average of 43.40% as of 1 April 2023). Band B is the modal national council tax liability for the low-income population and the households / groups which are considered more likely than average to have taken on more debt or be more indebted since the start of the pandemic.

4.24. The current council tax reduction scheme in place in Bristol allows for 100% reduction in council tax liability, meaning that 17,851 working age households in Bristol (as of October 2023) have no council tax liability and, subsequently, those with a liability have either not applied for council tax reduction or have been assessed as being able to pay none or a proportion of their liability.

4.25. In addition, collection is lower than in previous years due to a range of factors:

- Increase in council tax charges of 2.99% in 2022/23 and 4.99% in 2023/24.
- The average Band D council tax set by local authorities in England for 2023/24 is £2,065, in Bristol the Band D charge is £2,345.24.
- The reduction in the number of eligible working age council tax reduction claimants.

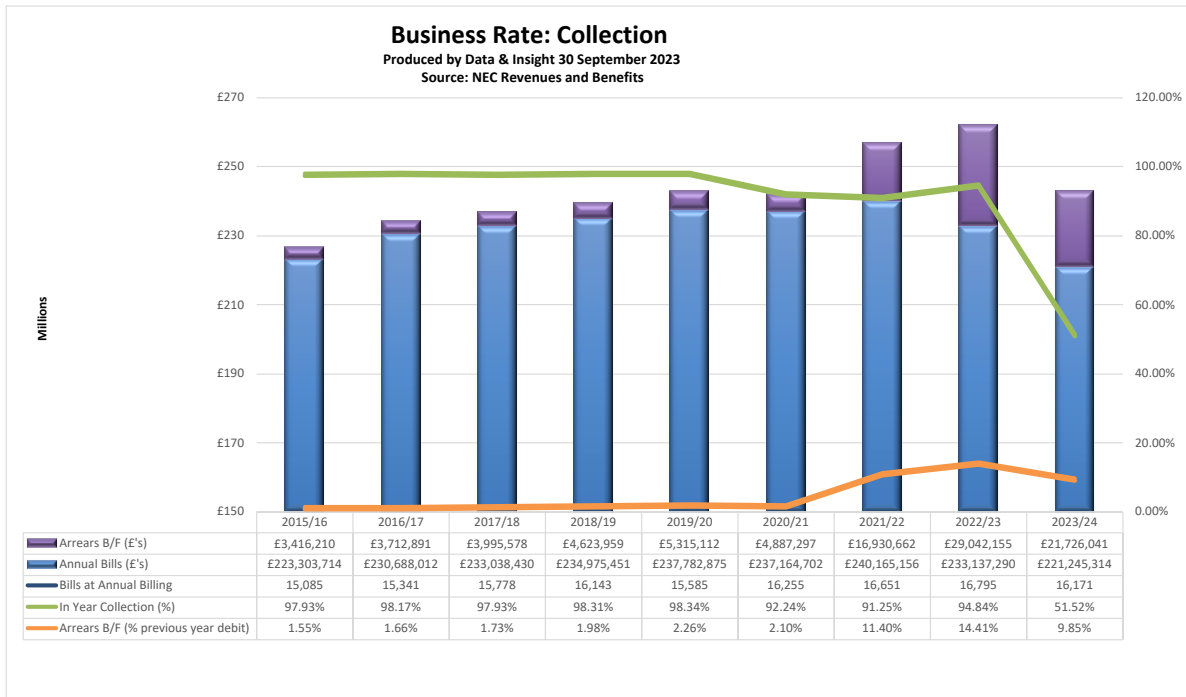
4.26. Additionally, temporarily pausing or reducing recovery or enforcement action for a significant period and inability to obtain time in court alongside new ways of working affected both in-year collection rates and collection of arrears.

4.27. The collective measures / schemes above have reduced the amount due to be collected and have temporarily resulted in a lower rate of collection. The collection target for 2024/25 will look to bring in year collection levels (as a percentage of collectible debit) close to pre-pandemic levels.

Non-Domestic Rates (Business Rates)

4.28. Business rates debt / arrears on 30 September 2023 totaled £14.226m (representing 13.45% of the total council debt) this is in comparison to £21.775m on 01 April 2023. Collection rate trends are shown in Figure 3.

Figure 3: Business Rate Collection



4.29. The split of direct debit / non-direct debit payers for open accounts is shown in Table 6.

Table 6: Direct debit / non-direct debit payments

Payment Type	No.	Percentage
Other Payment Methods	10,939	65.71%
Direct Debit	5,708	34.29%
Total	16,647	100.00%

4.30. There are a number of annual bills issued for accounts where no payment is due, for example because of entitlement to, for example, small business rate relief. Excluding these accounts provides the data as shown in Table 7.

Table 7: Direct debit / non-direct debit payments (exc. nil bills)

Payment Type	No.	Percentage
Other Payment Methods	5,883	56.49%
Direct Debit	4,532	43.51%
Total	10,415	100.00%

- 4.31. Recovery action continues there is non-payment, but the volume of cases will likely lead to collection increasing over an extended period.
- 4.32. Appeals against the Rating List have had a negative impact on collection, with £2.8m refunded since April 2023, negatively impacting on business rates income.

Overpaid Housing Benefit

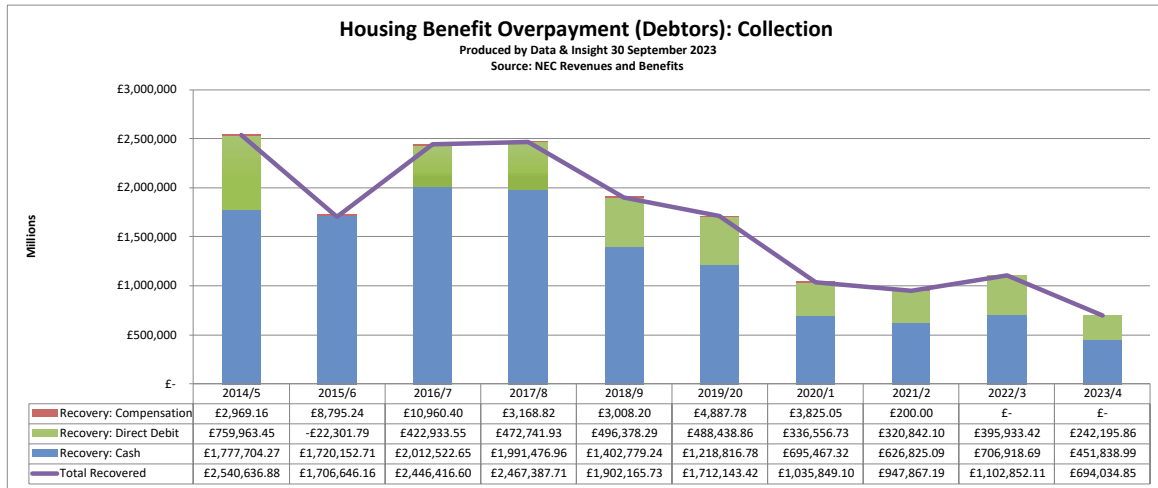
- 4.33. Total Housing benefit debt / arrears on 30 September 2023 totaled £19.912m (representing 10.72% of the total council debt), comprising £9.717m (5.23%) in respect of those currently in receipt of Housing Benefit and a further £10.195m (5.49%) in respect of those for which Housing Benefit is no longer in payment. The figure of £19.912m differs from that shown at

Figure 5 due to the different year end dates used.

4.34. There were 1,406 invoices issued for the total sum of £1.868m during Q1 and Q2 2023/24.

4.35. Collection rate trends are shown in Figure 4.

Figure 4: Housing Benefit Overpayment (Debtors) Collection



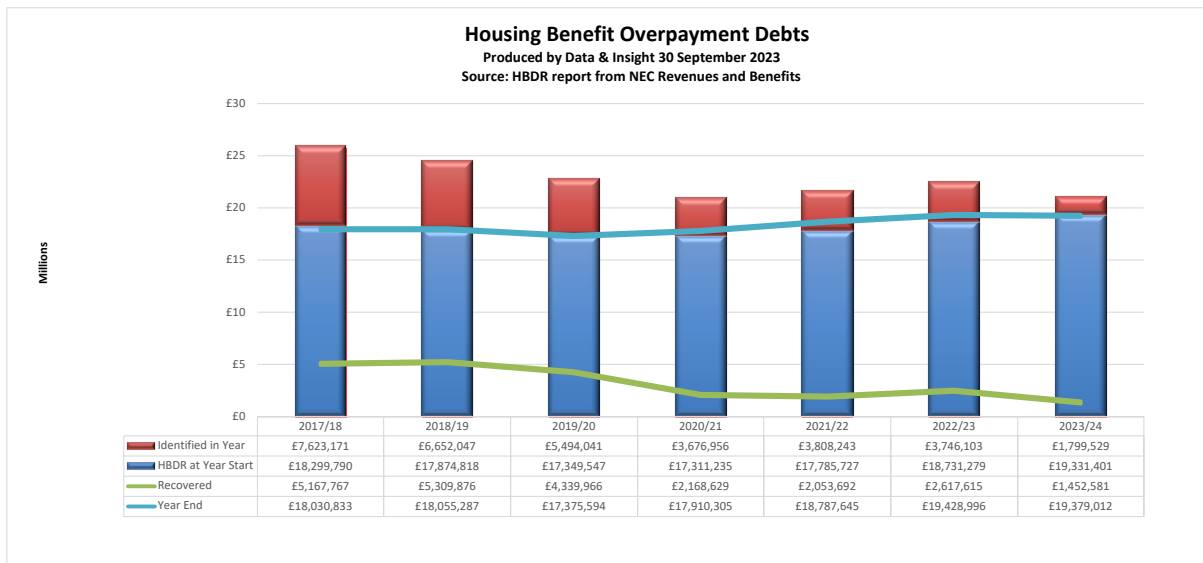
4.36. The split of direct debit / non-direct debit payers for in respect of those no longer in receipt of Housing benefit is shown in Table 8.

Table 8: Direct debit / non-direct debit payments

Payment Type	No.	Percentage
Other Payment Methods	4,169	76.12%
Direct Debit	1,308	23.88%
Total	5,477	100.00%

Figure 5 shows the figures for overall debt as reported to the Department for Work and Pensions which includes combined collection figures for Housing Benefit Overpayment.

Figure 5: Total Outstanding Overpaid Housing Benefit



4.38. Collection and recovery activity continues with increased numbers of cases referred to employers for direct earnings attachments or to collection agents. Deductions are made from ongoing entitlement for those who remain in receipt of Housing Benefit. Recovery from landlords who have been overpaid also continues.

Housing Revenue Accounts (Current Rent Arrears, Former Tenants Arrears and Leasehold)

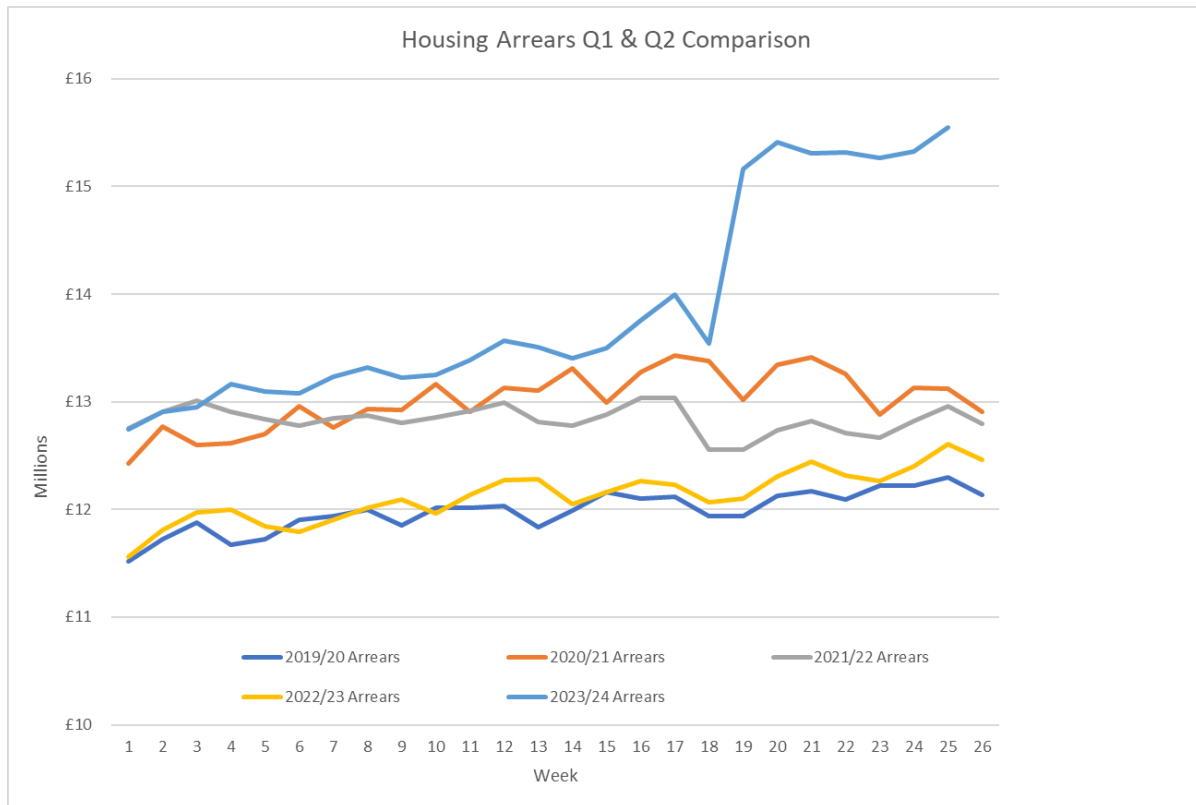
4.39. Housing Revenue Account (HRA) total indebtedness in April 2023 totaled £13.156m representing 8.41% of the total council debt), as shown in Table 9. In September 2023, the overall debt rose to £15.627m, equating to 8.40% of total council debt. This sum includes all assets and former accounts for HRA properties and other accounts managed by the Income (HRA) Service.

4.40. Leasehold debt was added to the Income (HRA) Service debt profile from Accounts Receivable (£1.547m) on 13 August, and this makes up 53% of the increase in the last period, a further £0.103m was added in Heating and Hot Water arrears. Leasehold debt is currently £1.579m as the 'Actuals' were added in September 2023. The entire Leasehold debt is being reviewed as many of the leaseholders we have contacted following the debt transfer from Accounts Receivable state they were not aware of the debt and had previously not been contacted by the council before about invoices. They are now challenging these invoices and the outstanding amounts. If the council did not notify Leaseholders of these invoices the council will have to write these debts off under Leasehold legislation. Moving the debt to the HRA will ensure the appropriate legislative and processes are followed to ensure that Leasehold Service Charges are recovered and managed in a timely and effective manner.

4.41.

Figure 6 shows the level of arrears for current year and previous years.

Figure 6: Housing Revenue Accounts Arrears Q1 and Q2 Yearly Comparison



4.42. Of the overall HRA debt, 56.0% is made up of Standard Current Rent arrears (£8.753m).

Table 9: Housing Revenue Accounts Arrears

Account Type	April 2023/24	September 2023/24	Change
Standard Current Arrears	£8,511,643	£ 8,752,787	£241,144
Leasehold Service Charge	N/A	£1,579,209	£1,579,209
Other Charges - Current	£1,583,444	£1,758,104	£174,660
Former Accounts	£3,061,189	£3,537,314	£476,125
Total	£13,156,276	£15,627,415	£2,471,139

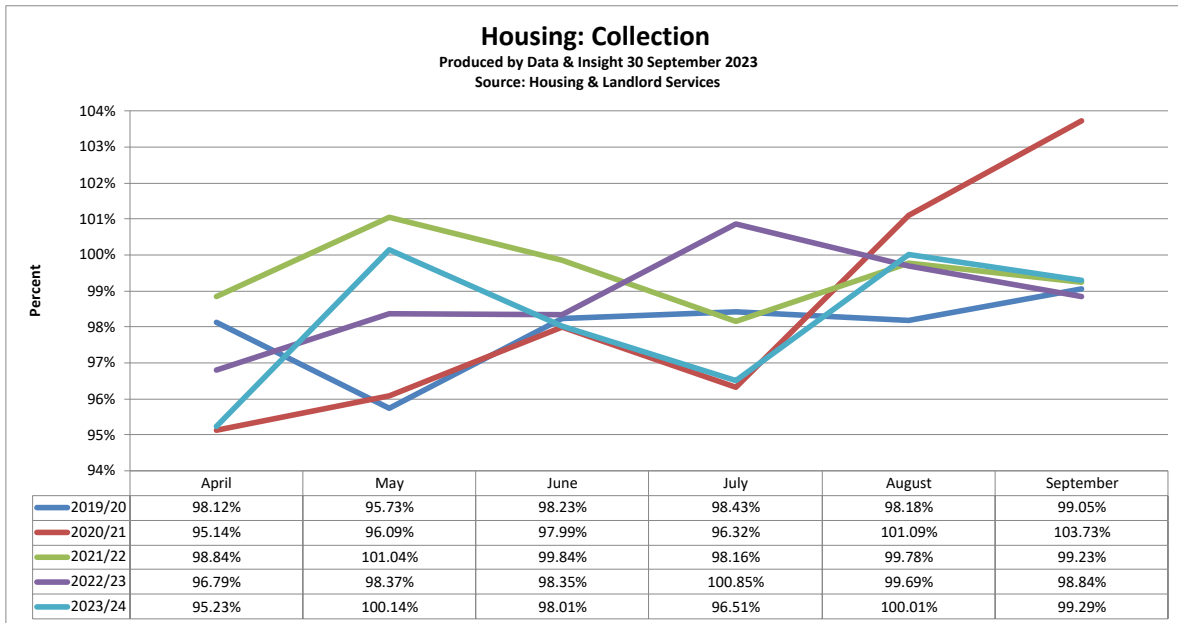
4.43. Standard Current arrears are following a similar trajectory to the last three years where collection rates were affected due to the COVID-19 pandemic and the on-going cost of living crisis. The continual reduction of discretionary housing payments (DHP) over the last three years has also affected collection performance and seen Standard Current arrears increase. We have activity supported residents with applications for DHP, and whilst this was successful in clearing some resident's arrears, it masked the underlying problem of some residents not seeing rent as a priority debt.

4.44. Standard arrears have increased by £0.241m between April and September 2023, however as a proportion of net debit, standard current arrears sit at 9.3% which is a reduction of 0.7% as a proportion of net debit. This is defined as the total annual charge minus payments received directly for Housing Benefit, Universal Credit APAs and DHP. Unlikely other Stock retaining Local Authorities

our arrears have remained relatively stable over the last three years, where the average increase in arrears is around 11% according to Inside Housing⁶.

Figure 7 shows the average collection rates for Q1 and Q2 2023/24 compared with previous years. The average collection rate so far for 2023/24 is 98.3%. Q3 is a difficult period for the service so we have brought in extra resources to support recovery during the next few months to maximise income during this period.

Figure 7: Housing Revenue Accounts Collection



4.46. Table 10 shows the aged debt profile of former tenant arrears (which equal 22.53% of total debt) and which are included in the total figure of £15.627m. These figures are as of November 2023. Former tenant debt has continued to increase as long-standing arrears cases are worked through and as these debts shift from one balance sheet to another (from current to former arrears).

Table 10: Housing Rent - Former Tenant Debt Age Profile

Period	Value	Percentage	Count	Percentage
Over six years	£46,698	1.05%	86	1.33%
2018/19	£143,453	9.68%	790	4.07%
2019/20	£620,936	25.73%	2,099	17.63%
2020/21	£469,062	17.11%	1,396	13.32%
2021/22	£608,070	16.01%	1,306	17.27%
2022/23	£926,430	17.92%	1,462	26.31%
2023/24	£706,750	12.48%	1,018	20.07%
Total	£3,521,402	100.00%	8,157	100.00%

⁶ www.insidehousing.co.uk/news/council-housing-rent-arrears-rise-significantly-survey-finds-82573

Housing (Temporary Accommodation)

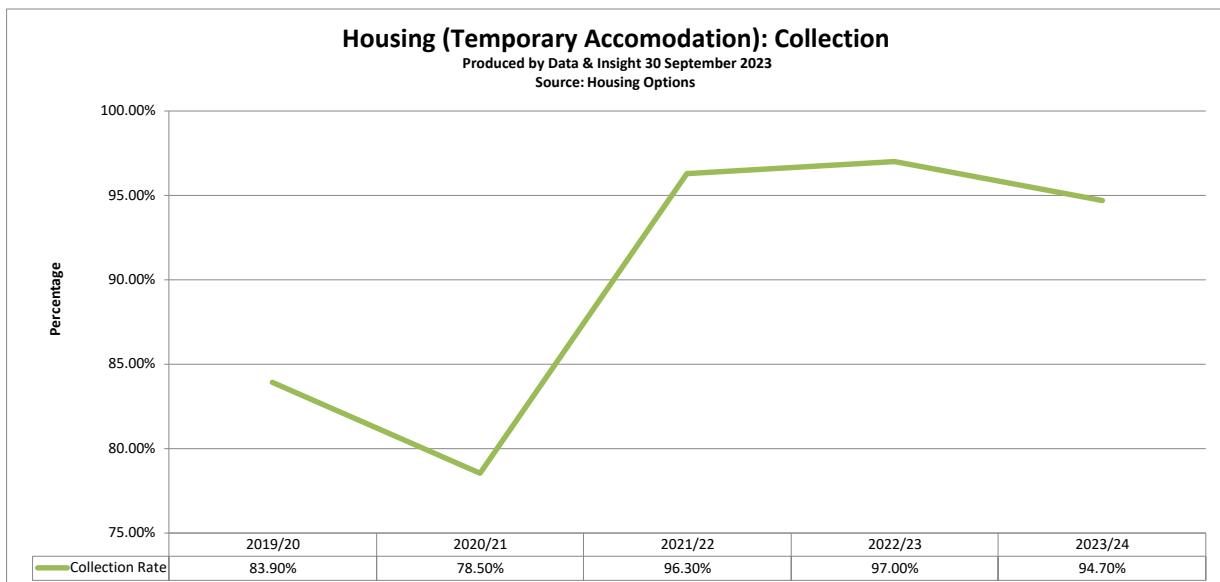
4.47. Full data for current customers who are in temporary accommodation is not available as the service has identified a key flaw in line of business application reporting. The service has and continues to work with colleagues across the Council to resolve the issue.

4.48. We have however identified and isolated a system error following introduction of a new application interface for all new placements made after July 2023. This has resulted in key revenue not being correctly allocated to client accounts. We believe there is a significant delay in key revenue being posted to the emergency accommodation accounts. This is the focus of our work to confirm actuals and then implement a fix to the identified problem.

4.49. Temporary Accommodation debt shows as £2.811m on 30 September 2023 and represents 1.51% of total council debt. This is an increase of 33.16% from the figure of £2.111m as of 31 March 2023. It is acknowledged that this figure might be lower due to the system error noted above.

4.50. Collection rates for the period 2019/20 to 2023/24 are shown in Figure 8 below.

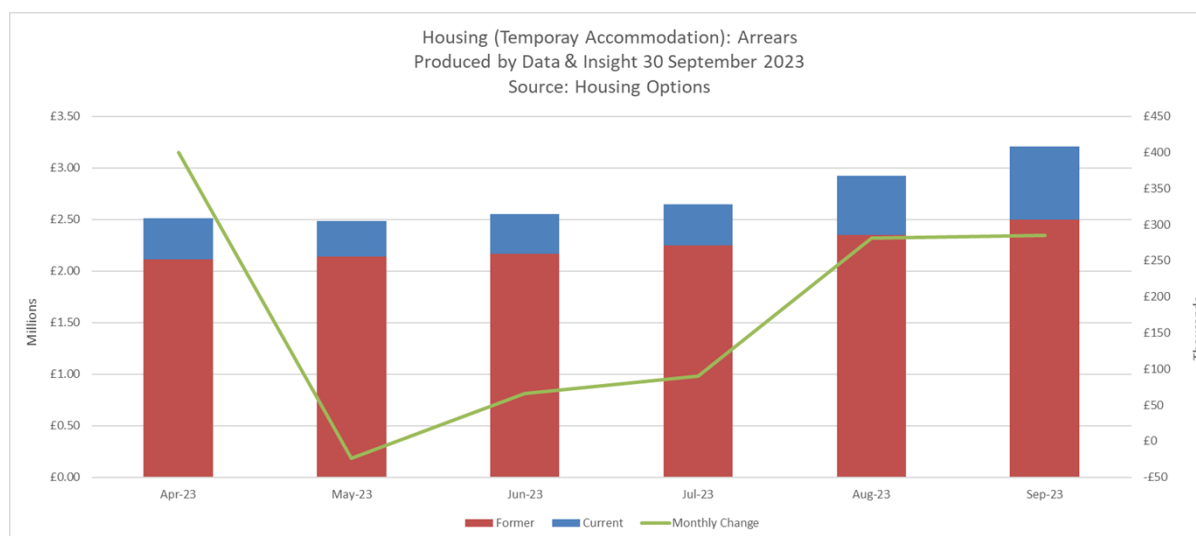
Figure 8: Housing (Temporary Accommodation) Collection Rates



4.51. The split of Temporary Accommodation debt by current and former tenants is shown in

Figure 9.

Figure 9: Housing (Temporary Accommodation) Debt



4.52. All short-term letting accounts are monitored (both current and former accounts) and reviewed and arrears letters and actions are undertaken every two weeks to maximise recovery.

4.53. The increase in arrears can be attributed to increased numbers of households presenting and being placed into emergency accommodation. Bristol has seen similar increases in use of emergency accommodation to that which is reflected in the national landscape where there has been a 14% increase in demand for emergency accommodation⁷.

Parking Services (Penalty Charge Notices)

4.54. Penalty Charge Notices (PCN) debt / arrears on 30 September 2023 totalled £2.833m (representing 1.52% of the total council debt), a reduction of 7.84% from 31 March 2023.

4.55. Table 11 shows the number of PCN's issued (excluding the Clean Air Zone), outstanding balances and collection rates.

Table 11: Parking Services Collection Performance (exc. Clean Air Zone)

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Parking PCNs	98,097	102,933	97,981	60,655	92,254	99,226
Bus Lane PCNs	51,145	59,587	47,373	78,018	172,020	121,994
Total PCNs Issued	149,242	162,520	145,354	138,673	264,274	221,260
No. PCNs Outstanding	28,059	32,119	20,147	34,465	48,265	39,112
No. PCNs Outstanding (%)	18.80%	19.76%	13.86%	24.85%	18.26%	17.68%
Face Value of Debt at Year End ¹	£1,889,991	£2,045,775	£1,542,520	£2,167,770	£3,460,012	£3,073,530
Value of Year End Liability ²	£841,542	£812,727	£549,689	£685,543	£873,644	£859,407
Liability as a % of Debt	44.53%	39.73%	35.64%	31.62%	25.25%	27.96%

⁷ www.housingtoday.co.uk/news/number-of-people-in-temporary-accommodation-up-14/5126978.article

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Amount Collected in Following Year	£776,263	£841,858	£454,356	£747,833	£959,407	£897,386
Year End Debt (%)	41.07%	41.15%	29.46%	34.50%	27.73%	31.22%

¹ This is the face value of all outstanding PCNs.

² This is an assessment of the value of the outstanding debt for any PCNs issued in that year which are expected to be recovered.

4.56. The data in Table 11 clearly shows a downward trend in the percentage of debt brought forward over time but an uptick in brought forward arrears in monetary terms, although this trend has reversed at the end of 2022/23. The improvement in 2022/23 can be attributed to increased collection via enforcement agents and the additional stages introduced under the corporate debt management policy.

4.57. The number of PCNs issued varies due to the addition of new sites and increasing compliance over time.

4.58. Almost all payments in respect of PCNs are received via the council's online payment portal or via the automated telephone payment line. Payments made in cash are received at the council's Citizen Service Point.

4.59. Without full use of enforcement agents, recovery levels remain lower than in preceding years. However, recovery rates have stabilised following the general disruption from COVID-19 and the liability for 2022/23 was therefore set based on actual recovery rate for 2021/22. This is expected to remain stable in the short term before increasing again once new debt management processes are introduced and full enforcement can be re-commenced.

4.60. The collection figure for 2022/23 has been revised to show the amount collected in 2022/23 as of 30 September 2023.

4.61. The data relating to Parking Services does not include any data relating to the Clean Air Zone (CAZ). A full report on the operation and impact of the CAZ is due to be published in late 2023 or early 2024.

4.62. It is not possible to map PCNs issued (or outstanding) as a considerable number relate to addresses outside of Bristol City Council's administrative boundary.

5. Ethical Debt

5.1. New initiatives and processes have been put in place under the Ethical Debt project, now more often referred to as Outreach or Debt Support. Cost of living pressures are clearly continuing to impact on people's ability to pay and we are endeavouring to maximise the support we are able to offer.

5.2. The debt support referral service allows customer facing teams across the council to refer those struggling with unmanageable debt, and who often have other non-financial problems, for support, advice and signposting. We aim to hold bi-monthly debt clinics around the city with invites sent targeting those living in the vicinity of the location where the clinic will be held for those whom our records indicate unmanageable debts exist. Bulk soft letter campaigns continue to be undertaken signposting customers to sources of self-service support and advice.

6. Collection and Recovery – Next Steps

6.1. The recovery of collection performance to the levels pre-pandemic continues, and steps are being

taken to engage with customers in line with the Corporate Debt Management Policy. Recovery action continues across all debt types.

- 6.1.1. Continue to progress cases through stages as set out in the corporate debt management policy.
- 6.1.2. Increase use of multi-channel communications to encourage engagement by those in debt to the council and look to enhance these communications through the use of RCS-enabled messaging.
- 6.1.3. Continue referring cases to collection and enforcement agents where there is no other identified recovery activity available or where those in debt are not engaging.
- 6.1.4. Maximise use of third sector advice agencies by signposting those suffering from financial difficulty or vulnerability with a view to increasing welfare benefit take up.
- 6.1.5. Work with colleagues to ensure that bills and invoices are appropriate to both service and customer requirements.
- 6.1.6. Outreach activities to continue with debt clinics held in community locations across the city to inform and provide assistance to those who are financially vulnerable. Over the coming months the plan is to expand the clinics to other community locations such as food banks.
- 6.1.7. In association with external partners, continue exploring the possibility of creating a fund to support those carrying troublesome debt and struggling to pay the Insolvency Service fees to secure insolvency solutions, for example Debt Relief Orders.
- 6.1.8. Work with third parties to proactively identify those who 'won't pay' from those who 'can't pay' to ensure collection and recovery activity is focussed appropriately.

7. Challenges / Areas for Further Improvement

- 7.1. There is a need to improve the financial system which currently has limited debt collection functionality. Outlined below are some of the improvements being explored:
 - 7.1.1. The introduction of new modules within ABW (used to administer Accounts Receivable debt), alongside a review of functionality to improve capability and bring improvements to what are sometimes cumbersome administrative processes for both collection and recovery activity and write off.
 - 7.1.2. Standard documentation used within ABW continues to be reviewed and work is ongoing with relevant services.
 - 7.1.3. Following an optimisation review a rewrite of the ABW workflow remains an option and new modules are considered for implementation where available to create and deliver business efficiencies.
 - 7.1.4. Plans to decentralise bad debt provision to services with an increased frequency of adjustments to improve the link between invoicing and collection. This is planned to be implemented for 01 April 2024.

8. Written Off Debt

- 8.1. The council has both a legal duty and a responsibility to the people of Bristol to ensure effective income management and that the income due to the council is paid promptly to support the delivery of council services.
- 8.2. The corporate debt management policy aims to promote and support proper and equitable debt management processes for all major sources of income owed to the council and to ensure the council both minimises debt and maximises rates of collection. The council must ensure that all collection processes comply with the relevant legislation, and the policy has been written to ensure that in doing so, the council's processes are fair to everyone, and that where recovery action is necessary, the council is consistent in its approach and assists customers who experience financial difficulty.
- 8.3. Write offs in the period 01 April 2023 to 30 September 2023 totaled £7.500m.
- 8.4. Table 12 below details the total number and value of write offs actioned, by debt type, during Q1 and Q2 2023/24.

Table 12: Write off by Debt Type

Write Off Description	Value	Percentage	No.	Percentage
Accounts Receivable	£710,502.85	9.47%	5,904	15.80%
Council Tax	£3,014,190.25	40.19%	9,798	26.21%
National Non-Domestic Rates (NNDR)	£1,709,990.98	22.80%	423	1.13%
Overpaid Housing Benefit (total)	£252,555.80	3.37%	3,175	8.49%
Housing Revenue Accounts (Current and Former. Tenants Arrears and Leasehold)	£378,618.81	5.05%	375	1.00%
Housing (Temporary Accommodation)	£ NIL	0.00%	NIL	0.00%
Penalty Charge Notices	£1,434,158.77	19.12%	17,702	47.36%
TOTAL	£7,500,017.46	100.00%¹	37,377	100.00%¹

¹ Subject to rounding

- 8.5. The data relating to Parking Services (Penalty Charge Notices) does not include any data relating to the Clean Air Zone (CAZ). A full report on the operation and impact of the CAZ is due to be published in January 2024.

9. Policy

Corporate Debt Management Policy, approved 18 January 2022

10. Consultation

a) Internal

Monitoring information reported to impacted service areas.

b) External

None

11. Public Sector Equality Duties

11.1. Before making a decision, section 149 of the 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.
 - 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.

There is no requirement for an EqlA as this report is only providing a position statement.

Appendices

1. Exempt Information – Write Off Detail

Local Government (Access to information) Act 1985

Background Papers:

- Background Paper 1: Care Act 2014: Care and support statutory guidance Annex D – Debt Recovery (see www.gov.uk/government/publications/care-act-statutory-guidance/care-and-support-statutory-guidance#AnnexD)

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

Audit Committee

29th January 2024



Report of: Chief Internal Auditor

Title: Internal Audit Update Report

Ward: Citywide

Officer Presenting Report: Chief Internal Auditor

Recommendations

1. The Audit Committee notes the Internal Audit Update Report highlighting the planned key activities for the rest of the year until 31 March 2024.
2. The Audit Committee notes the report and takes assurance from senior management regarding the issues highlighted in the internal audit executive summary report.

Summary

The Committee received internal audit and fraud half year reports in November that provided full details on performance against the approved plan and summary of outcomes from each of the completed reviews. This report seeks to provide the Committee with a high-level update on internal audit priorities in the last quarter of this financial year.

The significant issues in the report relate to:

- Delivery of the 2023/24 internal audit priorities
- The implementation of agreed audit actions
- 2023/24 Annual Governance Statement
- 2024/25 Audit Planning
- A recent internal audit review provided **no assurance** on the effectiveness of governance arrangements for Refugee Resettlement schemes and financial controls for cash support provided to persons with no recourse to public funds (NRPF). The executive summary of this report is at Appendix A.

Policy

1. Audit Committee Terms of Reference

Consultation

2. **Internal**

Corporate Leadership Board including S151 Officer, Cabinet Member for Governance, Resources and Finance.

3. **External**

Not applicable

Context

4. The role of the Internal Audit function is to provide Members and Management with independent assurance that the control, risk, and governance framework in place within the Council is effective and supports the Council in the achievement of its objectives. The work of the Internal Audit team should be targeted towards those areas within the Council that are most at risk of impacting on the Council's ability to achieve its objectives. In addition, the team provide a Counter Fraud Service to the Council to enhance arrangements for the prevention, detection, and investigation of fraud.
5. This report provides an update on internal audit matters. The Committee received comprehensive half year reports in November which provided the Committee and Management with an update on the progress in delivering the approved 2023/24 internal audit priorities. This update details the key priorities for the period up to 31 March 2024.

Internal Audit Delivery

6. Reasonable progress is being made in completing the approved 2023/24 internal audit plan. Most of the reviews that are earmarked for completion in Q4 are being scoped and some of them are already work in progress.
7. Q4 is an incredibly challenging period for both management and Internal Audit due to management trying to find the right balance between business as usual and supporting internal audit activities. Internal audit will continue to effectively collaborate with management to ensure that planned activities are completed, recognising that there could be some delays in finalising some reports.
8. We continue to use our strategic partner to support the delivery of key audit priorities and we have recruited a temporary Group Auditor to increase our capacity in completing capital project reviews. As reported in the last meeting we are confident that the majority of the agreed audit priorities will be delivered by 31 March 2024.

Implementation of agreed management actions

9. A key activity for Internal Audit is following up and reporting on the implementation of agreed management actions. The Council uses the Pentana Audit Management System to monitor and report the implementation of agreed management actions. Management is responsible for implementing the agreed actions and Internal Audit is responsible for undertaking follow up and ensuring that the progress in the implementation of the actions is monitored and reported to the Corporate Leadership Board (CLB) and Audit Committee.
10. There is a target that 90% of all agreed management actions are implemented by the due date. There were 387 actions that were due for implementation on or before 31 December 2023. The pie chart below provides a high-level view of performance as at this date.

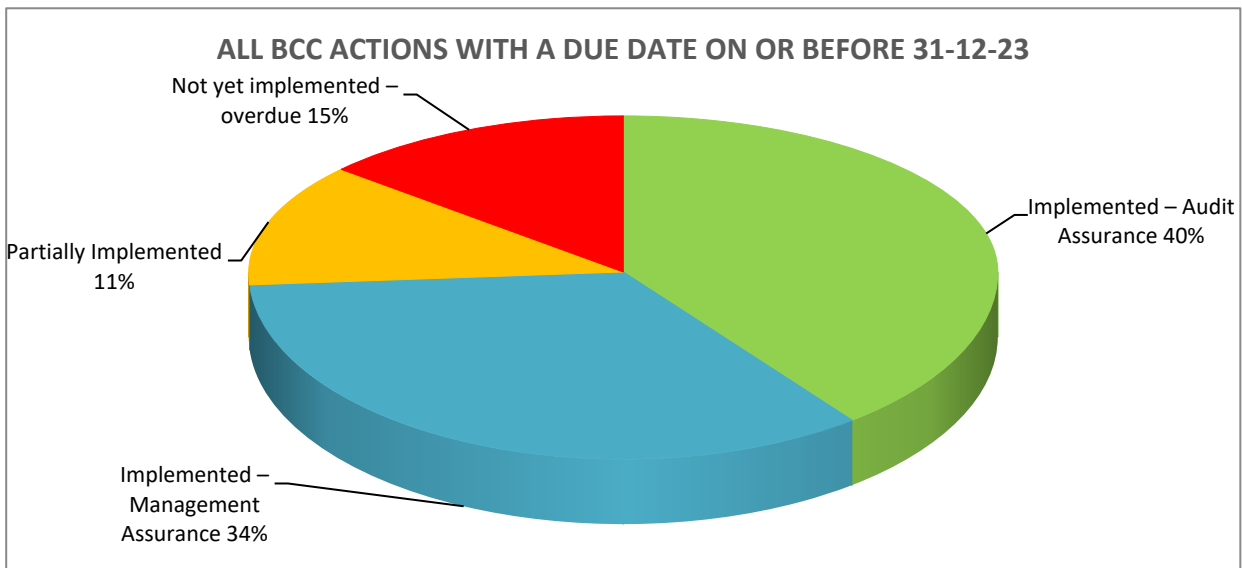


Table 1 below reflects the position as at that date.

Table 1

Action Status	High	Medium	Grand Total
Implemented – Audit Assurance	45	108	153
Implemented – Management Assurance	31	102	133
Partially Implemented	14	29	43
Not yet implemented – overdue	21	37	58
Grand Total	111	276	387

Table 2 below shows the percentage performance per directorate:

Table 2

Action Status	Resources	Growth & Regeneration	Adults & Communities	Children & Families
Implemented – Audit Assurance	45%	32%	43%	16%
Implemented – Management Assurance	33%	31%	32%	55%
Partially Implemented	12%	20%	3%	3%
Not yet implemented – overdue	10%	17%	22%	26%

11. At 85% this performance is below the target of 90%. More needs to be done to ensure that the improved performance reported in previous quarters is maintained. During the reporting period, a lot of work was completed in supporting the organisation to clear some long outstanding actions and there is visible traction at senior management level. While there has been a lot of effort by both management and Internal Audit to ensure continuous improvement in this area, more still needs to be done and this is a priority for CLB: In Q4, Internal Audit, will support management in:
- proactively managing the process for monitoring the implementation of agreed actions;
 - embedding the process for monitoring and reporting progress as part of monthly performance discussions;
 - maximising Pentana Audit to monitor the implementation of agreed actions; and
 - embedding the implementation of agreed actions as part of business as usual and maximising the opportunities arising from the audit activities.
12. The next report on the implementation of agreed management actions will be presented in the Chief Internal Auditor’s Annual Opinion.

2023/24 Annual Governance Statement (Statement)

13. The Council is required by the Accounts and Audit Regulations 2015 to prepare an Annual Governance Statement to accompany its published financial statements. Internal Audit has responsibility for collating assurances in support of the Council’s Annual Governance Statement; for drafting the Statement and for facilitating management review.
14. The review process, that includes examination of a wide range of internal control and governance processes and senior managers from across the Council and group of companies completing assurance statements for each of their areas acknowledging responsibility for internal control and risk management, has started.
15. A draft Statement will be presented to the Audit Committee for consideration in June 2024.

2024/25 Audit Planning Approach

16. The local government sector continues to face significant levels of financial pressures impacting the council’s ability to deliver quality services to their residents. As a result, the sector is exploring alternative models of delivery that come with uncertainty, complexity, and increased risk. It is against this background that Internal Audit will need to adapt to these changes and adopt approaches that align with the business and implement effective methodologies that anticipate new risks, provide advice, and help to positively manage change.
17. Due to the fast-changing operating environment, Internal Audit has adopted flexible planning methodologies that ensures that the Service focuses on the issues that are impacting the business on time and the resultant advice will have an impact on outcomes.
18. Work to identify priorities for the first three months of 2024/25 has commenced and the proposals will be presented for approval by the Audit Committee in March 2024. Consistent with the now established practices, in the same meeting the Audit Committee will be requested to note some of the areas that will form part of the following quarter (Q2) which will be presented for approval by the Committee in June 2024. The approach ensures that the Committee has assurance that all known emerging risks are covered and there is an opportunity to reprioritise activities every quarter. The process will be repeated in all other quarters during the year.
19. There are no other changes to the delivery of internal audit services and reporting to the Committee.
20. Annually, the Audit Committee undertakes a self-assessment on its effectiveness based on the CIPFA Audit Committees: Practical Guidance for Local Authorities and Police. A workshop to complete this exercise is scheduled for 29th January 2024.

Internal Audit Exception Reporting

21. Under the agreed escalation procedure, a summary of every audit with a no or limited assurance opinion is presented to the Audit Committee for consideration. The Committee may seek additional assurances on the actions being taken to address the issues identified. Consistent with this procedure the Refugee Resettlement schemes and financial controls for cash support provided to persons with no recourse to public funds (NRPF) review summary, Appendix A of this report, is being presented for consideration and the relevant senior responsible officers will be in attendance to answer any questions the Committee may have.

Proposal

22. The Audit Committee note the internal audit update and takes assurance from management regarding the issues highlighted in Appendix A.

Other Options Considered

23. Not applicable

Risk Assessment

24. The work of Internal Audit minimises the risk of failures in the Council’s internal control, risk management and governance arrangements, reduces fraud and other losses and increases the potential for prevention and detection of such issues. Areas of significant risk are detailed in the report.

Summary of Equalities Impact of the Proposed Decision

No Equality Impact anticipated from this report.

Legal and Resource Implications

Legal

Not Applicable

Financial

Not Applicable

Land

Not Applicable

Personnel

Not Applicable

Appendices:

Appendix A - Refugee Resettlement Schemes and Financial Controls for cash support provided to persons with no recourse to public funds (NRPF)

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

Public Sector Internal Audit Standards

Various Audit Files

Background and Context

- 1.1 The Refugee Resettlement Team provides support to refugee families assessed by the United Nations as particularly vulnerable and therefore eligible for formal resettlement. Support is organised through different government funded schemes which fund support such as housing and help with day-to-day living for a specific period, typically 3-5 years.
- 1.2 Separately, the Council provides cash support to people presenting with 'no recourse to public funds' (NRPF) such as asylum seekers and victims of domestic violence.
- 1.3 This audit reviewed the governance arrangements in place to ensure that the Council delivers its responsibilities to refugees, and that sufficient financial controls exist for handling cash associated with services to those without recourse to public funds.

Scope and Objectives

- 2.1 The scope of the assignment included:
 - Consideration of the Council's approach to supporting resettlement of refugees and whether this aligns with government requirements and Council policy.
 - Assessment of whether the Refugee Resettlement Team has clear procedures and schemes of delegation to ensure that grant funding for refugee resettlement receives appropriate scrutiny and approval.
 - Assessment of the financial controls to ensure that cash support to NRPF persons is appropriately accounted for.

Audit Opinion

- 3.1 Overall, Internal audit obtained **No Assurance** that effective governance arrangements for Refugee Resettlement schemes and financial controls for cash support provided to persons NRPF were in place.

Key Messages and Findings:

- 4.1 Internal audit identified a lack of documented procedures for cash handling, a lack of segregation of duties and missing or inadequate retention of required documentation. The service is at risk from single points of failure due to only one staff member being able to manage scheme claims, and one officer able to order and manage cash and receipts. Compliance with scheme conditions, such as completion of required documentation is poor.
- 4.2 The Council makes claims for several schemes, including the UK Resettlement Scheme and the Homes for Ukraine scheme. The Service Manager for Refugee Resettlement is solely responsible for managing all aspects of claims and no procedure document has been produced to enable the service to continue to be managed if they become unavailable. Section 151 Officer approval is a condition of funding for the Homes for Ukraine scheme and was evidenced as taking place but the Council has no approval procedure for other schemes.
- 4.3 Controls to restrict access to cash, to segregate duties and to retain appropriate corporate records of activity for handling cash are not in place. The Customer Service & Finance Officer is solely responsible for ordering cash, preparing payment receipts, performing cash counts and inputting data into a finance spreadsheet. If this person becomes unavailable, responsibility is not delegated to another team member. This happened between February and May 2023 resulting in uncertainty over whether payments could be made to persons NRPF, proper accounting processes not followed or documented, and £800 of cash reported as missing and

not resolved. A separate investigation was undertaken into this matter which confirmed the findings of the original audit. Thus, the management action plan already in place will address the findings.

- 4.4 Weekly cash counts are performed but are not evidenced and the finance spreadsheet does not record the actual amount of cash maintained. Our sample testing of records for ten cash deliveries made between December 2022 and September 2023 identified that a different cash amount was delivered to the amount ordered on two separate occasions. One instance amounted to £10 due to human error and another £100 due to this amount not being delivered in the previous week. However due to cash counts not being retained we could not reconcile the variances.
- 4.5 The entire Asylum Team has access to the cash held at the office and can update the spreadsheet used to record payments, meaning that cash could potentially be taken, and payment records altered to hide theft.
- 4.6 We found that record keeping can be inaccurate or incomplete. Support plans are required for each family as part of scheme funding conditions. The Council is not meeting its conditions under the schemes as we found instances of support plans not being in place or unable to be evidenced. Clients, or their representatives, may turn up on an ad-hoc basis throughout the week for a cash payment. We identified instances where the person collecting the support on behalf of the beneficiary was incorrectly recorded rather than the actual beneficiary, meaning that payment may not be able to be reconciled back to that beneficiary in the future. For regular payments, receipts should be signed by both the social worker and client to evidence that the payment was successfully made, and the amount was correct. Our sample testing of ten receipts identified one instance where the receipt was not signed by the social worker.
- 4.7 Issue of pre-paid cards rather than cash could significantly reduce financial risks to the Council. At the time of our review, 11 cards had been issued; however, implementation has been slow as only the Customer Service & Finance Officer had access to the various systems required to set up a card. Prepaid cards could reduce cash requirements, alleviate workloads, and a more effective record of payments could be maintained.
- 4.8 We raised three high, four medium and one low priority findings. These related to:

High Priority:

- A single point of failure with a single officer responsible for ordering cash, preparing payment receipts, performing cash counts, and inputting data into the finance spreadsheet.
- Documentation of weekly cash counts not being retained.
- Unrestricted Asylum Team access to the safe and payment spreadsheet.

Medium Priority:

- Slow roll-out of the use of pre-paid cards.
- No segregation of duties and governance in the submission and approval of claims to some refugee resettlement schemes.
- Missing or incomplete support plans.
- Recording inaccuracies related to beneficiaries provided with ad-hoc support.

Low Priority

- Lack of social worker signature on one receipt for payment sampled.

Management Response

- 5.1 The findings have been accepted by management who have agreed management actions to address them. In order to support the work, additional staff resources have been secured and implementation of the management actions is progressing well. The Director – Adult Social Care is overseeing timely completion of the actions. These include:

Management Action	Progress	Outstanding Actions	Due Date
1. Taking immediate steps to secure administrative support to cease wide and unrestricted access to cash.	Administrative support is currently being recruited. This will ensure comprehensive support and good governance around cash handling. Meantime, procedures and record keeping have been strengthened.	Confirm appointment of administrative officer and deliver induction and training	29/02/24
Putting in place robust cash handling, recording and reconciliation arrangements, and establishing sound systems of internal control, including documented procedures	A Practice and Assurance Framework is being drafted and will be in place by the end of January; this will set out clear procedures and practice standards. In the short-term record keeping has been improved, e.g. to ensure that the weekly cash count records are maintained	Approve and launch Practice and Assurance Framework	31/01/24
Training for staff on new systems and protocols which sets out the appropriate segregation of duties to safeguard public funds	Training and development for staff will follow the launch of the Practice and Assurance Framework	Design training Training delivery completed.	29/01/24 01/03/24
Move away from cash handling wherever possible through the introduction of prepay cards, supported by tight governance protocols which restricts and controls access whilst ensuring that people who need the support receive it in a timely way	The implementation of pre-pay cards is well progressed, with a new process for decision making and allocation of pre-pay cards. By the end of January 2024, the value of cash handling will have reduced by approximately 50%	Continue to implement pre-pay cards as appropriate to reduce cash transactions	Ongoing
As part of the review of financial governance, the service will put in place arrangements to ensure that grant income is appropriately approved, and that accountability for performance of grant conditions is understood and reported on and assurance provided	Governance arrangements have been tightened to ensure that the decision-making pathway is followed. The Head of Service will provide oversight and ensure that grant conditions are complied with	Implemented	31/12/24
Completing support plans for all individuals in accordance with grant conditions and ensure they are correctly filed, while carrying out spot checks to ensure ongoing sustainability as part of Adult Social Care 'business as usual' quality assurance activity	This work is well progressed, and all support plans will have been completed by the end of January 2024. Management oversight is maintained, and management audits will be undertaken to ensure compliance	Finalise support plans	31/01/24
Establish protocols for case recording and correct all case records for people receiving support.	These will be included in the Practice and Assurance Framework documents for completion by the end January 2024.	Audit case recording to ensure correct filing	29/03/24

Audit Committee

29th January 2024



Report of: Director Finance, S151

Title: Q3 2023/24 Corporate Risk Report Update.

Ward: Citywide

Officer Presenting Report: Denise Murray – Director of Finance, S151

Contact Telephone Number: 0117 3576255

Recommendation

- The Audit Committee review and comment the Q3 2023/24 Corporate Risk Report (CRR)

Summary

This report presents the Corporate Risk Report (Appendix A1) as at Dec 2023.

The significant issues in the report are:

- The CRR is an important tool in managing risk. It aims to provide an overview of the significant risks facing the council and how they are being managed. The CRR attached to this report at Appendix A1 and is the latest formal iteration following a review by members of the council's Corporate Leadership Board (CLB) and Cabinet. The Q3 2023/24 risk review included managers from across the Council. Appendix A2 – Static Risks Q3 2023_24 Corporate Risk Report. Appendix A3 – Risks Scoring 20 to 28 but not in Corporate Risk Register Q3 2023

1 Policy

- 1.1. The Accounts and Audit Regulations 2015 require the council to have in place effective arrangements for the management of risk. These arrangements are reviewed each year and reported as part of the Annual Governance Statement (AGS). The Council is required to comment on the effectiveness of its arrangements in this regard. The statement must also identify any significant governance issues that may have resulted from failures in governance and risk management.
- 1.2. Risk Management is an integral part of good governance to which the Council is committed. Risk Management provides the framework and processes that enables the Council to manage uncertainty in a systematic way. As part of the Risk Management arrangements the Council reviews the Risk Management Assurance Policy on an annual basis.
- 1.3. It is considered good practice to regularly review and update the Risk Management Assurance Policy to ensure it strengthens the Council's approach to its risk management and assurance arrangements.
- 1.4. Ensuring that the Corporate Risk Report (CRR) is soundly based will help the council to ensure it is anticipating and managing key risks to optimise the achievement of the council's objectives and prioritise actions for managing those risks.
- 1.5. The CRR provides assurance to management and Members that Bristol City Council's significant risks have been identified and arrangements are in place to manage those risks within the tolerance levels agreed.
- 1.6. The CRR is a management tool and needs regular review to ensure that the occurrence of obstacles or events that may put individual's safety at harm, impact upon service delivery and the council's reputation are minimised, opportunities are maximised and when risks happen, they are managed and communicated to minimise the impact.
- 1.7. The CRR has been prepared and presented in line with the Risk Management Assurance Policy that was approved by Cabinet in January 2019.

2 Consultation

Internal - First to fourth tier managers, Extended Leadership Team, Corporate Leadership Team, Cabinet Member, City Economy, Finance and Performance.

External - None

3 Context - Corporate Risk Register (CRR)

- 1.8. The Accounts and Audit Regulations 2015 require the council to have in place effective arrangements for the management of risk. These arrangements are reviewed each year and reported as part of the Annual Governance Statement (AGS).
- 1.9. Ensuring that the Service Risk Registers (SRR), Directorate Risk Reports (DRR) and the Corporate Risk Reports (CRR) are soundly based will help the council to ensure it is anticipating and managing key risks to optimise the achievement of the council's objectives and prioritise actions for managing those risks.
- 1.10. The registers and reports are a management tool. They need regular review to ensure that the occurrence of obstacles or events that may put individual's safety at harm, impact upon service delivery and the council's reputation are minimised, opportunities are maximised and when risks happen, they are managed and communicated to minimise the impact.

1.11. The Q3 23-24 Corporate Risk Report (CRR) as at December 2023 contained:

Threat Risks	Opportunity Risks	External / Contingency Risks
1 Critical 25 High 5 Medium	1 High	1 High 2 Medium
2 Improving Risks 2 Escalated Risks 9 De-escalated risks		1 Deteriorating 3 De-escalated risks

A summary of risks (Threat and Opportunities) for this reporting period are set out below:

Critical Threat Risks

1.12. There is one Critical Threat risks scoring 28.

- *CRR55 - Risk of children placed in unregistered provision which is unlawful:* The risk remains as we continue to have children placed in unregistered provision.

Improving Risks

1.13. There are two improving Threat risks within the report:

- *CRR6 - Potential threat of Fraud and Corruption. The risk score reduced from $5 \times 3 = 15$ High to $3 \times 2 = 6$ Medium. The setup of a fraud hub and prioritisation of fraud prevention has resulted in the risk score being reduced.*
- *CRR39 - Adult and Social Care major provider/supplier may fail to deliver as expected. The risk score reduced from $5 \times 3 = 15$ to $3 \times 3 = 9$. It continues to be likely that a large supplier could fail but most likely be a planned exit and as market relatively stable, it would be able to cope.*

Deteriorating Risks

1.14. There is one deteriorating External and Civil Contingency Risk risks within the report:

- *BCCC4 - Possible Increase In Winter diseases including COVID-19 and Flu:* The risk score increased from $3 \times 3 = 9$ to $4 \times 3 = 12$ as we anticipate a seasonal increase in flu or COVID in the coming quarter.

Proposed Escalation to the Corporate Risk Register

1.15. The following 2 risks are recommended for escalation from service risk registers to the Corporate Risk Register

- *CRR 58 - Failure to maintain and replace the Highway and Traffic assets may lead to future budget shocks and potential injuries to the public:* The risk score has increased from to $7 \times 3 =$ High 21. Defects on network are increasing as depreciation accelerates; and this may lead to an increase in litigation and settlement payments to network users and motorists.
- *CRR59 - Failure to deliver timely statutory planning decisions:* The risk score has increased to $5 \times 5 =$ High 20 as the backlog in planning applications may lead to delays in delivering development and potentially refund of fees.

De-escalated from the Corporate Risk Register

1.16. The following 12 risks are recommended for de-escalation from the Corporate Risk Register to Directorate and Services Risk Registers.

Threat Risks

- 1.17. *CRR4 – Possible failure to Deliver an effective Corporate Health, Safety and Wellbeing Framework:* This risk has scored between Medium 10 and High 15 since September 2021 and will continue to be actively managed as a Resources Directorate Risk.
- *CRR6 - Potential threat of Fraud and Corruption:* The risk score has reduced to Medium 6 and will continue to be actively managed as a Resources Directorate Risk.

- *CRR18 - Possible failure to deliver enough new homes to meet Mayoral and Annual Business Plan targets:* This risk has scored between Medium 10 and 15 High since December 2022; and will continue to be actively managed as a Growth and Regeneration Directorate Risk.
- *CRR26 - ICT Resilience May Not Be Effective:* This risk has scored High 14 since March 2022 and will continue to be actively managed as a Resources Directorate Risk.
- *CRR27 - We may fail to Deliver the Capital Transport Programme:* This risk has score High 15 since December 2022 and will continue to be actively managed as a Growth and Regeneration Directorate Risk.
- *CRR29 - Information Security Management System (ISMS) May Not Be Effective:* This risk has scored Medium 10 since May 2022 and will continue to be actively managed as a Resources Directorate Risk.
- *CRR41 - Capital Portfolio Delivery May Fail:* This risk has a score of High 15 and will continue to be actively managed as a Growth and Regeneration Directorate Risk.
- *CRR49 – Potential Impact of Weak Workforce Resilience:* This risk has scored Medium 9 since August 2023 and will continue to be actively managed as a Resources Directorate Risk.
- *CRR54 - Potential Threat of Financial Sustainability of Nursery Schools:* This risk has scored Medium 6 since September 2023 and now being actively managed as a Children and Education Directorate Risk.

External and Civil Contingency Risks

- *BCCC1 - Flooding May Impact Public Safety:* This risk has scored High 15 since 2021 and will continue to be actively managed as a Directorate Risk the Growth and Regeneration Directorate.
- *BCCC4 - Possible Increase In Winter diseases including COVID-19 and Flu:* The risk has scored between Low 3 and Medium 12 since August 2022; and will continue to be actively managed as a Service Risk within the Adult and Communities Directorate.
- *BCCC5 - Cost of Living Crisis may have major impact on Citizens and Communities:* This has scored between Medium 9 and Medium 12 since May 2023; and will continue to be actively managed as a Service Risk within the Adult and Communities Directorate.

Interconnective Risks (New)

- 1.18. Some risk, scoring above 20, are interconnected and inform existing corporate risks. These risks will not be escalated to the CRR as they are shown as 'Related to' the interconnected corporate risk in Pentana.
- DRR Possible Hengrove Leisure Centre PFI Budget Deficit is connected to CRR13 Possible Financial Framework and Medium-Term Financial Plan (MTFP) Failure.
 - Placement sufficiency for children in care / care leavers is connected to CRR55 Risk of children placed in unregistered provision which is unlawful.
 - CRR18 Possible failure to deliver enough new homes to meet Mayoral and Annual Business Plan targets is connected to CRR48 We may not be able to meet the affordable housing needs of the City by failing to meet the Project 1000 Delivery targets.
 - CRR54 Potential Threat of Financial Sustainability of Nursery Schools is connected to CRR13 Possible Financial Framework and Medium-Term Financial Plan (MTFP) Failure.
 - Harbour infrastructure failure: leading to property damage, flooding and injuries is connected to CRR58 Failure to maintain and replace the Highway and Traffic assets may lead to future budget shocks and potential injuries to the public.

Mitigation Actions Update

1.19. There were 10 new mitigation actions created during the reporting period which, when completed, will result in improved risk assurance and improvement towards our tolerances level. Over 9 risk mitigation actions were successfully completed.

Emerging (In Progress) Risks:

1.20. Feedback on RAAC Risk: We have a file with 1877 entries but please note this is not properties, just entries as there may be multiple entries for one asset / site. For the criteria of RAAC potentially being present in a building if built between 1930 to 1990, we have identified – 330 entries (so far) require a RAAC survey. 264 entries are still to be reviewed to ascertain if a survey is required or not. 1283 currently have been identified as not requiring a survey. (Further updated will be provided by Q4)

- Barton House Risk Assessment – analysis of emerging risks ongoing, working with the team.

Static Risks

1.21. 24 risks have scores that have remained static over the last 3 reporting cycle as at Q3 2023: an increase from 17 in Q2. Two risks were mitigated in Q3 after being static in Q2. Risk owners are advised to ensure that controls and mitigations are effective, confirm why it has remained the same and if anything could be done. These risks are summarised in Appendix A2 of this report.

Non CRR Risks Scoring 20-28 (New)

1.22. The Q2 review identified 17 risks scoring between 20 and 28 that had not been escalated to the Corporate Risk Register (CRR). A commitment was made to review these risks and provide feedback. During Q3 some risks were removed from the list for various reasons including – two risks were escalated to the CRR, the risk score reduced below 20, risks were merged with similar risks, or the risk was no longer relevant. The number of risks with scores above 20 has reduced to 16 with a summary contained in Appendix A3 of this report. In most cases it has been agreed that risks will be managed at EDM level, with risk score to be reviewed to reflect EDM level, controls and mitigation actively managed regularly.

Additional Information:

- For more detail on individual risks and their management, please see the attached Appendix A1.
- The closed risks are now reflected within individual risks across the Council's Service Risk Registers.
- All risks on the CRR have management actions in place.
- It is not possible to eliminate the potential of failure entirely without significant financial and social costs. The challenge is to make every reasonable effort to mitigate and manage risks effectively, and where failure occurs, to learn and improve.
- Risks are escalated to the Corporate Risk Report (CRR) if the risk scores higher than a 20 or if a risk is determined by CLB to remain on the corporate risk report due to monitoring its significance to the councils aims and objective.

4 Proposal

1.23. The Audit Committee are requested to receive and note the Risk Management update.

1.24. The Audit Committee review and comment upon the Corporate Risk Report (CRR) as a source of assurance that risk management arrangements are in place.

5 Other Options Considered

None-necessary. Having robust risk management processes in place is a requirement of the City Council. The CRR has been developed in line with the Risk Management Assurance Policy.

6 Risk Assessment

The Risk Management Assurance Policy and the CRR will further develop risk management assessment within the City Council and help management of risk arrangements embed.

7 Public Sector Equality Duties

1.25. 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.

1.26. No equalities assessment necessary for this report.

8 Legal and Resource Implications

Legal - N/A

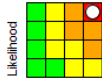
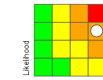
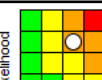
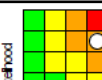

Financial - N/A

Land - N/A

Personnel - N/A

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk Performance Summary

Risk	Page Number	Q4 Rating (22/23)	Q4 Matrix (22/23)	Q1 Rating (23/24)	Q1 Matrix (23/24)	Q2 Rating (23/24)	Q2 Matrix (23/24)	Q3 Rating (23/24)	Q3 Matrix (23/24)
CRR55 - Children placed in unregistered provision may be at risk	34	N/A	N/A	28 ↓		28 ↓		28 ↓	
CRR5 - Business Continuity and Operational Resilience may not be effective	8	10 ↑		14 ↓		21 ↓		21 ↓	
CRR9 - Possible Failure of Safeguarding Vulnerable Children	11	21 ↓		21 ↓		21 ↓		21 ↓	
CRR10 - Safeguarding Adults may be at Risk with Care and support needs.	10	15 ↓		21 ↓		21 ↓		21 ↓	
CRR12 - Emergency planning measures and resources may be overwhelmed by scope and scale of an emergency or incident faced by the Council.	13	14 ↑		14 ↓		21 ↓		21 ↓	
CRR13 - Possible Financial Framework and Medium-Term Financial Plan (MTFP) Failure	14	28 ↓		28 ↓		21 ↑		21 ↓	
CRR15 – Possible In-Year Financial Deficit	15	28 ↓		21 ↑		21 ↓		21 ↓	
CRR48 - We may not be able to meet the affordable housing needs of the City by failing to meet the Project 1000 Delivery targets.	27	21 ↓		21 ↓		21 ↓		21 ↓	

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Risk	Page Number	Q4 Rating (22/23)	Q4 Matrix (22/23)	Q1 Rating (23/24)	Q1 Matrix (23/24)	Q2 Rating (23/24)	Q2 Matrix (23/24)	Q3 Rating (23/24)	Q3 Matrix (23/24)
CRR51 - ASC may be financial unsustainable due to national and local pressures leads to a failure to deliver statutory duties and budgetary control	29	21 	 Likelihood Impact	21 	 Likelihood Impact	21 	 Likelihood Impact	21 	 Likelihood Impact
CRR52 - Potential failure to manage and evidence building safety obligations in HRA stock	30	21 	 Likelihood Impact	21 	 Likelihood Impact	21 	 Likelihood Impact	21 	 Likelihood Impact
CRR56 – Potential threat to the ASC Care Quality Commission (CQC) Assurance Preparedness and Rating	35	15 	 Likelihood Impact	15 	 Likelihood Impact	21 	 Likelihood Impact	21 	 Likelihood Impact
CRR7 - Potential Cyber Security Issues	10	20 	 Likelihood Impact	20 	 Likelihood Impact	20 	 Likelihood Impact	20 	 Likelihood Impact
CRR25 - Possible Suitability of Line of Business (LOB) Systems Issues	17	20 	 Likelihood Impact	20 	 Likelihood Impact	20 	 Likelihood Impact	20 	 Likelihood Impact
CRR37 – Homelessness and the subsequent cost of providing suitable affordable accommodation may affect long-term outcomes	21	20 	 Likelihood Impact	20 	 Likelihood Impact	20 	 Likelihood Impact	20 	 Likelihood Impact
CRR40 - Potential Threat of Unplanned Investment in Subsidiary Companies	23	20 	 Likelihood Impact	20 	 Likelihood Impact	20 	 Likelihood Impact	20 	 Likelihood Impact
CRR43 - Lack of progress for Mass Transit may have on Impact on the city	25	20 	 Likelihood Impact	20 	 Likelihood Impact	20 	 Likelihood Impact	20 	 Likelihood Impact
CRR45 - Potential failure to deliver statutory duty in respect of Children	26	20 	 Likelihood Impact	20 	 Likelihood Impact	20 	 Likelihood Impact	20 	 Likelihood Impact

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Risk	Page Number	Q4 Rating (22/23)	Q4 Matrix (22/23)	Q1 Rating (23/24)	Q1 Matrix (23/24)	Q2 Rating (23/24)	Q2 Matrix (23/24)	Q3 Rating (23/24)	Q3 Matrix (23/24)
CRR53 - Increased social worker and occupational therapists vacancies and sickness rates may result in vulnerable adults care being compromised	32	20 		20 		20 		20 	
CRR57 — Possible procurement breaches and compliance with procurement rules & legislation	36	15 		20 		20 		20 	
CRR39 - Adult and Social Care major provider/supplier may fail to deliver as expected	22	15 		15 		15 		9 	

Opportunity Risk Performance Summary

Risk	Page Number	Q4 Rating (22/23)	Q4 Matrix (22/23)	Q1 Rating (23/24)	Q1 Matrix (23/24)	Q2 Rating (23/24)	Q2 Matrix (23/24)	Q3 Rating (23/24)	Q3 Matrix (23/24)
OPP01 - Possible Impact of One City Approach	39	21 		14 		14 		14 	

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Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

CORPORATE RISKS PROPOSED FOR DE-ESCALATION FROM THE CORPORATE RISK REGISTER

Threat Risks Recommended for De-Escalation

Risks for De-escalation	Page Number	Q4 Rating (22/23)	Q4 Matrix (22/23)	Q1 Rating (23/24)	Q1 Matrix (23/24)	Q2 Rating (23/24)	Q2 Matrix (23/24)	Q3 Rating (23/24)	Q3 Matrix (23/24)
CRR18 - Possible failure to deliver enough new homes to meet Mayoral and Annual Business Plan targets.	16	10 		15 		15 		15 	
CRR27 – We may fail to Deliver the Capital Transport Programme	18	15 		15 		15 		15 	
CRR41 – Capital Portfolio Delivery May Fail	24	20 		20 		15 		15 	
CRR4 – Possible failure to Deliver an effective Corporate Health, Safety and Wellbeing Framework	23	10 		10 		15 		15 	
CRR26 - ICT Resilience May Not Be Effective	18	14 		14 		14 		14 	
CRR29 - Information Security Management System (ISMS) May Not Be Effective	20	10 		10 		10 		10 	
CRR49 – Potential Impact of Weak Workforce Resilience	28	20 		20 		9 		9 	
CRR6 - Potential threat of Fraud and Corruption	9	15 		15 		15 		6 	

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Risks for De-escalation	Page Number	Q4 Rating (22/23)	Q4 Matrix (22/23)	Q1 Rating (23/24)	Q1 Matrix (23/24)	Q2 Rating (23/24)	Q2 Matrix (23/24)	Q3 Rating (23/24)	Q3 Matrix (23/24)
CRR54 - Potential Threat of Financial Sustainability of Nursery Schools	33	21 Escalated		21		6		6	









External and Civil Contingency Risks Recommended for De-escalation

Risks for De-escalation	Page Number	Q4 Rating (22/23)	Q4 Matrix (22/23)	Q1 Rating (23/24)	Q1 Matrix (23/24)	Q2 Rating (23/24)	Q2 Matrix (23/24)	Q3 Rating (23/24)	Q3 Matrix (23/24)
BCCC1 – Flooding May Impact Public Safety	40	15		15		15		15	
BCCC4 - Possible Increase In Winter diseases including COVID-19 and Flu	41	9		3		9		12	
BCCC5 - Cost of Living Crisis may have major impact on Citizens and Communities	42	28		12		12		12	




Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

CORPORATE RISKS PROPOSED FOR ESCALATION TO THE CORPORATE RISK REGISTER

Threat Risks Recommended for Escalation


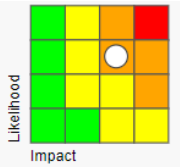
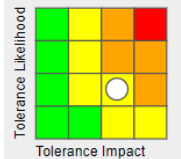
Risks for Escalation	Page Number	Q4 Rating (22/23)	Q4 Matrix (22/23)	Q1 Rating (23/24)	Q1 Matrix (23/24)	Q2 Rating (23/24)	Q2 Matrix (23/24)	Q3 Rating (23/24)	Q3 Matrix (23/24)
CRR58 - Failure to maintain and replace the Highway and Traffic assets may lead to future budget shocks and potential injuries to the public	37	9 		9 		21 		21 	
CRR59 - Failure to deliver timely statutory planning decisions	38	12 		12 		12 		20 	

Risk Trend Key


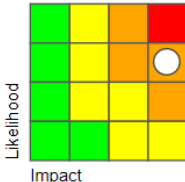
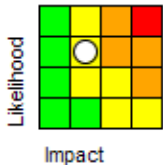
Arrow	Description
	The risk rating has improved from the previous quarter, having reduced in its severity.
	The risk rating has deteriorated from the previous quarter, having increased in its severity.
	The risk rating has not changed from the previous quarter.

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023



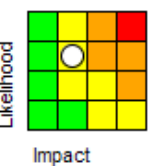
Threat Risks

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR4 – Possible failure to Deliver an effective Corporate Health, Safety and Wellbeing Framework.</p> <p>Description: To deliver an effective management framework in place to ensure that the workplace and work environment is free from health and safety hazards. The framework the Council will use to achieve this is based on the Health and Safety Executives guidance Managing for Health and Safety (HSG65) 'Plan, Do Check Act' approach. The framework will apply to all employees who work at the Council whether on a permanent or temporary basis, Schools, contractor's agency staff visitors and other parties who have a business relationship with BCC.</p>	<p>Constant</p> 	<p>15</p> <p>Likelihood = 3 Impact = 5</p>		<p>10</p> <p>Likelihood = 2 Impact = 5</p>	
<p>Risk Causes: If services do not have sufficient staff numbers to carry out work plans in a safe way. If services are not able to order appropriate equipment required for staff safety. Lack of appropriate equipment. Lack of appropriate training. Lack of oversight and control by local management. Lack of information on the potential or known risks. Inadequate contract management arrangements. Lack of effective processes and systems consistently being applied Policies are not kept up to date.</p> <p>Risk Consequences: Risk of injury Staff, visitors, contractors, citizens.; Risk of injury to our tenants. Staff put under undue pressure leading to staff taking sick leave or leaving the organisation. Risk of legal action/penalties against the Council and individual managers, including possibility of Corporate Manslaughter. Impact on the reputation of the City Council. Lack of compliance with Health and Safety policies and safe practices, due to pressures of work or lack of training. Reputational damage</p> <p>Risk Owner(s): Chief Executive and Corporate Leadership Board (CLB), Director of Workforce Change.</p> <p>Portfolio Flag: Finance, Governance and Performance</p> <p>Strategic Theme: Our Organisation</p>	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
	<ol style="list-style-type: none"> Governance Arrangements Health Safety and Wellbeing Strategy 		Review Health and Safety Procedures	March 2024	20%
<p>Summary of Progress: Currently re prioritising the key policies and working with our policy division to identify which policies are most critical for the management of the overall risk. We are adopting the corporate policy template to do this and this requires some splitting of policy from guidance, there should be a clear plan for January. However, early work shows Asbestos , Legionella Water Management and Accident Incident Reporting will go out for consultation first alongside a review of the Corporate Health Safety and Wellbeing Policy. There is pressure to get a policy on Violence and aggression out and although this does not have a separate legal requirement it has been drafted so will go before the end of year for consultation with a view to publish early in 2024. It should be notes that there are mitigations in place for this risk.</p>					


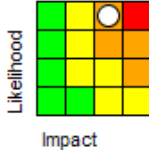
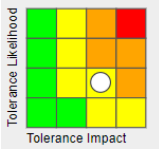
Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment	Risk Tolerance Level		
<p>Risk Title: CRR5 - Business Continuity and Operational Resilience may not be effective</p> <p>Description: If the council has a Business Continuity disruption and is unable to ensure the resilience of key BCC operations and business activities, then the impact of the event maybe increased with a greater impact on people and council Services.</p>	<p>Deteriorating</p> 	<p>21</p> <p>Impact = 7 Likelihood = 3</p>		<p>9</p> <p>Likelihood = 3 Impact = 3</p>	
<p>Risk Causes:</p> <ul style="list-style-type: none"> -Strikes (People, Fuel); Loss of key staff (communicable diseases (Covid - illness and self-isolation) and influenza.; Loss of suppliers / supply chain disruption.; Loss of accommodation to deliver key services.; Loss of equipment / infrastructure, including utilities.; Any event which may cause major disruption - e.g., severe weather; Unavailability of IT and/or Telecoms.; Knowledge loss.; Reduced chances of preventing/ responding to incidents due to a lack of forward planning or investment.; Climate change <p>Risk Consequences:</p> <ul style="list-style-type: none"> -Inability to deliver/support front line services. -Service Disruption. -Loss of service. -Transportation disruption. -Additional demand on services. -Stress. -Potential risk to staff and public safety. -Increased financial cost in terms of damage control and insurance costs. -Legal compliance and financial penalty. -Reputational damage. 	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
	1. A number of Policies, procedures and arrangements are in place including duty rotas for key service areas and the Duty Director rota.		Assessment on adherence and implementation	March 2024	40%
	2. Corporate Business Continuity Framework, including BC escalation process - Framework presented at CRG on 11th July 2022.		BC Resource to support pan BCC	April 2024	70%
	3. Corporate Business Continuity Group, bringing owners of 'cross cutting business support services' together (IT, FM, Procurement, HR) to horizon scan and risk manage - BC Group has met several times since March 2022 - Formalise reporting arrangements and governance required.		BCC utilisation of escalation framework	February 2024	30%
	4. Corporate Resilience Group overseeing, corporate preparedness, including BC capability - CRG hosted power outage exercise on 22nd March, allowing key services to test business continuity arrangements. Learning from this exercise will shape a corporate power outage plan.		Business Continuity 2023 workshops pan BCC	March 2024	80%
	5. The CRG will seek assurances from key service areas regarding the robustness of continuity arrangements against local risk.		Embed Corporate Resilience Group and Business Continuity Group into corporate governance framework, including alignment with corporate risk group	May 2024	80%
	6. Service Level Business Continuity Planning - Services will be developing their BC plans in Q3, aligned to service planning.		IT Resilience (BC)	February 2025	80%
	7. Finance Budget		Lead IT Resilience / Business Continuity project, including developing battle boxes, an IT Resilience Plan, understanding DR arrangements across BCC delivered IT services and SAAS, improving service-level BC plans for managing IT outages.	January 2024	80%
	8. Growth Paper		Workshops to support services to complete Business Continuity templates	December 2023	100%
			BCC wider BC Plan Quality and Adherence	Jan 2025	70%
<p>Risk Owner(s): Executive Director Growth and Regeneration Director Management of Place.</p> <p>Portfolio Flag: City Economy, Finance & Performance</p> <p>Strategic Theme: Our Organisation, Wellbeing.</p>	<p>Summary of Progress:</p> <p>From September 2023 workshops and awareness sessions have hosted by EPRT BC Resource (1 FTE) these have been running twice a week. Also BIA was required / completed as part of service planning for all HoS. Despite the training and the BIA requirement we are still yet to see a 100% return of impact assessments. So 100% is needed but also an assessment to audit if the BIA's produced are of a meaningful quality and only exercising on the BIA will tell - so that'll be the next actions. But this is a challenge / balance given the limited resource now trying to balance BC demands and support across BCC with an audit of service planning BIA returns for quality and content, this is a challenge with 1 FTE resource on business continuity for all BCC. (when that 1 FTE also supports emergency response and recovery - thus was recently 100% engaged in Barton House Major incident). Risk assessment and support to mitigate / reduce is being drafted into Growth Paper for decision pathway. (DMT/EDM/CLB)</p>				

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023


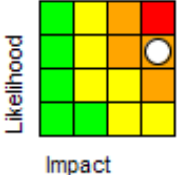
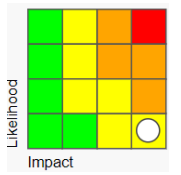
Threat Risk	Trend	Current Risk Assessment	Risk Tolerance Level			
<p>Risk Title: CRR6 - Potential threat of Fraud and Corruption</p> <p>Description: Failure to prevent or detect acts of significant fraud or corruption against the council from either internal or external sources.</p>	<p style="text-align: center;">Improving</p> 	<p style="text-align: center;">6</p> <p>Likelihood = 2 Impact = 3</p>		<p style="text-align: center;">6</p> <p>Likelihood = 2 Impact = 3</p>		
<p>Risk Causes: Heightened levels of fraud, including cyber fraud, due to current cost of living increases. Failure of management to implement a sound system of internal control and/or to demonstrate commitment to it at all times. Not keeping up to date with developments, in new areas of fraud. Insufficient risk assessment of new emerging fraud issues. Lack of clear management control of responsibility, authorities and / or delegation. Lack of resources to undertake the depth of work required to minimise the risks of fraud /avoidance. Under investment in fraud prevention and detection technology and resource.</p>						
<p>Risk Consequences: Potential increase in financial losses due to increase in scams. Failure to prevent or detect acts of significant fraud or corruption could result in financial loss for the Council. Reputational damage could be suffered if fraud occurs.</p>	Existing Controls		Mitigating Actions			
<p>Risk Owner(s): Chief Executive and Director of Finance (S151 Officer).</p>	Control		Action Title	Due Date	Progress	
<p>Portfolio Flag: Finance, Governance and Performance</p>	<ol style="list-style-type: none"> A dedicated Counter Fraud and Investigation team: Audits: Internal Audit reviews will sometimes include an assessment of fraud controls. Continued use of analytic and additional resources to perform payment checks: Fraud Risk Assessments: Increased use of technology and data analytics: National Fraud Initiative (NFI) fraud hub App. On-going improvement plan for Whistle-blowing. Participation in anti-fraud exercises. Planned programme of proactive fraud detection and prevention work:. Whistleblowing procedure: New internal procedure developed.. 		Fraud Risk Assessments	Nov 2023	60%	
<p>Strategic Theme: Our Organisation</p>				Fraud Reviews	March 2024	25%
				Fraud Prevention Strategy	Nov 23	100%
				Implementation of Fraud Prevention Strategy actions (New)	March 26	0%
				Implementation of Hub development plan (New)	March 25	0%
				Improving control framework	March 26	25%
				Working with other Councils	March 2024	30%
				Partnership Working	March 2024	50%
	<p>Summary of Progress: - In the current economic environment characterised by rising costs and cyber threat the risk of fraud is likely to increase. However, the mitigation work that has been undertaken in previous years including the set up of a fraud hub and prioritisation of fraud prevention has resulted in the risk score being reduced. Both the likelihood of a significant fraud and its impact have been reduced to reflect the anticipated impact of the completed actions and the existing controls. Given that the fraud risk is inherent in most of our activities this risk will continue to be monitored ensuring that actions from fraud risk assessments are acted up. Ongoing work include improving awareness of fraud risk through training of staff and awareness sessions, consolidation of fraud risk assessments and communicating and taking actions on lessons learned from investigation work.</p>					

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023


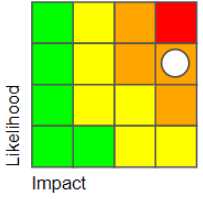
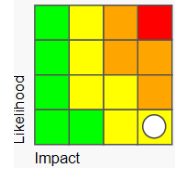
Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR7 – Potential Cyber Security Issues</p> <p>Description: The Council's risk level in regard to Cyber-security is higher than should be expected.</p>	<p>Constant</p> 	<p>20</p> <p>Likelihood = 4 Impact = 5</p>		<p>10</p> <p>Likelihood = 2 Impact = 5</p>	
<p>Risk Causes:</p> <ul style="list-style-type: none"> • Lack of investment in appropriate technologies. • Reliance on in-house expertise, and self-assessments (PSN). • Lack of formal approach to risk management (ISO27001). • Historic lack of focus. <p>Risk Consequences:</p> <p>a. Information security incidents resulting in loss of personal data or breach of privacy / confidentiality.</p> <p>b. Safeguarding data breach impacting on safety of vulnerable child or adult.</p> <p>c. Risk of breaching the regulations and being subject to penalties/fines - Regulations Fines increasing from up to £500,000 to 10-20m Euros of 4% of global turnover, enforced by the Information Commissioners Office on behalf of the European Union.</p> <p>d. Increased litigation. e. Reputational damage.</p>	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
	1. Phishing attack exercises - As well as technical controls, the Council continues to carry out regular Phishing attack exercises where we are sending emails to staff to see how users react to this type of Cyber Attack. Anyone clicking on links is directed towards targeted training.		1. Work with ICT colleagues continues and discussions around cementing roles and responsibilities is being undertaken	Dec 2023	90%
	2. Targeted Training of employees – The Information Governance and ICT team will continue to work together to support the SIRO to develop appropriate targeted training for all Council staff relating to cyber security. developed by IG and ICT Teams				
	3. Technical controls		2. Implement audit actions with oversight by IG Board	Dec 2023	90%
4. Security team training					
<p>Risk Owner(s): Chief Executive, Senior Information Risk Owner (SIRO).</p>					
<p>Portfolio Flag: Finance, Governance and Performance</p>	<p>Summary of Progress.</p> <p>Significant work is ongoing, including external assurance being conducted, however there are key elements required before this risk can be reduced. Work being conducted under DTP, as well as with external SME partners, including Microsoft commissioned pieces of work. Supported by BAU activities. In reviewing the risk, satisfied that the threshold for a Critical Impact is not met, therefore risk score remains unchanged.</p>				
<p>Strategic Theme: Our Organisation</p>					

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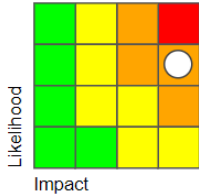
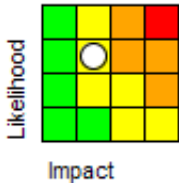
Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR9 - Possible Failure of Safeguarding Vulnerable Children</p> <p>Description: The council fails to prevent increased risk of harm to children, resulting in harm or death to a vulnerable child.</p>	<p>Constant</p> 	<p>21</p> <p>Likelihood = 3 Impact = 7</p>		<p>7</p> <p>Likelihood = 1 Impact = 7</p>	
<p>Risk Causes:</p> <ul style="list-style-type: none"> -Demand for services exceeds service capacity and capability.; Inadequate controls result in harm. -Increase in child protection, complex safeguarding risks, criminal exploitation, serious youth violence and gang affiliation.; Hidden harm resulting from periods of lockdown, increased stress in families and service disruption during COVID -Placement failure due to COVID infection across children's home or fostering households. <p>An increase in demand of 6% evident across care population - specific pressures are clear for teenagers and unaccompanied children requiring our care</p>	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
	DCS quarterly assurance report to Corporate Leadership Board Inspections and Peer Reviews		Procure a strategic partner to undertake work regarding extra familial harm and with our children who go missing from home or care.	October 23	85%
	Quality assurance and performance framework in place.		Our Families Transformation Programme	March 2025	20%
	Strategic Risk Assurance		Working with other Councils	March 2024	30%
<p>The Keeping Bristol Safe Board provides independent scrutiny of children's safeguarding and safer communities' arrangements in the city and holds BCC and partner agencies to account.</p>					
<p>Risk Owner(s): Executive Director Children and Families</p>					
<p>Portfolio Flag: Children's Services, Education & Equalities</p>	<p>Summary of Progress:</p> <p>Quality Assurance and performance framework in place and reported on at regular intervals through to cabinet members and Scrutiny. DCS quarterly assurance report to Corporate Leadership Board and action taken to address areas for improvement. The Keeping Bristol Safe Board provides independent scrutiny of children's safeguarding and safer communities' arrangements in the city and holds BCC and partner agencies to account. LGA review undertaken and new Independent Chair driving improvements. Services and structure aimed at ensuring delivery of a safe system of work for safeguarding children and communities. Reviewing various areas of specific vulnerability and implementing improvements:</p> <ul style="list-style-type: none"> • resource in place for missing children by appointment of a strategic partner • reviewing quality assurance practice to ensure consistent quality of audits and sufficient number. Support provided by Islington through PiP. • Appointed a strategic partner to review and redesign extrafamilial harm pathway and services through DfE funds • reviewing child sexual abuse pathway with partners • Revised (as part of KBSP) Threshold document • implementing 'Safe and Together' approach to Domestic Abuse in families. • Our Families Transformation Programme to deliver better outcomes for children and families. • DfE Grant following Enhanced Diagnostics pilot to improve services to and outcomes for children. Consultants regarding adolescent services. housing pathway and recruitment and retention now started 				
<p>Strategic Theme: Our Organisation, Empowering and Caring, Wellbeing.</p>					


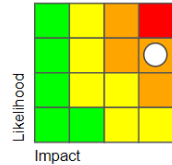
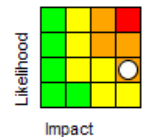
Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level		
<p>Risk Title: CRR10 - Safeguarding Adults may be at Risk with Care and support needs.</p> <p>Description: The council fails to ensure adequate safeguarding measures are in place for adults at risk.</p>	<p>Constant</p> 	<p>21 Likelihood = 3 Impact = 7</p>		<p>7 Likelihood = 1 Impact = 7</p>		
<p>Risk Causes: Adequacy of controls.; Management and operational practices. Demand for services exceeds capacity and capability. Poor information sharing. Lack of capacity or resources to deliver safe practice. Reduction in or lack of supply of commissioned care. Failure to commission safe care for adults at risk. Failure to meet the requirements of the 'Prevent Duty' placed on Local Authorities. Increased destitution in families, impacting on mental ill health, managing increased infection within the population. (COVID19); Increase identification of self-neglect and complexity. Carer strain / resilience.</p> <p>Risk Consequences: Financial damage Legal liability Death/Injury Reputational damage</p> <p>Risk Owner(s): Executive Director People, Director Adult Social Care.</p>	<p>Existing Controls</p>		<p>Mitigating Actions</p>			
	<p>Control</p>	<ul style="list-style-type: none"> Annual report shared with Elected Members to allow for scrutiny of progress of the Keep Bristol Safe Partnership (KBSP). Training for all key staff in the essentials of safeguarding. Twice weekly business continuity meeting around supply of commissioned care and active management of waiting list. Improved Data through PowerBI – capturing safeguarding concerns feeding into monthly management operational meetings Safeguarding Discussion Forum – multi-agency held monthly – sharing information on high risk/complex cases 	<p>Action Title</p>	<p>Due Date</p>	<p>Progress</p>	
			<p>Demand Management Review</p>	<p>March 24</p>	<p>0 %</p>	
			<p>Workforce - maximising staffing resources within budget</p>	<p>Dec 2023</p>	<p>0%</p>	
<p>Portfolio Flag: Adult Social Care & Integrated Care System</p>	<p>Summary of Progress: Risk remains; reviewed 23 November 2023. Waiting list tray being developed by Business Analyst to enable greater insight, and operational team is working on introducing best practice model for prioritisation of waiting lists to mitigate risk.</p>					
<p>Strategic Theme: Strategy Theme: Our Organisation, Empowering others and Caring, Fair and Inclusive, Well connected, Wellbeing.</p>						


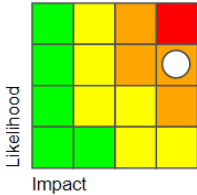
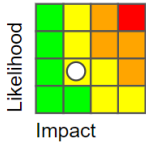
Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR12 - Emergency planning measures and resources may be overwhelmed by scope and scale of an emergency or incident faced by the council.</p> <p>Description: A Major Incident or emergency which exceeds the response capacity of the council and partner responding organisations leading to mass fatalities, excess deaths, damage to property and infrastructure and an ability to deliver key service to the community. In addition, further consequences could be litigation and reputational damage to the council.</p>	<p>Deteriorating</p> 	<p>21</p> <p>Impact 7 = Critical Likelihood 3 = Likely</p>		<p>9</p> <p>Likelihood = 3 Impact = 3</p>	
<p>Risk Causes:</p> <ul style="list-style-type: none"> -Emergency risks not identified and prepared for. -Lack of trained and available responding staff. -Emergency roles and responsibilities not embedded. <p>Risk Consequences:</p> <p>Increased risk of:</p> <ul style="list-style-type: none"> Disruption of public services; Disruption of transport networks; Death/injury - Displacement of people 	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
	1.24/7 Operations Centre provides effective monitoring for the city and a co-ordinary role in response and recovery		Development and roll out of the Emergency Planning e-learning package	May 24	60%
	2.Corporate Resilience Group, overseeing mitigations of contingencies risks identified on the National Security Risk Assessment and delivery of Category 1 Responder duties		Community Resilience Mapping development	January 24	80%
	3.Active participation in the Avon and Somerset Local Resilience Forum and close working with multi-agency partners, including training and exercising.		Emergency training – rest centres, humanitarian assistance and training for Marshals currently running	May 2024	70%
	4.Emergency Plans		Plan and Deliver Corporate exercise	March 2024	70%
	5.Duty Director rota in place		ERPT Resource Growth bid	March 2024	60%
	6.Duty Civil Protection Officer & other duty rotas in place (Highways, Dangerous Structures, Public Health, Social Care, etc)		Emergency Volunteer Reduction. Need increase.	March 2024	10%
	7.BCC emergency plan training and exercising in place		Horizon scanning for emerging risks annually (Via CRG, BC Group and LRF)	March 2024	65%
	8.Monitoring of severe weather events		Public Health demand v standard	March 2024	80%
9.Close working with Safety Advisory Group for Events		COMAH Off Site Emergency Plan and Exercise (New)	Nov 24	70%	
<p>Risk Owner(s): Executive Director Growth and Regeneration, Director Management of Place.</p>	10.Horizon scanning for emerging risks, including Ukraine war (through CRG, BC Group and LRF)	Updating Core Guidance (New)	March 24	60%	
<p>Portfolio Flag: City Economy, Finance & Performance</p>	<p>Summary of Progress</p> <p>The BCC ERPT team 3.5 FTE (total resource for the team inc manager to support Emergency response, recovery and business continuity across BCC), emergency response and recovery was recently 100% engaged in Barton House Major incident, thus a risk of potential concurrent or sequential incidents maybe impacted BCC./City/Citizens as the 3.5 would not have been able to respond). Risk assessment and support to mitigate / reduce is being drafted into Growth Paper for decision pathway. (DMT/EDM/CLB)</p>				
<p>Strategic Theme: Our Organisation, Wellbeing</p>					


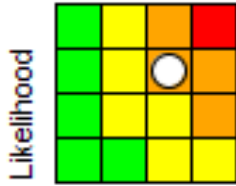

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment			Risk Tolerance Level	
<p>Risk Title: CRR13 - Possible Financial Framework and Medium-Term Financial Plan (MTFP) Failure</p> <p>Description: Failure to be able to reasonably estimate and agree the financial 'envelope' available, both annually and in the medium-term and the council is unable to set a balanced budget.</p>	<p>Constant</p> 	<p>21</p> <p>Likelihood = 3 Impact = 7</p>		<p>14</p> <p>Likelihood = 2 Impact = 7</p>		
<p>Risk Causes: Failure to achieve Business Rates income- appeals/general economic growth/loss of major sites. Economic uncertainty impact on locally generated revenues - business rates and housing growth, impacting on council tax, new homes bonus and business rate income. The general economic uncertainty affecting the financial markets, levels of trade & investment Local Government finance settlement from spending review. Continued Impact of Covid-19 on key income sources. Inadequate budgeting & budgetary control/Financial Settlements & wider fiscal policy changes:-The potential for new funding formulas such as fair funding, business rates retention to significantly reduce the government funding available to the council alongside possible increase in demand for council services. Embedding of the new national funding formula for schools and High Needs. Political failure to facilitate the setting of a lawful budget. Unable to agree a deliverable programme of propositions that enable the required savings to be achieved. Insufficient reserves to mitigate risks and liabilities and provide resilience. Rising inflation could lead to increased cost. Impact of Adult Social Care reform and sufficient funding available to meet increased cost</p> <p>Risk Consequences: Potential failure to set a legal budget and council tax by the due date, would have a significant adverse impact on the council's ability to provides services and the council's reputation locally and nationally in terms of investor confidence. That the budget is unlikely to reflect council priorities and objectives. That the budget may not adequately resource pressures and increases in demand. That the budget includes savings which are not deliverable. That the council reserves are used for mitigating the medium-term financial plan; running down reserves, avoiding decision and reducing the Council's resilience. Negative impact on front line services. A negative opinion from external audit. Secretary of State intervention.</p>	<p>Existing Controls</p> <p>Control</p>		<p>Mitigating Actions</p> <p>Action Title</p>			
	<p>1. Budget Preparation, Setting and Budget Accountability Framework - BCC manages its financial risks through a range of controls including budget preparation, budget setting and a Budget Accountability Framework. Clear roles and responsibilities for managing, monitoring and forecasting income and expenditure against approved budgets are in place.</p> <p>2. Medium Term Financial Plan – Twice yearly update including sensitivity and scenario based financial modelling on all assumptions including inflation and demand growth</p>	<p>Making representation to government departments in relation to: - the likely costs at a local level for the proposed Adult Social Care reforms</p> <p>Appropriate Finance Resourcing Improvement</p> <p>Robustness of Monitoring and Delivery of Savings</p>	<p>March 2024</p> <p>March 2024</p> <p>March 2024</p>	<p>0%</p> <p>50%</p> <p>50%</p>		
<p>Risk Owner(s): Chief Executive and Director of Finance (S151 Officer).</p> <p>Portfolio Flag: Finance, Governance and Performance</p> <p>Strategic Theme: Our Organisation</p>	<p>Summary of Progress:</p> <p>The risk is significantly impacted by issues outside of the Council's direct control, which is why this risk remains critical, including the National situation economically and politically, funding arrangements from central government and policy that impacts the Council's MTFP. Internal controls and management of the process are undertaken annually and sensitivity testing of assumptions and modelling is undertaken, as well as collaboration with peer organisations and influencing through available channels to ensure that the Council continues to manage and mitigate this risk. The MTFP budget gap remains at this time, with work continuing to enable it to be closed to support a balanced budget and MTFP to be taken forward for recommendation to full council. In addition the provisional local government financial settlement remains outstanding and therefore the final impact from that will need to be taken into account for the coming budget setting period. Overall there is limited certainty available for the medium term in terms of funding, with the current settlement term coming to an end in 24/25 and the changes anticipated at a central government level.</p>					


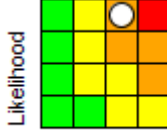

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment	Risk Tolerance Level			
<p>Risk Title: CRR15 – Possible In-Year Financial Deficit</p> <p>Description: The council's financial position goes into significant deficit in the current year resulting in reserves (actual or projected) being less than the minimum specified by the council's reserves policy.</p>	<p>Constant</p> 	<p>21</p> <p>Likelihood = 3 Impact = 7</p>		<p>6</p> <p>Likelihood = 2 Impact = 3</p>		
<p>Risk Causes: A failure to appropriately plan and deliver savings. Unscheduled loss of material income streams. Increase in demography, demand and costs for key council services. The inability to generate the minimum anticipated level of capital receipts. Insufficient reserves to facilitate short term mitigations, risks and liabilities. Interest rate volatility impacting on the council's debt costs. Impairments in our commercial investments are realised. Response to inadequate SEND inspection in 2019, increased demand for EHCPs, Lack of specialist provision in Bristol, increased compliance to statutory requirements in relation to SEND.</p>	Existing Controls		Mitigating Actions			
	Control		Action Title	Due Date	Progress	
<p>Risk Consequences: The council's financial position goes into significant deficit in the current year resulting in reserves (actual or projected) being less than the minimum specified by the council's reserves policy.</p>	1. BCC Financial Framework - BCC's Financial framework ensures that we have in place sound arrangements for financial planning, management, monitoring and reporting through to Corporate Leadership Team and Cabinet.		DfE Deliver Better Programme	Dec 2023	60%	
	2. Deep Dives on non-containable pressure areas - We have continual oversight and ongoing management of the council's financial risks and deep dives in areas reported of non-containable pressures.		Appropriate Finance Resourcing Improvement	March 2024	50%	
	3. Ensuring engagement at local, regional and national level - in round table and working groups to keep abreast the spending review, Business Rates retention and new funding formulas for Local Government. To ensure funding for Bristol is maximised and impact of changes are fed into our long-term financial planning and strategic planning. Policy and Budget Framework -		Robustness of Monitoring and Delivery of Savings	March 2024	50%	
	4. Re-assessment of service delivery risks and opportunities and risk and other reserves - We will carry out frequent re-assessment of service delivery risks and opportunities and risk and other reserves.					
	5. DSG - Detailed Management Plan Based on DfE Framework - A detailed Management Plan is in development, using the DfE's recommended framework - The deficit and development of the plan was discussed with the DfE in Spring 21. The DfE were not requesting a formal submission at this time.					
	6. DSG - Early Years Block Task and Finish Group; Vacancy Freeze to manage budget overspend					
<p>Risk Owner: Director Finance (CFO S151)</p>						
<p>Portfolio Flag: Finance, Governance and Performance</p> <p>Strategic Theme: Our Organisation</p>	<p>Summary of Progress: This remains High. At P7 and moving into P8 there remain significant items highlighted on the risk and operations log along side forecast deterioration. Whilst much of the adverse position has been managed through in year mitigation and balances held in abeyance following P4/P5, the position has worsened and further management of that is now required before outturn.</p>					


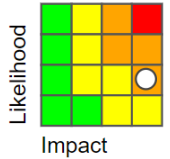
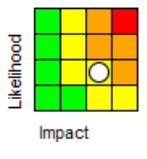
Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level		
<p>Risk Title: CRR18 - Possible failure to deliver enough new homes to meet Mayoral and Annual Business Plan targets.</p> <p>Description: Failure of the City to deliver to the Mayoral Target of 2000 new homes per year by 2024. Strategies and delivery models designed to further stimulate growth in the housing market and deliver diversity of the housing offer across the city prove to be ineffective and do not attract and retain economically active residents.</p>	<p>Constant</p> 	<p>15</p> <p>Likelihood = 3 Impact = 5</p>		<p>9</p> <p>Likelihood = 3 Impact = 3</p>		
<p>Risk Causes:</p> <ul style="list-style-type: none"> -Not enough planning applications submitted -Not enough planning permissions granted -Insufficient housing land identified in strategic planning documents -Inability of the housebuilding industry to deliver at this level -Increased uncertainty in the market due to Brexit and Covid-19. <p>Risk Consequences:</p> <ul style="list-style-type: none"> -Reputational damage - Fail to deliver inclusive growth - Increased housing need / homelessness -Increased cost of housing -Failure to retain economically active residents. -Widening gap on demand -Growth of student accommodation retracting <p>Risk Owner(s): Executive Director Growth and Regeneration, Director Development of Place.</p> <p>Portfolio Flag: Housing Delivery and Homes</p> <p>Strategic Theme: Fair and Inclusive</p>	<p>Existing Controls</p>		<p>Mitigating Actions</p>			
	<p>Control</p>		<p>Action Title</p>		<p>Due Date</p>	<p>Progress</p>
	<p>1.Created a single multi-disciplinary Housing Delivery Team</p>		<p>Secure Homes England Affordable Housing Programme Funding</p>		<p>March 2026</p>	<p>70%</p>
	<p>2.Established a Local Housing Company (Goram Homes). Introduced the Affordable Housing Practice Note.</p>					
	<p>3.Issued grants to Registered Providers (RPs).</p>					
	<p>4.Manage a targeted grant funding programme to subsidise the delivery of affordable homes.</p>					
	<p>5.Required a minimum of 30% affordable housing on land released by the Council.</p>					
	<p>6.Secured additional grant funding for infrastructure. Secured funding from Homes England</p>					
	<p>7.Service Review of Housing Delivery Team</p>					
<p>8.Worked collaboratively with Homes England</p>						
<p>9. Strategic City Planning monitor housing completions and future pipeline of consents</p>						
<p>Summary of Progress:</p> <p>This has materialised for this FY. There may also a likelihood of this re-occurring next FY - however due to the time lag between decision making and completion there is now little that the planning team can do to influence figures in the current FY.</p>						

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023


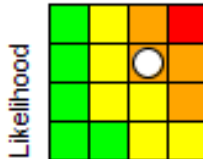
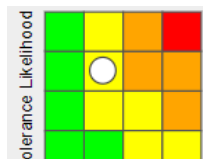
Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR25 – Suitability of Line of Business (LOB) Systems</p> <p>Description: The Council has reliance on legacy software systems which cause a number of risks due to; 1. Supportability from internal IT resource 2. The supportability of the hardware utilised 3. Lack of alignment to strategy and therefore a blocker to Digital Transformation 4. Within an appropriate support contract 5. Legacy data used for current work (GDPR) 6. Lack of Information (Cyber) Security controls 7. High cost where alternative core Council solutions exist</p>	<p>Constant</p> 	<p>20</p> <p>Likelihood = 4 Impact = 5</p>		<p>10</p> <p>Likelihood = 2 Impact = 5</p>	
<p>Risk Causes: Sovereignty within service areas, and a lack of motivation to change. Cost of transition. Lack of knowledge of which systems are problematic and the impacts of these. Lack of understanding of impact. Lack of ownership from Information Asset Owners. Lack of documentation pertaining to software systems and ownership of strategy. Cost avoidance of replacing systems. This is seen as an IT problem, not one for the software system owners.</p> <p>Risk Consequences: Lack of resilience and continuity in event of an incident/failure High-cost applications without appropriate support. Inability to improve service delivery through digital transformation. May feed into Information (Cyber) Security risks.</p> <p>Risk Owner(s): Director, Digital Transformation, Senior Information Risk Owner (SIRO) for Cyber Security. Service Areas for BCP/DR.</p> <p>Portfolio Flag: Finance, Governance and Performance</p> <p>Strategic Theme: Our Organisation</p>	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
	1. Auditing of all councils Line of Business (LOB systems)		Channel Shift Project - Review legacy line of business systems with the view to rationalising and replacing either by building on existing internal platforms such as dynamics or via procurement of new products and better utilisation of functionality.	February 2028	0%
	2. IT Services highlight risks and shortcomings with systems (in an informal manner) to Heads of Service and Senior Leadership				
	3. Work with Information Governance perpetuate a Cyber Security or Information Management risk are identified and service areas understand the risks to their services.				
Summary of Progress:		Work underway to procure cyber-sec review. Contract mapping completed, giving overview of known IT systems/contracts; but does not lower risk until assessment of LOB estate complete.			

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment			Risk Tolerance Level		
<p>Risk Title: CRR26 – ICT Resilience May Not Be Effective</p> <p>Description: The Councils ability to deliver critical and key services in the event of ICT outages and be able to recover in the event of system and/or data loss.</p>	<p>Constant</p> 	<p>14</p> <p>Likelihood = 2 Impact = 7</p>		<p>10</p> <p>Likelihood = 2 Impact = 5</p>			
<p>Risk Causes: Poor Business Continuity (BCP) planning and understanding of key system architecture. Untested Disaster Recovery (DR) arrangements including data recovery. Untested network reconfiguration to alleviate key location outage. Untested recovery schedules in terms of order and instructions. Lack of resilience available for legacy systems (single points of failure - people and technology). Services undertaking their own IT arrangements outside of the corporate approach.</p>	<p>Existing Controls</p>						<p>Mitigating Actions</p>
<p>Risk Consequences: Inability to deliver services</p>	<p>Control</p>	<ol style="list-style-type: none"> 1. Connection to BCC systems protections - With the majority of staff working from home, connection to our systems is vital and the main route is via VPN. We have tested alternative access which can be used. 2 factor authentication was tested as a back door which allows non-BCC pcs to login to Microsoft office 365. 2. Highlight to service areas vulnerable applications - Highlighting to service areas where applications may be vulnerable and advising on likely timescales for disruption to enable appropriate BC planning. 3. Moved critical systems to the cloud with more effective DR. 4. Resilience workshops for most critical systems - Workshops are in progress to review and improve resilience for our most critical systems including Adult and children’s social care, Revs and Bens and Housing 5. Supplier run order in the event of multiple system outage - our disaster recovery supplier has a run order in the event of a major outage involving multiple systems. 6. Weekly testing of individual systems restore - The restore of individual systems is tested weekly on a rotational basis 	<p>Action Title</p>	<p>Due Date</p>	<p>Progress</p>		
			1. Project to move Shared Drives to Cloud	December 2025	65%		
			2. Removal of legacy hardware from estate	November 2025	50%		
<p>Risk Owner(s): Chief Executive, Director, Digital Transformation, Service Area Leads.</p>							
<p>Portfolio Flag: Finance, Governance and Performance</p>	<p>Summary of Progress: Risk level remains unchanged, but work is progressing on key areas, including projects within the Digital Transformation Programme to increase resilience by moving more of our estate to Cloud-based services. However, gaps including failover testing and the need for a wider organisational project on BC/DR are still present.</p>						
<p>Strategic Theme: Our Organisation</p>							


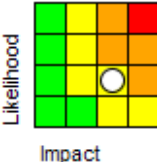
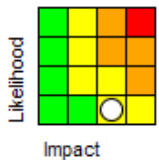
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Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023




Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR27 – We may fail to Deliver the Capital Transport Programme</p> <p>Description: Management of the overall transport capital programme is key to ensuring we deliver against mayoral priorities in the most cost and time efficient way possible. Failure to do so negatively impacts the council's reputation and finances and makes the council less likely to reduce congestion, air pollution and inequality.</p>	<p>Constant</p> 	<p>15 Likelihood = 3 Impact = 5</p>		<p>9 Likelihood = 3 Impact = 3</p>	
	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
	Quarterly capital review boards		Capital Programme Transformation Project (New)	March 24	50%
	Capital Programme Transformation Project		Health reviews of various projects (New)	March 24	75%
	Regular briefings and reporting to senior management and cabinet members.		Recruit to vacant posts across the service (New)	March 24	10%
<p>Risk Consequences:</p> <ul style="list-style-type: none"> - Financial impact - Failure to progress schemes or delays to schemes impact on productivity of city and aims to reduce congestion, air pollution and inequality Reputation Impact 					
<p>Risk Owner(s): Executive Director Growth and Regeneration, Director Economy of Place.</p>					
<p>Portfolio Flag: Transport (Cllr Alexander)</p>	<p>Summary of Progress: Lack of resource and high number of vacancies still leading to significant risk of failing to deliver capital programme. Support services can also be an issue.</p>				
<p>Strategic Theme: Our Organisation, Wellbeing</p>					

2023-2024


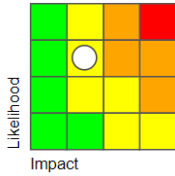
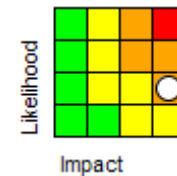
Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR29 - Information Security Management System (ISMS) May Not Be Effective</p> <p>Description: There is a risk that if the council does not have an Information Security Management System then it will not be able to effectively manage Information Security risks.</p>	<p>Constant</p> 	<p>10</p> <p>Likelihood = 2 Impact = 5</p>		<p>5</p> <p>Likelihood = 1 Impact = 5</p>	
<p>Risk Causes: Ineffective Information Security Management System, inadequate resources to create and maintain an ISMS, management buy in and support to operate an ISMS.</p>	Control		Mitigating Actions		
			Action Title	Due Date	Progress
<p>Risk Consequences:</p> <p>Information security incidents resulting in loss of personal data or breach of privacy / confidentiality.</p> <p>Safeguarding data breach impacting on safety of vulnerable child or adult.</p> <p>Risk of breaching the regulations, and being subject to penalties/fines - Regulations Fines increasing from up to £500,000 to 10-20m Euros of 4% of global turnover.</p> <p>Increased litigation.</p> <p>Reputational damage.</p>	<ol style="list-style-type: none"> Guidance and awareness campaigns supported by regular phishing campaigns. Comms and awareness being delivered to raise awareness to colleagues around the risk of Cyber incidents and how good Information Security practices (including adherence to policies) will help minimise the likelihood of these occurring Security Team Training Meta Compliance tool online to track compliance/engagement of policies 		1. Continue roll out of Policies with oversight from ICGB Information Governance Tool	December 2023	90%
			2. Implement Audit Actions with oversight by IG Board	December 2023	100%
<p>Risk Owner(s): Senior Information Risk Owner (SIRO).</p>					
<p>Portfolio Flag: Finance, Governance and Performance</p>	<p>Summary of Progress:</p> <p>No change to current score. Policy work complete, just working through approval and publishing. This is being aligned with both the new corporate policy work, and internal collaboration with IT policies that overlap. Staff awareness is the focus next, alongside the continuous improvement needed to be fully aligned to ISO27001</p>				
<p>Strategic Theme: Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing</p>					

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023


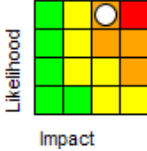
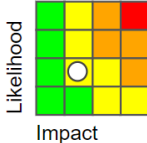
Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR37 - Homelessness and the subsequent cost of providing suitable affordable accommodation may affect long-term outcomes</p> <p>Description: The risk that homelessness and the subsequent cost of providing suitable affordable accommodation to meet needs and achieve effective long-term outcomes increases.</p>	<p>Constant</p> 	<p>20</p> <p>Likelihood = 4 Impact = 5</p>	 <p>Likelihood Impact</p>	<p>9</p> <p>Likelihood = 3 Impact = 3</p>	 <p>Likelihood Impact</p>
<p>Risk Causes:</p> <ul style="list-style-type: none"> -The ending of the eviction ban -Unemployment and cost of living rising leading to an increase in evictions.; A recent sharp increase in the number of households partly or wholly reliant on welfare benefits [UC claimant households in Bristol have risen from 17,000 in number in April 2020 to 38,000+ in Feb. 2022]. For most welfare benefits recipients, particularly those living in the private rented sector, housing and essential household costs are not met by their benefits entitlements'. Impact of the pandemic leading to an increase in mental health issues, family relationship breakdown and domestic violence & abuse. -Supply of affordable rented housing reducing -Increasing popularity of Bristol as a city to move to, and associated increased pressure on demand and cost of private rented accommodation 	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
	<ul style="list-style-type: none"> ▪ Joint commissioning of services - Focus on more joint commissioning of services for those homeless households who also face multiple disadvantages - to create a more holistic approach and to improve outcomes. Proposals for commissioning a new framework for supported TA is going to cabinet in October 2022. ▪ Effective Commissioning - Recommission our short-term supported housing (Pathways) accommodation & support contracts - to maximise effectiveness of these resources / funding stream and minimise repeat homelessness. ▪ Effective cost - New supplier contracts - successfully introduced new block contracts for some Temporary Accommodation, reducing the cost of TA to the Council. Planning to bring more block contracts on-line this financial year 		Changing Futures Programme	March 2024	45%
			Increase the supply of move on accommodation - RSAP round 5 bid deadline 13th April 2022	March 2024	60%
			Cost Effective Accommodation - Initiated a project with the aim of reducing the net unit cost of Temporary Accommodation. Opportunities being explored and prioritised.	December 2023	50%
			Homelessness prevention - review client access - Review how the service and the wider homelessness sector works with clients to identify opportunities for more early intervention and prevention of homelessness	March 24	15%
		Submit a bid to Single Homelessness Accommodation Programme (SHAP) to bring on-line additional supported housing	September 2023	100%	
<p>Risk Consequences: Increase in homelessness and the number of households in Temporary Accommodation. Expenditure on Temporary Accommodation does not return to pre-pandemic levels and could continue to increase.</p>	<p>Summary of Progress:</p> <p>The number of households presenting to Bristol City Council is continuing to increase. There has been an increase in the number of households living in Temporary Accommodation (TA) 1300 on 31st July 2023 to 1431 on 30th November 2023. Factors including fast tracked asylum decisions, increased homelessness from the private rented sector and early prison release has contributed to the increase. There is an underlying pressure of £5m due to Housing Benefit Subsidy loss. With in-year mitigations the forecast pressure for 23/24 is now £1.9m.</p>				
<p>Risk Owner(s): Executive Director Growth and Regeneration, Director Housing</p> <p>Portfolio Flag: Housing Delivery and Homes</p> <p>Strategic Theme: Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing.</p>					

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023


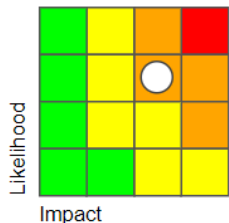
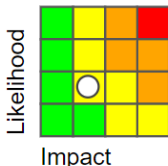
Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level		
<p>Risk Title: CRR39 – Adult and Social Care major provider/supplier may fail to deliver as expected failure</p>	<p style="text-align: center;">Improving</p> 	<p style="text-align: center;">9</p> <p>Likelihood = 3 Impact = 3</p>		<p style="text-align: center;">14</p> <p>Likelihood = 2 Impact = 7</p>		
<p>Description: Failure or potential degradation of ASC service provision linked to a complex set of internal / external risks causing service interruption or cessation. Failures or closures in the supply chain mean insufficient supply to source adequate appropriate support and meet Care Act needs.</p>						
<p>Risk Causes: - Provider goes into liquidation or ceases operations -Provider unable to meet demand due to recruitment / workforce/ or organisational issues. -Factors influencing provider/supplier failure: Increased demand and increased complexity of need of individuals putting further pressure on social care sector. Chronic workforce recruitment and retention problems heightened by pandemic. The social care sector facing a number of other issues – highly competitive job market, covid 'exhaustion', rising energy costs, changes to National Living Wage, inflation/ raising costs of supplies, high cost of living in Bristol, significant pressures from two large acute hospitals.</p>	Existing Controls		Mitigating Actions			
<p>Risk Consequences: Citizens (many of whom are very vulnerable) may have services ended or reduced without much notice putting them at risk and causing distress Lack of suitable local provision may mean people moving away from community, support networks Lack of alternative provision should mean not meeting statutory duties under Care Act Pressures on ASC workforce (social work, contracts, brokerage commissioning etc) to review and find alternative provision in timely manner Financial pressures as demand may drive prices up Lack of suitable provision resulting people moving to inappropriate more costly provision (e.g. care home instead of home care)</p>	<ul style="list-style-type: none"> Daily review of supply and sustainability issues and x3 week business continuity meetings across operations Twice weekly Operational Business continuity meetings Weekly ASC Business continuity meeting – DMT level Weekly produced Sit Rep with information on Covid Outbreak Management, supply, demand, provider quality Regular information received from D&B Credit ratings to help assess financial risk Each major contract (Home Care, Care Homes, Community Support Services, ECH) has a multi-disciplinary Business Relations team which assess risks to those provisions and plan response whether QA or Commissioning Provider Sustainability Panel is a forum where ASC can assess the financial issues facing individual provider and consider support options Regular meetings with a) key Strategic Providers in the city b) all provider forums and regular dialogue with Care and Support West Care Association Daily assessment of supply - via Brokerage team, Business relationship team and Contracts Strategic Planning and information sharing with CCG, other LAs and other key stakeholders - Great integration across BNSSG and joint problem solving, sharing of information and resources. Provider Failure/Service Interruption Process 		Action Title	Due Date	Progress	
<p>Risk Owner(s): Executive Director People, Director Adult Social Care.</p>			<p>Provider RAG rating to identify essential / difficult to replace services</p>	<p>March 24</p>	<p>10%</p>	
<p>Portfolio Flag: Adult Social Care & Integrated Care System Strategic Theme: Our Organisation, Empowering others and Caring, Fair and Inclusive, Well connected, Wellbeing.</p>	<p>Summary of Progress: It continues to be likely that a large supplier could fail but most likely be a planned exit and as market relatively stable, it would be able to cope.</p>					

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Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023



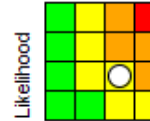
Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level			
<p>Risk Title: CRR40 – Potential Threat of Unplanned Investment in Subsidiary Companies</p> <p>Description: There is a risk that BCC’s investments in subsidiaries may require greater than anticipated capital investment.</p>	<p>Constant</p> 	<p>20</p> <p>Likelihood = 4 Impact = 5</p>		<p>6</p> <p>Likelihood = 2 Impact = 3</p>			
<p>Risk Causes: Failure to have effective corporate governance arrangements in place in one or more of the companies. Failure to ensure the right leadership with the right skills across the Companies. Business Failure due to severe economic downturn caused by external factors (incl. Pandemic & Brexit). Service delivery failure as a result of specific market changes (e.g., recycle market, housing market, volatility in gas and electric market prices, delays in timing of income from customer heat network connections), failure to secure planning etc. Delivery of BE2020 wind up within financial envelope. Legislation changes. Cyber Security - risk that key systems are compromised and that sensitive data is stolen Failure to develop and grow commercial trading activities</p> <p>Risk Consequences: - Financial Loss - Reputational damage to the council - Impact to service provision provided by subsidiary companies</p> <p>Risk Owner(s): Chief Executive and S151 Officer.</p> <p>Portfolio Flag: Finance, Governance and Performance</p> <p>Strategic Theme: Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing</p>	<p>Existing Controls</p>		<p>Mitigating Actions</p>				
	<p>Control</p>		<p>Action Title</p>			<p>Due Date</p>	<p>Progress</p>
	<ol style="list-style-type: none"> Audit and Risk Committee - Supports on issues of risk, control and governance. Board Effectiveness Reviews to be annual workforce planning. Continued monitoring of the impact of External issues such as COVID on the business and adaptive approach being proposed for optimising emerging opportunities and mitigating pressures. Effective engagement with BHL re reserved matter decisions and wider engagement with BCC Client teams to review performance, quality and set clear KPIs Shareholding Group Weekly progress review provided and regular review of assumptions, cash flow and risks Company assurance group 						
		<p>Summary of Progress: Risk rating for 1st December unchanged as a result almost certain outcome that BCC will be required to increase Waste contract payments at year end to deal with shortfall resulting from cost inflationary pressures.</p>					

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023


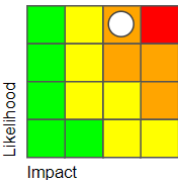
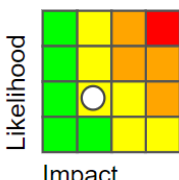
Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level		
<p>Risk Title: CRR41 – Capital Portfolio Delivery May Fail</p> <p>Description: Capital portfolio is not delivered on time, within budget and does not deliver One City Plan and Corporate Strategy objectives.</p>	<p>Constant</p> 	<p>15 Likelihood = 3 Impact = 5</p>		<p>6 Likelihood = 2 Impact = 3</p>		
<p>Risk Causes: Strategic, geographic, social, financial and economic conditions changing over time Oversight of Project Interdependencies not well managed Insufficient in-house resources to progress major projects lead to missed opportunities to leverage third party investment Failure to anticipate and secure investment and resources to deliver enabling works and infrastructure</p> <p>Risk Consequences: The cost is higher than expected The capital portfolio is delivered later than planned The operating and maintenance cost of assets exceeds expectations Benefits not delivered resulting in failure to deliver outcomes to secure strategic objectives</p>	Existing Controls		Mitigating Actions			
	Control		Action Title	Due Date	Progress	
	Introduction of enhanced highlight and exception reporting at the G&R Board - Change Services PMO have regular Highlight reports submitted to G&R Board from key and/or large capital programmes and projects. This is now ongoing		Capital transformation project to develop best practice governance, structure and assurance across whole capital programme.	June 2024	18%	
	Internal/External comms factored in into all resource requests to reduce reputational risks					
	Additional headroom in MTFP assumptions to manage inflationary and supply chain issues - Change Services PMO have regular Highlight reports submitted to G&R Board from key and/or large capital programmes and projects. This is now ongoing.					
<p>Risk Owner(s): Executive Director Growth and Regeneration.</p>						
<p>Portfolio Flag: Mayoral Portfolio and City Economy, Finance & Performance</p>	<p>Summary of Progress: The construction sector while still challenging continues to become less volatile. Actions taken to ensure sufficient capital contingency has resulted in a more resilient capital portfolio. Performance is uneven with variation across the portfolio. The capital transformation programme continues to implement improvements, substantially assured standard operating procedures and best practice across the capital portfolio to mitigate the risks identified in this item and target better speed, quality and value in delivery. A key outcome from the transformation programme will be enhanced reporting and corporate insight into the capital portfolio at a senior officer level.</p>					
<p>Strategic Theme: Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing</p>						

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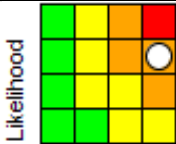
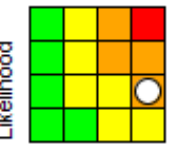
Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
Risk Title: CRR43 - Lack of progress for Mass Transit may have on Impact on the city	Constant 	20 Likelihood = 4 Impact = 5		10 Likelihood = 2 Impact = 5	
Description: Failure of regional authorities to agree way forward for development of a Mass Transit system. No sign up to results of feasibility study.					
Risk Causes: 1. Resourcing Business Case development 2. Lack of political consensus 3. Viability of Business Case 4. Lack of DfT support	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
	Mass Transit Directors Board - Monthly board in place at regional level to ensure appropriate senior officer engagement with project	Regular internal briefings - Regular briefings with senior managers and administration			
Risk Consequences: -Reputational impact. -Long term congestion and air pollution increase. -Regional productivity reduced. -Threat to investment across the city.					
Risk Owner(s): Executive Director Growth and Regeneration, Director Economy of Place.					
Portfolio Flag: Transport (Cllr Alexander)	Summary of Progress: Committee failed to agree a way forward for the strategic outline business case so currently no evident way forward for project. Awaiting update from WECA.				
Strategic Theme: Our Organisation, Wellbeing.					


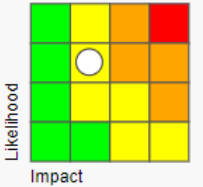

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR45 - Potential failure to deliver statutory duty in respect of Children</p> <p>Description: Failure to deliver statutory duty in respect of the safeguarding of children resulting in harm or death to a child or other unmitigated risk to the local authority</p>	<p>Constant</p> 	<p>20</p> <p>Likelihood = 4 Impact = 5</p>		<p>6</p> <p>Likelihood = 2 Impact = 3</p>	
<p>Risk Causes: Staffing failure: recruitment and retention COVID failure: business continuity plans fail due to higher infection/isolation Management failure: failure to oversee and respond in a timely way to child protection concerns, leaving children at risk</p>	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
<p>Risk Consequences: Harm or death of a child Inspection failure and regulatory action Litigation and reputational damage Other unpredicted costs to the LA</p>	1.	Benchmarking salaries with regional levels	Implement transformation programme of Children's service	October 2024	41%
	2.	Investing in training and development			
	3.	Over-recruiting where required			
	4.	Reviewing system pressures and taking action on a weekly basis			
	5.	Systemic unit model and integrated locality arrangements			
	6.	Skilled and stable workforce with low use of agency workers - Continued low use of agency workers but turnover and vacancies have risen.			
	7.	Strong multiagency children's safeguarding partnership under Keeping Bristol Safe arrangements			
	8.	Scrutiny of statutory safeguarding partners			
<p>Risk Owner(s): Executive Director Children and Education.</p>					
<p>Portfolio Flag: Children's Services, Education & Equalities</p>	<p>Summary of Progress: The Our Families Transformation Programme has identified strands to 1) Improve recruitment and retention of social workers. 2) Address demand management by focussed work to prevent children coming into care and improve placement sufficiency. 3) Respond to the findings within our Ofsted improvement plan. 4) Work is being planned across Adults and Children to improve Transitions for our children and timeliness of Care Act assessments. 5) DfE Grant to improve outcomes for children and linked to Our Families Transformation Programme has been approved and plan is in place to deliver against this over next 2yrs. Consultants appointed to work on models for adolescents, housing pathway and recruitment and retention of social workers. 6) The progress against the DfE grant and 7) Our Families Transformation programme is monitored through Our Families Board and CLB. The Directorate Improvement Plan encompasses actions against the risks.</p>				
<p>Strategic Theme: Our Organisation, Empowering and Caring, Wellbeing.</p>					


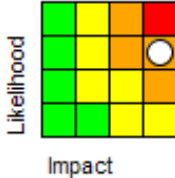
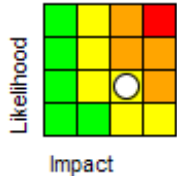
Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR48 - We may not be able to meet the affordable housing needs of the city by failing to meet the Project 1000 Delivery targets.</p> <p>Description: Failure of the City to deliver to the Mayoral Target of 1000 affordable homes per year by 2024. Strategies and delivery models designed to further stimulate growth in the housing market and deliver diversity of the housing in the City prove to be ineffective.</p>	<p>Constant</p> 	<p>21</p> <p>Likelihood = 3 Impact = 7</p>	 <p>Likelihood</p> <p>Impact</p>	<p>14</p> <p>Likelihood = 2 Impact = 7</p>	 <p>Likelihood</p> <p>Impact</p>
<p>Risk Causes:</p> <ul style="list-style-type: none"> - Availability of public subsidy from homes England and challenges in meeting their funding viability and value for money assumptions -reduction in the levels of Capital funding the Council has to support affordable housing delivery by third party providers - the complexity and costs associated with the development of brownfield sites, leading to viability challenges for both direct and 3rd party delivery. - Insufficient land available - continued impact of Covid 19 on the delivery programme of developments in the City - Not enough planning applications submitted - Not enough planning permissions granted and delays within the planning process - Inability of the housebuilding industry to deliver at this level to meet need through the planning system - Increased uncertainty in the market due to Brexit - Lack of capacity within the council's delivery system and the local market - Insufficient housing land identified in strategic planning documents 	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
<p>Risk Consequences:</p> <p>1. Reputational damage; 2. Increased levels of homelessness 3. Increased demand from the private rented sector, (non-affordable), by those in highest need 4. Residualisation of lower value areas of the city; 5. Economic deprivation, poorer health and lower educational attainment of households living in poverty in poor housing conditions with limited tenancy sustainability; 6. Balance between addressing need for family homes V increased viability of delivering smaller units</p>	<ol style="list-style-type: none"> 1. Improved our monitoring of affordable housing delivery and pipeline including identification of where HDT can unblock barriers to delivery. 2. Requiring a minimum of 30% affordable housing on land released by the Council. 3. Working collaboratively with Homes England to maximise subsidy in schemes - This provides as much affordable housing as possible. New framework for regular collaboration and review in place, focussing on both BCC direct delivery and RP delivery. 4. Project 1000 and Housing Delivery Boards - Scrutiny and active decision making / support at a senior and political level to influence and unblock barriers to delivery. Project 1000 leads in place. 5. KPI Targets for affordable housing delivery - quarterly reporting of KPI targets through spar.net providing corporate scrutiny on annual delivery against targets 6. Revised Affordable Housing Practice Note. 	<ol style="list-style-type: none"> 1. Secure Homes England Affordable Housing Programme Funding 2. Maximise capital funding from Homes England, WECA and DLUHC to address the complexities and additional costs of delivering an affordable housing programme on brownfield sites, including looking at ways of developing a strategic approach with key funding partners to meet infrastructure and abnormal costs. 	<p>March 2026</p> <p>March 2025</p>	<p>70%</p> <p>80%</p>	
	<p>Risk Owner(s): Executive Director Growth and Regeneration,</p>				
<p>Portfolio Flag: Housing Delivery and Homes</p> <p>Strategic Theme: Fair and Inclusive</p>	<p>Summary of Progress</p> <p>Very little change from previous quarter in what is currently a difficult time for the construction and development sector. The HRA delivery programme has progressed well since last quarter with new planning consents and start on site milestones being reached on 5 sites delivering 76 new homes. 97 new affordable homes completed in q2, a total of 227 this year. There are 1900 affordable homes in active delivery in the city and a new sites pipeline of 80 development opportunities being brought forward which will deliver a further 3000+ homes in future years. Its is this longer term, future pipeline of affordable homes that is potentially at risk for the City as costs rise and capacity within the construction sector diminishes.</p>				


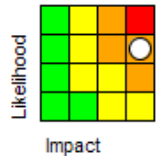
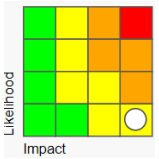
Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level		
<p>Risk Title: CRR49 - Potential Impact of Weak Workforce Resilience</p> <p>Description: A lack of workforce resilience or capacity to provide statutory services and achieve strategic aims and objectives</p>	<p>Constant</p> 	<p>9</p> <p>Impact 3 = Likelihood= 3</p>		<p>6</p> <p>Impact=3 Likelihood = 2</p>		
<p>Risk Causes: Failure to recruit – particularly in specialist areas where the market is highly competitive COVID-19 impact in labour market and workforce sickness High levels of staff turnover High staff sickness levels Ineffective prioritisation of workloads</p> <p>Risk Consequences: Key services fail – inability to meet service demands Statutory and/ or regulatory obligations are not delivered Strategic priorities and aims are not delivered. The council becomes unfocused, and demand led. Increasing levels of sickness absence Higher staff turnover and loss of talent HSE/Legal action Reputational damage Poor customer satisfaction leading to complaints and requests for compensation</p>	Existing Controls		Mitigating Actions			
	Control		Action Title	Due Date	Progress	
	<ul style="list-style-type: none"> •Agreements in place with employment businesses for the supply of contingent workforce; agency and statement of works •Promotion of apprenticeships and internal progression opportunities •Regular and close review of management information (through HR Dashboards and leavers survey) to monitor turnover, staff starters/exits to enable targeted actions to be taken •Stress risk assessments, supporting attendance policy, occupational health advice and Employee Assistance Programme are in place to minimise the incidence and length of sickness absence. A refreshed stress risk assessment has been developed through consultation with trade unions and staff led groups and is due for launch in December 22. •Support for managers with future workforce planning and succession planning, with bespoke action plans to target diversity and skills gaps •Consideration of impact of cost of living and winter pressures, encouraging take up of booster and flu jabs and review the facilities available in the workplace 		<p>Workforce Strategy is currently being refreshed and will have workforce resilience and wellbeing as a primary theme</p>	<p>March 2024</p>	<p>75%</p>	
<p>Risk Owner(s): Chief Executive, Director of Workforce and Change</p> <p>Portfolio Flag: City Economy, Finance & Performance</p> <p>Strategic Theme: Our Organisation</p>	<p>Summary of Progress: Sickness absence and staff turnover have started to subside. It is recognised that the chance of large swathes of the Council's 6,500+ workers simultaneously suffering a breakdown in resilience is unlikely. Therefore consideration will be given to asking areas where the risk is more likely to register this at a directorate/divisional/service level.</p>					

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level		
<p>Risk Title: CRR51 - ASC may be financial unsustainable due to national and local pressures leads to a failure to deliver statutory duties and budgetary control</p> <p>Description: There is a risk that ASC financial unsustainability due to a number of national and local pressures compromises the ability to deliver statutory duties and the independence of people that draw on care and support.</p>	<p>Constant</p> 	<p>21</p> <p>Likelihood = 3 Impact = 7</p>		<p>10</p> <p>Likelihood = 2 Impact = 5</p>		
<p>Risk Causes:</p> <ul style="list-style-type: none"> -Rising demand in Adult Social Care which must be met under the Care Act. Particularly from complex needs and higher cost requirements in people under 65. These needs are more likely to be met outside of area, be subject to lower personal contributions, and be needed for longer. -Increase of needs due to more health services being delivered in the community without appropriate funding following the patient. -Increased complex needs across our demographics that must be met under the Care Act. -Lack of funds available within budget to meet statutory duties. -Lack of systems in order to ensure effective governance and control of all spend. -Pressure from wider system pressures - for example, delays in hospitals which lead to increased long term cost provision for care. -Non-recurrent funding which limits opportunity for long term investment. <p>Risk Consequences:</p> <ul style="list-style-type: none"> - Overspending on the budget which may impact the wider council. -The consequence of this risk are that appropriate and effective care and support as required under the Care Act may not be possible for all those who require it. The consequence could be felt in the quality or quantity of care and support, or in both. 	Existing Controls		Mitigating Actions			
	Control		Action Title	Due Date	Progress	
	<ul style="list-style-type: none"> Established Care Cubed to improve pricing controls - enabling the service to maximise value for money. Improved Business Intelligence - Developing advanced tools for analysing and reporting business intelligence and performance information. Improved governance process on all spend - Improved case discussion where all spend is approved through tighter governance. Leading integration opportunities with Health - Through establishment of the Integrated Care Board (ICB) BCC are leading implementation of integration opportunities which will maximise vfm e.g. joint commissioning of learning disability and autism team Realignment of ASC Operations - Using new locality teams to work with local providers, community and voluntary sector to maximises care and support provision outside of Council statutory provision. This builds resilience in communities and individuals, and ensure statutory services are focused on the right interventions. Reset the ASC Transformation Programme - Reset the programme to address market provision, workforce challenges, price control, practice and integration 	Strategic Partner (People Too) transformation work	March 2024	15%		
		Develop Single Framework	February 2024	50%		
		Increase the take up and opportunity around the use of technology enabled care	Sept 2023	100%		
		Review of in-house service provision to deliver efficiencies and savings	Sept 2023	100%		
<p>Portfolio Flag: Children's Services, Education & Equalities</p> <p>Portfolio Flag: Adult Social Care & Integrated Care System</p>	<p>Summary of Progress:</p> <p>Peopletoo and other transformation programmes in flight, but as we enter Q3 the risk of not balancing the budget becomes more acute. Risk combined of legacy saving projects, transformation and continued increase in demand. Some projects are progressing well and are delivering cash savings but not at the scale and pace required. Non-cashable saving also being delivered.</p>					
<p>Strategic Theme: Our Organisation, Empowering and Caring, Wellbeing.</p>						

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023


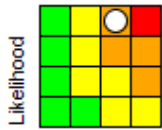

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR52 Failure to manage and evidence compliance with building safety obligations in HRA stock may lead to regulatory enforcement.</p> <p>Description: Risk of failing to ensure high rise properties meet safety requirements</p>	<p>Constant</p> 	<p>21</p> <p>Likelihood = 3 Impact = 7</p>		<p>7</p> <p>Likelihood = 1 Impact = 7</p>	
<p>Risk Causes: Findings from new PAS9980 inspection regime, learning from fires and new regulatory requirements. Difficulty recruiting to new posts and use of interim arrangements due to sector wide capacity issues with recruitment.</p> <p>Risk Consequences: Risks to personal safety, reputational and legal (financial and criminal), increased insurance costs.</p> <p>Risk Owner(s): Executive Director Growth and Regeneration, Director Homes and Landlord Service</p>	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
	<ul style="list-style-type: none"> Building safety board meetings monitor fire and building safety compliance. Governance via HSLT, EDM, Corporate Safety, Health & Wellbeing and Cabinet Member. Plan to create Building Safety Cases to evidence the safety management systems and action plans to remediate risks. Progression of a plan of action to meet requirements is underway through the Head of Business Development and Programme Lead (Residential Building Safety). 		A competent resource in place to manage and deliver building safety obligations	Dec 23	30%
			Evidence that all Building Safety Bill obligations are being met by ensuring all in scope buildings are registered and key building information supplied. - Phase 3 (building safety cases) (New)	April 23	3%
			Implement an evidenced risk-based approach to building safety management which ensures buildings which have a higher risk have more robust/intensive management.	April 23	20%
			Building/Fire Safety- develop plan for data, mandatory occurrence reporting, golden thread of information-strategy, data ownership, data storage and reporting software/systems under BSA	March 24	25%
			Building Safety – Develop strategy and programme following building safety case review from regulator. (New)	Oct 23	90%
			Building safety – Finalise and implement overarching resident engagement strategy	March 24	30%
			Building safety – Finalise and implement per block resident engagement strategy	March 24	30%
			Building Safety – Review performance reporting framework	Dec 23	100%
			Building safety –Review current governance structure through H&LS DMT, EDM and CLB	Dec 23	100%
			Building safety, Fire Safety – Comprehensive strategy for both building safety and fire safety for >11-18m stock due to very limited knowledge of 200+ mid-rise buildings	May 24	30%
		Building Safety- start building safety cases for HRBs	March 24	100%	

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Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023


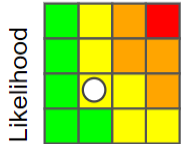
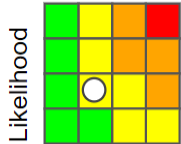
<p>Portfolio Flag: Housing Delivery and Homes</p>	<p>Summary of Progress: The panel determined that the likelihood should increase to 4 (highly likely) to reflect the above concerns, and takes into consideration the current major incident declared at Barton House relating to structural issues. Following discussion with members of HSLT, the risk title has been amended to reflect the possible outcome of regulatory enforcement, and the likelihood of this reclassified as 3 (likely). Significant progress has been in resourcing the Building Safety Team - albeit still predominantly with Interim appointments, and a programme for prioritisation of delivery and management of our Building Safety Obligations.</p>
<p>Strategic Theme: Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing</p>	

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023


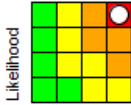
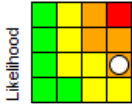
Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level		
<p>Risk Title: CRR53 - Increased social worker and occupational therapists' vacancies and sickness rates may result in vulnerable adults' care being comprised.</p> <p>Description: Limited staff capacity within operational teams will result in increased waiting times for assessment and review potentially putting vulnerable adults at risk of going without sufficient care and support.</p>	<p>Constant</p> 	<p>20</p> <p>Impact = 5 Major Likelihood= 4 Almost Certain</p>		<p>9</p> <p>Likelihood = 3 Impact = 3</p>		
<p>Risk Causes:</p> <ul style="list-style-type: none"> -Difficulties recruiting and retain experienced social workers and OTs. This is in line with national picture of increasing vacancy rates in statutory adult care social care departments across the country. -These vacancies are not distributed equally with some operational teams having nearly 50% vacant posts. -Sickness absence in operational teams have also increased during this period which is further compounding operational teams' ability to respond to those in most urgent need. -Cost of living crisis is also likely to impact on retention rates of social work staff 	Existing Controls		Mitigating Actions			
<p>Risk Consequences:</p> <ul style="list-style-type: none"> - As a result of this decreased operational capacity this has seen an increase in numbers of people waiting for assessment and reviews (insert data) -The percentage of individuals who have had an annual review of their care and support needs has also decreased in the last year with less than 50% of individual in receipt of care and support having had a formal review. 	Control	<ul style="list-style-type: none"> • Increase Social Work and OT Apprentice capacity - ASC have doubled the amount of SW and OT apprentices this year increasing to 6 SW Apprentices per year and 2 OT apprentices. • Operational Business Continuity plans duty - All operational teams have internal prioritisation process for workflow and demand. Additionally, they have robust duty systems in place with duty workers present to respond to urgent demands or cases to mitigate against highest risk of harm to citizens and respond in a timely way to those at greatest need. • Recruitment Strategy - Developed new recruitment strategy and implemented rolling recruitment advert. • Developing enhanced Wellbeing offer for operational staff - dedicated additional resource within Adult Workforce L&D to enhance our wellbeing and support offer. 	Action Title	Due Date	Progress	
<p>Risk Owner(s): Executive Director People, Director Adult Social Care.</p>			Commission Workforce Strategy	November 2023	100%	
<p>Portfolio Flag: Adult Social Care & Integrated Care System</p>						
<p>Strategic Theme: Our Organisation, Empowering others and Caring, Fair and Inclusive, Well connected, Wellbeing.</p>	<p>Summary of Progress: Work underway on TOM and Vision for ASC. Pay and non-pay options to shore up recruitment and retention progressing.</p>					

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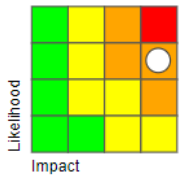

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR54 - Potential Threat of Financial Sustainability of Nursery Schools</p> <p>Description: The impact of Covid and union action on maintained nursery schools and classes will significantly reduce the funding provided to the LA and schools and could impact on sustainability and sufficiency (sufficiency being a statutory responsibility of the service) Ongoing underfunding of nursery schools continue to raise questions about their future.</p>	<p>Constant</p> 	<p>6</p> <p>Likelihood = 3 Impact = 2</p>	 <p>Likelihood</p> <p>Impact</p>	<p>6</p> <p>Likelihood = 3 Impact = 2</p>	 <p>Likelihood</p> <p>Impact</p>
<p>Risk Causes:</p> <ul style="list-style-type: none"> Availability of staff to service early years learning Census data weakened to inform on EY sector funding. Government process change. 	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
<p>Risk Consequences:</p> <ol style="list-style-type: none"> Increased financial deficits in maintained nursery schools leading to impact on the DSG and long-term sustainability. Reduction in places across the maintained sector on a permanent basis as schools close unsustainable nursery provision that impacts on the city's sufficiency plan. 	<ul style="list-style-type: none"> Identification of potential financial impact Review of progress with agreed actions with targeted nursery schools. Published a council position on the strategic need for nursery schools and key areas where action is required to support sustainability. Individual finance visits to four targeted nursery schools with the largest in-year deficits to create action plans to tackle identified issues. Communication with nursery schools to establish Covid impact and impact on pupil numbers Development of a nursery transformation programme in collaboration with LA maintained nursery school headteachers and governors. Context conversations to capture the strengths and strategic importance of nursery schools as well as the financial and operational challenges. 	Continuing with the nursery transformation programme and working with nursery schools to implement action plans that will reduce in-year deficits and move towards sustainable models for the future.	April 24	55%	
		Bringing groups of nursery schools together the develop collaborative and federation models that share resources, leadership, skills and expertise.	April 24	50%	
		Modelling management of change and collaborate and federation models to inform discussions.	April 24	50%	
		Engaging with elected members to review strategic position of nursery schools and how the council can support remodelling and securing future sustainability.	April 24	45%	
<p>Risk Owner(s): Executive Director People, Service Director Education and Skills</p>					
<p>Portfolio Flag: Children's Services, Education & Equalities</p>	<p>Summary of Progress:</p> <p>Increased government funding rates, including increased supplement for maintained nursery schools and increased hourly rates for 2 Year Olds and 3/4 Year Olds, are impacting positively on the school's in-year budget positions. Further funding to support government plans for the expansion of childcare and out of school wrap around care has been announced and officers are currently modelling the financial impact of these increases on current balances. The key challenge remaining is the repayment of the historical deficit of £7million. Discussions underway to agree a repayment plan that is manageable by schools and which meets outcomes of an Equalities Impact Assessment. Schools unable to repay historical deficit in 3-5 years, as stipulated by the financial regulations. Officers reporting to Our Families Board and Schools Forum updates provided.</p>				
<p>Strategic Theme: Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing</p>					


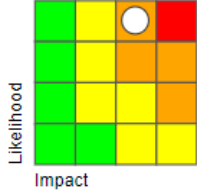
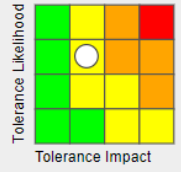
Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR55 - Children placed in unregistered provision may be at risk</p> <p>Description: There is a possible high threat risk for the council regarding children placed in unregistered provision which is unlawful.</p>	<p>Constant</p> 	<p>28 Likelihood = 4 Impact = 7</p>	 <p>Likelihood Impact</p>	<p>14 Likelihood = 2 Impact = 7</p>	 <p>Likelihood Impact</p>
<p>Risk Causes:</p> <ul style="list-style-type: none"> The causes are placement sufficiency and increased numbers of children coming into care. 	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
<p>Risk Consequences:</p> <ul style="list-style-type: none"> Unlawful placements Negative Legal Impact Negative Ofsted Impact 	<ul style="list-style-type: none"> Oversight of Director of Children and Families 		Improve placement sufficiency	March 2025	60%
			<ul style="list-style-type: none"> Explore with Ofsted more creative solutions 		
<p>Risk Owner(s): Executive Director Children and Education</p>			<ul style="list-style-type: none"> Implementation of BCC Families Transformation Programme. 		
<p>Portfolio Flag: Children’s Services, Education & Equalities</p>					
<p>Strategic Theme: Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing</p>					
		<p>Summary of Progress: The risk remains as we continue to have children placed in unregistered provision.</p>			


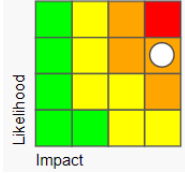

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR56 - Potential threat to the ASC Care Quality Commission (CQC) Assurance Preparedness and Rating</p> <p>Description:</p>	<p>Constant</p> 	<p>21</p> <p>Likelihood = 3 Impact = 7</p>		<p>2</p> <p>Likelihood = 2 Impact = 1</p>	
<p>Risk Causes New line of work - learning whilst doing with little evidence base or benchmarking to refer to. Programme of work in preparation for inspection hitherto managed within BAU resource which has proved insufficient. Current workforce and operating model pressures are leading to risks to compliance in carrying out statutory duties, e.g. safeguarding, timely Care Act Assessments. Data and performance reporting (e.g. locality dashboard) delayed/unfinished.</p> <p>Risk Consequences: People are families are waiting too long to be seen as teams are having to operate waiting lists, including in areas where there should be none, e.g. Safeguarding and First Response. Line of sight of risk is compromised. Individuals may come to harm.</p> <p>Risk Owner(s): Director - Adult Social Care</p>	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
	<p>This is a new area of work, and so current control requirements are emerging as we learn from pilots.</p>		LGA Peer Review (New)	January 2024	0%
			Reframed Approach to Self-Assessment (New)	December 2023	67%
			Resourcing Self-Assessment	October 2023	100%
<p>Portfolio Flag: Adult and Communities – Adult Social Care</p>	<p>Summary of Progress: Self Assessment complete with the support of additional resource. LGA Peer Review Prep is underway alongside engagement with partners and colleagues on the self assessment.</p>				
<p>Strategic Theme: Empowering and Caring, Wellbeing Our Organisation</p>					

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023


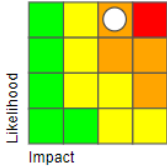

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR57 Possible procurement breaches and compliance with procurement rules & legislation.</p> <p>Description: Lack of compliance with procurement rules with regards to purchasing and contract management may result in breaches or BCC Procurement Rules and at risk of breaching PCR2015.</p> <p>Risk Causes Poor contract management Lack strategic planning and pipeline awareness.; Supplier preference, unwillingness to tender; Lack capacity withing Procurement & Contract Management Service; Rise of inflation and savings targets</p> <p>Risk Consequences: Successful Legal challenge and financial penalty against BCC. Reputational damage due to internal audit scrutiny and external audit publishing.</p> <p>Risk Owner(s): Director: Finance (CFO S151)</p> <p>Portfolio Flag: Finance, Governance and Performance</p> <p>Strategic Theme: Our Organisation</p>	<p>Constant</p> 	<p>20 Likelihood =4 Impact = 5</p>		<p>9 Likelihood = 3 Impact = 3</p>	
	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
	All procurement breaches to be approved by Executive Directors Breach Dashboard Data Reporting Training		Monthly reporting to Director of Finance on breach activity	March 2024	75%
			Quarterly Members Briefing on Procurement Breaches	March 2024	75%
			Monitoring reports on breach activity to all Directors and Executive Directors on breach numbers, compliance and mitigations.	March 2024	75%
	<p>Summary of Progress: Q2 Report - There have been 125 breaches YTD, which is high but represents a significant reduction from this time last year (194). For context, this means that 9% of all procurement decisions were breaches (125/1318), or 6% by value (£40m of breaches out of a total of £631m total decisions). Breach numbers by Directorate YTD are: 26 in Adults & Communities, 64 in Children and Education, 35 in G&R and 0 breaches in Resources. CLB agreed to bring Director led 'deep dive' reports back to CLB to set out how procurement breaches will be reduced. Breaches now monitored weekly by CLB.</p>				

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR58 Failure to maintain and replace the Highway and Traffic assets may lead to future budget shocks and potential injuries to the public</p>	<p>Constant</p> 	<p>21 Likelihood = 3 Impact = 7</p>		<p>10 Likelihood = 2 Impact = 5</p>	
<p>Description: Deterioration of highway condition. Additional roadworks resulting in congestion and air pollution. .</p>					
<p>Risk Causes Under investment in replacements and upgrades of highway and traffic assets Climate changes are accelerates the depreciation of the asset Lack of funding from Central Government and local funding</p>	<p>Existing Controls</p>		<p>Mitigating Actions</p>		
<p>Risk Consequences: 1. Multi-storey carpark closure 2. Multi-storey carpark structural failure 3. Harbour Bridge Structural Failure 4. Failure to safeguard against significant injury/death. 5. Litigation from third party aggravated or who have suffered loss, due to non treatment of a perceived collision site or other Highways defect. 6. Traffic congestion and air pollution. 7. Increase in complaints and request for repairs diverts resources from core business.</p>	<p>Control</p>	<p>Action Title</p>	<p>Due Date</p>	<p>Progress</p>	
<p>Risk Owner(s): Executive Director Growth and Regeneration</p>	<p>Depreciation modelling identifies the severity of the risk to Highway and Traffic asses</p> <p>Lifecycle modelling and scheme selection using data sets</p> <p>Preventative maintenance approach to repairs extends the life of the asset and slows the depreciation.</p> <p>Risk based to seeking additional funding (Challenge funds)</p>	<p>Request for funding to be included in the medium financial plan.</p>	<p>January 24</p>	<p>75%</p>	
<p>Portfolio Flag: Transport</p>	<p>Summary of Progress: Risk categories increased to major due to current circumstances. E.g. claims increase and defects on network increasing as depreciation accelerates. Risk of the asset depreciation has been presented to senior leadership and finance colleagues to support business case for additional funding</p>				
<p>Strategic Theme: Well Connected</p>					

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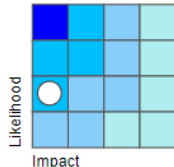
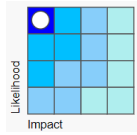
Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Threat Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: CRR59 Failure to deliver timely statutory planning decisions</p> <p>Description: The DM service must determine applications in statutory time periods and failure to do this results in delays in delivering development and potentially refund of fees</p>	<p>Deteriorating</p> 	<p>20 Likelihood =4 Impact = 5</p>		<p>6 Likelihood = 2 Impact = 3</p>	
<p>Risk Causes Inability to attract, recruit and/or retain existing suitably trained/qualified/experienced staff to support work programme and the development of the service. Small teams are less resilient than others, in some instances only one or two staff qualified to carry out services resulting in single point of failure. Jobs in the council not seen as aspirational and interest impacted by national news of council funding reductions. Salaries not as competitive as private sector. Limited opportunity for staff progression. Corporate financial pressures impacting recruitment and retention. Overturns of officer recommendations by Members at DC Committee. Decisions made under delegated powers that are overturned by the Planning Inspectorate at appeal.</p>	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
			Backlog recovery plan of planning application decisions	June 2024	25%
<p>Risk Consequences: Planning & building regulation applications take longer to determine. Delays in delivering developments. Potential fee refund if extended time not agreed. Inability to complete existing projects. Reduced ability to take on work and to respond to variations in workload and programmes. Loss of market share if delays not acceptable to the customer. Inability to honour career grade progression commitments.</p>					
<p>Risk Owner(s): Chief Planner</p>					
<p>Portfolio Flag: Strategic Planning and City Design Strategic Theme Empowering and Caring Strategic Planning and City Design</p>	<p>Summary of Progress: In light of the massive backlog this has been a serious issue for the last 6 months that are addressing as No. 1 priority in development management. The scale of the issue means, however, that recovering the situation will take at least another 6 months likely longer.</p>				

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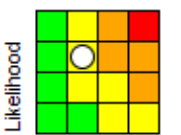
Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Opportunity Risks


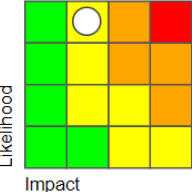
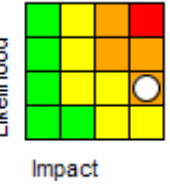
Opportunity Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: OPP01 - Possible Impact of One City Approach</p> <p>Description: The One City Approach will offer a new way to plan strategically with partners as part of a wider city system.</p>	<p>Constant</p> 	<p>14</p> <p>Likelihood = 2 Impact = 7</p>		<p>28</p> <p>Likelihood = 4 Impact = 7</p>	
<p>Risk Causes:</p> <ol style="list-style-type: none"> Mayoral aspiration and widespread partner sign-up to principles Work to date has produced outline plan and engaged partners in the long-term vision and necessary work to complete the plan 	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
<p>Risk Consequences:</p> <ol style="list-style-type: none"> The council can plan as part of a wider city system, making stronger plans based on agreed city priorities which already have partner buy-in Potential to make financial and efficiency savings and/ or deliver better services and/or reduced demand for service, reducing costs whilst improving citizen outcomes. Update April 2020: 3. Relationships already built can accelerate communication, collaboration and effective delivery of a coherent plan for the city's recovery from Covid-19 	<ol style="list-style-type: none"> V3 One City Plan Produced - We have produced v3 of the One City Plan and produced our second annual report available on the One City Website from 12 June 2021. 		Set up Partnership Board	September 2023	100%
			Establish TOR and Performance Criteria	Feb 24	50%
<p>Risk Owner(s): Director Policy, Strategy and Partnerships.</p>					
<p>Portfolio Flag: Finance, Governance and Performance</p>	<p>Summary of Progress: Good engagement with Committee Member Working Group about One City but awaiting future session to confirm the group's view about the model, which will be influential.</p>				
<p>Strategic Theme: Our Organisation</p>					

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023


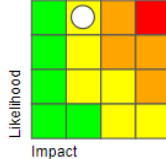
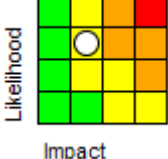
External and Civil Contingency Risks

External and Civil Contingency Risk	Trend	Current Risk Assessment	Risk Tolerance Level		
<p>Risk Title: BCCC1 - Flooding May Impact Public Safety</p> <p>Description: There could be a risk of damage to properties and infrastructure as well as risk to public safety from flooding which may be caused by a tidal surge, heavy rainfall and river flood events.</p>	<p>Constant</p> 	<p>15</p> <p>Likelihood = 3 Impact = 5</p>	 <p>Likelihood</p> <p>Impact</p>	<p>9</p> <p>Likelihood = 3 Impact = 3</p>	 <p>Likelihood</p> <p>Impact</p>
<p>Risk Causes:</p> <ul style="list-style-type: none"> -Tidal surge, heavy rainfall, and river flood events -Impact of climate change -Lack of effective flood defences and preparedness for major incidents -Failure of existing flood defences 	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
<p>Risk Consequences:</p> <ul style="list-style-type: none"> -Economic Impacts including loss of property -Loss of life/injury -Reputational damage -Damage to infrastructure including strategic highway -Blight of city centre development land 	<p>1. Avon and Somerset Local Resilience Forum - The Avon and Somerset Local Resilience Forum (LRF) is a partnership of all the organisations needed to prepare for an emergency in the LRF area. It includes the emergency services, health services, Maritime and Coastal Agency, Environment Agency, volunteer agencies, utility companies, transport providers and the five councils of Bath and North East Somerset, Bristol, North Somerset, Somerset, and South Gloucestershire.</p>	<p>Avonmouth Severnside Enterprise Area flood defence scheme - construction</p>	<p>June 2027</p>	<p>80%</p>	
	<p>2. Engagement with external partners to develop flood response plans and procedures - Working with emergency services, local authorities, and other agencies to develop flood response plans and procedures, investigating instances of flooding, training specialist staff in swift water rescue techniques, communicating with housing and business developers to incorporate flood protection into new developments. It provides guidance to members of the public about flooding, including flood warnings and what people can do to help themselves.</p>	<p>Bristol Avon Flood Strategy - Outline Business Case</p> <p>Deliver Local Flood Risk Management Actions</p> <p>Establish improved maintenance regimes for the assets in the floating harbour and update asset management system (New)</p>	<p>January 24</p> <p>February 2030</p> <p>Dec 24</p>	<p>70%</p> <p>25%</p> <p>50%</p>	
<p>Risk Owner(s): Executive Director Growth and Regeneration, Director Economy of Place.</p>	<p>3. Local Flood Risk Management Strategy - Bristol has in place a local Flood Risk Management Strategy which comprises of 5 key themes and 43 separate actions in line with Environment Agency's national strategy. The Strategy has used outputs from a number of key studies (which identify the risk of flooding to the city) to structure our response to flood risk management, from emergency management to flood mitigation schemes</p> <p>4. Regular and Emergency Maintenance and Clearing of Gullies and Culverts – especially in advance of storm warnings</p> <p>5. Ongoing engagement with Civil Protection unit</p>	<p>Resilient Frome project</p> <p>Underfall Yard sluice replacement works – construction (New)</p>	<p>March 27</p> <p>July 24</p>	<p>20%</p> <p>20%</p>	
<p>Portfolio Flag: Climate, Ecology, Energy & Waste and Strategic Planning, Resilience and Flood Strategy</p> <p>Strategic Theme: Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing.</p>	<p>Summary of Progress: Resource appointed to lead Frome resilience project, manager recruitment ongoing. Projects progressing but significant flood risk remain.</p>				

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

External and Civil Contingency Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: BCCC4 – Possible Increase in Winter diseases including COVID-19 and Flu</p> <p>Description: Covid 19 poses multiple risks to population health. Directly from infection; indirectly through social and economic impacts; and through pressures on the health and care system. On 21ST Feb 2022 the Gov announced Living with Covid Strategy which includes withdrawal of population testing and contact tracing. Isolation and other compliance is voluntary</p>	<p>Deteriorating</p> 	<p>12</p> <p>Likelihood = 4 Impact = 3</p>		<p>9</p> <p>Likelihood = 3 Impact = 3</p>	
<p>Risk Causes: Covid 19 poses multiple risks to population health. Directly from infection; indirectly through social and economic impacts; and through pressures on the health and care system. Removal of Covid controls reduces ability to contain infection.</p> <p>Risk Consequences: Infection from Covid, proportion of severe illness, long Covid and deaths. Disruption to work, school, university. Emotional and mental health impacts, for all ages including loneliness. Food poverty.</p>	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
	1. Daily Situation Reports – weekly from April 2022 and will be produced in current format until 31 March 2023				
	2. Investment in Infection Prevention and Control - Additional recurrent investment has been made in Community Infection Prevention and control. Regional and Health system IPC oversight established				
	3. Local Outbreak Management and Response Plan - LOMP has been replaced by living with Covid Plan -developed with partners. Weekly Outbreak Management Group replaced by weekly Living With Covid Group. Monthly reports to CLB Gold and regular updates to ELM. Regular staff and public bulletins				
	4. Ongoing Community Engagement and Mental Health Work - Additional investment in MH work through Thrive				
	5. Priority Programmes focussed on Mental Health, Well-Being and Food Poverty				
	6. Protecting Health Function - Enhanced protecting health function - completed / Green. Weekly reports published – will remain in place but frequency may change - Green				
7. Weekly Death Management and Vaccine Reports					
<p>Risk Owner(s): Executive Directors & Director of Public Health</p> <p>Portfolio Flag: Mayor</p>	<p>Summary of Progress: The winter disease season has not started yet (24/11/23) so there has not been a marked increase in Flu or COVID at the moment, but we do anticipate that the seasonal increase will be notable in the coming quarter.</p>				
<p>Strategic Theme: Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing</p>					

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

External and Civil Contingency Risk	Trend	Current Risk Assessment		Risk Tolerance Level	
<p>Risk Title: BCCC5 - Cost of Living Crisis may have major impact on Citizens and Communities</p> <p>Description: Failure of the council and its one-city partners to mitigate against, and provide adequate services to, citizens experiencing increases in living costs including fuel and food leading to increased poverty, inequity and worsening health & wellbeing as a result of the ongoing cost of living crisis.</p>	<p>Constant</p> 	<p>12 Likelihood = 4 Impact = 3</p>		<p>9 Likelihood = 3 Impact = 3</p>	
<p>Risk Causes:</p> <ul style="list-style-type: none"> -Supply chains disruption -Global COVID-19 Pandemic -Brexit -War in Ukraine -Leading to rapid inflation <p>Risk Consequences:</p> <ul style="list-style-type: none"> -Destitution - homelessness -Inability for citizens to pay general services and utilities -Increased debt for citizens and the council -Health and well-being deterioration -Inequity deepening -Increased demand on services across the council leading to failure to meet this demand -Community cohesion deteriorates 	Existing Controls		Mitigating Actions		
	Control		Action Title	Due Date	Progress
	<ol style="list-style-type: none"> 1. Baseline / impact assessment to understand potential impact on Bristolians 2. Creation of monitoring framework with 'red flag' indicators 3. Development of civic & community asset map 4. Development of framework for targeted action 5. Data monitoring of key 'red flag' indicators - monitored by the One City and One Council Group 6. Established One Council Group to monitor impact and coordinate action (meeting appx every 3 weeks) 7. Established One City Coordination Group 8. Communication plan in place led by BCC External Communications 9. Bi-weekly meetings of Community Exchange - Meetings with community partners delivering response 		Review and update comms plan for winter 23/24	October 2023	100%
			Update Impact Assessment	Sept 2023	100%
			Work with Quartet to award Social Action Grants	December 2023	0%
Portfolio Flag: Public Health and Communities	<p>Summary of Progress: We have a communications plan in place. The BCC website continues to provide information for people who need financial help or looking to increase their household income. 60 welcoming spaces are open and we expect more to open now that small grants have been made available via Quartet. The City Coordination Group continues to meet monthly as does the One Council Group we are agreed our focus is about long term sustainable action to address poverty and inequity which included ensuring there is immediate help available. This is a systemic problem rather than a short term crisis.</p>				
Strategic Theme: Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing					

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Risk Scoring Matrix

		Threat Impact (Negative risks)					Opportunity Impact (Positive Risk)						
Threat Likelihood	Almost certain	4 (Low)	12 (Medium)	20 (High)	28 (Critical)	28 (Significant)	20 (High)	12 (Medium)	4 (Low)	4	Almost certain		
	Likely	3 (Low)	9 (Medium)	15 (High)	21 (High)	21 (High)	15 (High)	9 (Medium)	3 (Low)	3	Likely		
	Unlikely	2 (Low)	6 (Medium)	10 (Medium)	14 (High)	14 (High)	10 (Medium)	6 (Medium)	2 (Low)	2	Unlikely		
	Rare	1 (Low)	3 (Low)	5 (Medium)	7 (Medium)	7 (Medium)	5 (Medium)	3 (Low)	1 (Low)	1	Rare		
		1 Minor	3 Moderate	5 Major	7 Critical	7 Exceptional	5 Significant	3 Modest	1 Slight				

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Threat Level	Opportunity Level	Level of Risk	Actions Required
1-4	1-4	Low	May not need any further action / monitor at the Service level.
5-12	5-12	Medium	Action required, manage and monitor at the Directorate level.
14-21	14-21	High	Must be addressed - if Directorate level consider escalating to the Corporate Risk Report, if Corporate consider escalating to the Cabinet Lead.
28	28	Critical / Significant	Action required - escalate if a Directorate level risk, escalate to the Corporate Level, if Corporate bring to the attention of the Cabinet Lead to confirm action to be taken.

LIKELIHOOD AND IMPACT RISK RATING SCORING
Likelihood Guidance

Appendix A1 – Corporate Risk Register Q3 2023-2024 as at December 2023

Likelihood	Likelihood Ratings 1 to 4			
	1	2	3	4
Description	Might happen on rare occasions.	Will possibly happen, possibly on several occasions.	Will probably happen, possibly at regular intervals.	Likely to happen, possibly frequently.
Numerical Likelihood	Less than 10%	Less than 50%	50% or more	75% or more

Severity of Impact Guidance (Risk to be assessed against all of the Categories, and the highest score used in the matrix).

Impact Category	Impact Levels 1 to 7			
	1	3	5	7
Service provision	Very limited effect (positive or negative) on service provision. Impact can be managed within normal working arrangements.	Noticeable and significant effect (positive or negative) on service provision. Effect may require some additional resource, but manageable in a reasonable time frame.	Severe effect on service provision or a Corporate Strategic Plan priority area. Effect may require considerable /additional resource but will not require a major strategy change.	Extremely severe service disruption. Significant customer opposition. Legal action. Effect could not be managed within a reasonable time frame or by a short-term allocation of resources and may require major strategy changes. The Council risks 'special measures'. Officer / Member forced to resign.
Communities	Minimal impact on community.	Noticeable (positive or negative) impact on the community or a more manageable impact on a smaller number of vulnerable groups / individuals which is not likely to last more than six months.	A more severe but manageable impact (positive or negative) on a significant number of vulnerable groups / individuals which is not likely to last more than twelve months.	A lasting and noticeable impact on a significant number of vulnerable groups / individuals.
Environmental	No effect (positive or negative) on the natural and built environment.	Short term effect (positive or negative) on the natural and or built environment.	Serious local discharge of pollutant or source of community annoyance that requires remedial action.	Lasting effect on the natural and or built environment.
Financial Loss / Gain	Under £0.5m	Between £0.5m - £3m	Between £3m - £5m	More than £5m
Fraud & Corruption Loss	Under £50k	Between £50k - £100k	Between £100k - £1m	More than £1m
Legal	No significant legal implications or action is anticipated.	Tribunal / BCC legal team involvement required (potential for claim).	Criminal prosecution anticipated and / or civil litigation.	Criminal prosecution anticipated and or civil litigation (> 1 person).
Personal Safety	Minor injury to citizens or colleagues.	Significant injury or ill health of citizens or colleagues causing short-term disability / absence from work.	Major injury or ill health of citizens or colleagues may result in. long term disability / absence from work.	Death of citizen(s) or colleague(s). Significant long-term disability / absence from work.
Programme / Project Management <i>(Including developing commercial enterprises)</i>	Minor delays and/or budget overspend but can be brought back on schedule with this project stage. No threat to delivery of the project on time and to budget and no threat to identified benefits / outcomes.	Slippage causes significant delay to delivery of key project milestones, and/or budget overspends. No threat to overall delivery of the project and the identified benefits / outcomes.	Slippage causes significant delay to delivery of key project milestones; and/or major budget overspends. Major threat to delivery of the project on time and to budget, and achievement of one or more benefits / outcomes.	Significant issues threaten delivery of the entire project. Could lead to project being cancelled or put on hold.
Reputation	Minimal and transient loss of public or partner trust. Contained within the individual service.	Significant public or partner interest although limited potential for enhancement of, or damage to, reputation. Dissatisfaction reported through council complaints procedure but contained within the council. Local MP involvement. Some local media/social media interest.	Serious potential for enhancement of, or damage to, reputation and the willingness of other parties to collaborate or do business with the council. Dissatisfaction regularly reported through council complaints procedure. Higher levels of local or national interest. Higher levels of local media / social media interest.	Highly significant potential for enhancement of, or damage to, reputation and the willingness of other parties to collaborate or do business with the council. Intense local, national and potentially international media attention. Viral social media or online pick-up. Public enquiry or poor external assessor report.

Appendix A2 – Static Risk Report Q3 2023-2024 as at December 2023 Corporate Risk Register

Threat Risks – Static Risk Summary

Risk	Q4 Rating (22/23)	Q4 Matrix (22/23)	Q1 Rating (23/24)	Q1 Matrix (23/24)	Q2 Rating (23/24)	Q2 Matrix (23/24)	Q3 Rating (23/24)	Q3 Matrix (23/24)
CRR55 - Children placed in unregistered provision may be at risk	N/A	N/A	28 ↓	 Likelihood Impact	28	 Likelihood Impact	28	 Likelihood Impact
CRR9 - Possible Failure of Safeguarding Vulnerable Children	21 ▬	 Likelihood Impact	21 ▬	 Likelihood Impact	21 ▬	 Likelihood Impact	21 ▬	 Likelihood Impact
CRR10 - Safeguarding Adults may be at Risk with Care and support needs.	15 ▬	 Likelihood Impact	21 ↓	 Likelihood Impact	21 ▬	 Likelihood Impact	21 ▬	 Likelihood Impact
CRR15 – Possible In-Year Financial Deficit	28 ↓	 Likelihood Impact	21 ↑	 Likelihood Impact	21 ▬	 Likelihood Impact	21 ▬	 Likelihood Impact
CRR48 - We may not be able to meet the affordable housing needs of the City by failing to meet the Project 1000 Delivery targets.	21 ▬	 Likelihood Impact	21 ▬	 Likelihood Impact	21 ▬	 Likelihood Impact	21 ▬	 Likelihood Impact
CRR51 - ASC may be financial unsustainable due to national and local pressures leads to a failure to deliver statutory duties and budgetary control	21 ▬	 Likelihood Impact	21 ▬	 Likelihood Impact	21 ▬	 Likelihood Impact	21 ▬	 Likelihood Impact
CRR52 - Potential failure to manage and evidence building safety obligations in HRA stock	21 ▬	 Likelihood Impact	21 ▬	 Likelihood Impact	21 ▬	 Likelihood Impact	21 ▬	 Likelihood Impact
CRR7 - Potential Cyber Security Issues	20 ▬	 Likelihood Impact	20 ▬	 Likelihood Impact	20 ▬	 Likelihood Impact	20 ▬	 Likelihood Impact
CRR25 - Possible Suitability of Line of Business (LOB) Systems Issues	20 ▬	 Likelihood Impact	20 ▬	 Likelihood Impact	20 ▬	 Likelihood Impact	20 ▬	 Likelihood Impact

Appendix A2 – Static Risk Report Q3 2023-2024 as at December 2023 Corporate Risk Register

Risk	Q4 Rating (22/23)	Q4 Matrix (22/23)	Q1 Rating (23/24)	Q1 Matrix (23/24)	Q2 Rating (23/24)	Q2 Matrix (23/24)	Q3 Rating (23/24)	Q3 Matrix (23/24)
CRR37 – Homelessness and the subsequent cost of providing suitable affordable accommodation may affect long-term outcomes	20 		20 		20 		20 	
CRR40 - Potential Threat of Unplanned Investment in Subsidiary Companies	20 		20 		20 		20 	
CRR43 - Lack of progress for Mass Transit may have on Impact on the city	20 		20 		20 		20 	
CRR45 - Potential failure to deliver statutory duty in respect of Children	20 		20 		20 		20 	
CRR53 - Increased social worker and occupational therapists vacancies and sickness rates may result in vulnerable adults care being comprised.	20 		20 		20 		20 	
CRR57 – Possible procurement breaches and compliance with procurement rules & legislation	15 		20 		20 		20 	
CRR18 - Possible failure to deliver enough new homes to meet Mayoral and Annual Business Plan targets.	10 		15 		15 		15 	
CRR27 – We may fail to Deliver the Capital Transport Programme	15 		15 		15 		15 	
CRR26 - ICT Resilience May Not Be Effective	14 		14 		14 		14 	

Appendix A2 – Static Risk Report Q3 2023-2024 as at December 2023 Corporate Risk Register

Risk	Q4 Rating (22/23)	Q4 Matrix (22/23)	Q1 Rating (23/24)	Q1 Matrix (23/24)	Q2 Rating (23/24)	Q2 Matrix (23/24)	Q3 Rating (23/24)	Q3 Matrix (23/24)
CRR29 - Information Security Management System (ISMS) May Not Be Effective	10 		10 		10 		10 	
CRR39 - Adult and Social Care major provider/supplier may fail to deliver as expected	15 		15 		15 		9 	
CRR6 - Potential threat of Fraud and Corruption	15 		15 		15 		6 	

External and Civil Contingency Risks – Static Risk Summary

Risk	Q4 Rating (22/23)	Q4 Matrix (22/23)	Q1 Rating (23/24)	Q1 Matrix (23/24)	Q2 Rating (23/24)	Q2 Matrix (23/24)	Q3 Rating (23/24)	Q3 Matrix (23/24)
ECRCC1 – Flooding May Impact Public Safety	15 		15 		15 		15 	
ECRCC5 - Cost of Living Crisis may have major impact on Citizens and Communities	28 		12 		12 		12 	

Opportunity Risk Static Risk Summary

Risk	Q4 Rating (22/23)	Q4 Matrix (22/23)	Q1 Rating (23/24)	Q1 Matrix (23/24)	Q2 Rating (23/24)	Q2 Matrix (23/24)	Q3 Rating (23/24)	Q3 Matrix (23/24)
OPP01 - Possible Impact of One City Approach	21 		14 		14 		14 	

Appendix A2 – Static Risk Report Q3 2023-2024 as at December 2023 Corporate Risk Register

Static Risk Definition: A Corporate Risk where the score has not changed for three consecutive quarters.

Legend

Code	Description	Number of Risks
Remained Static.	Was static in Q2 23/24 and remains static in Q3 i.e. four consecutive quarters.	17
Became Static in Q3	Became static in Q3 23/24 by the score remaining the same in Q3.	5
Mitigated in Q3	Was static in Q2 23/24 but the risk was mitigated, and the score reduced during Q3.	2
	Total	24

Appendix A3 – Risks Scoring 20 to 28 but not in Corporate Risk Register Q3 2023-2024 – December 2023

Summary of Risks Scoring 20 to 28 but not in Corporate Risk Register Q3 2023-2024 – December 2023

Risk Title	Score	Directorate	Comments
Carbon net Zero 2030 target may not be achieved for council owned housing	21	Growth and Regeneration	Agreed at the Q3 Risk Review to be managed at EDM level, risk score to be reviewed, controls and mitigation actively managed regularly.
Failure to meet Ombudsman recommendations on damp & mould.	21	Growth and Regeneration	Agreed at the Q3 Risk Review to be managed at EDM level, risk score to be reviewed, controls and mitigation actively managed regularly.
Harbour infrastructure failure lead to property damage, flooding and injuries	21	Growth and Regeneration	Agreed at the Q3 Risk Review to be managed at EDM level, risk score to be reviewed, controls and mitigation actively managed regularly.
Scheduling Click system at end of life - risk of failure to repairs in social housing	21	Growth and Regeneration	Agreed at the Q3 Risk Review to be managed at EDM level, risk score to be reviewed, controls and mitigation actively managed regularly.
Possible failure to meet building safety and consumer standard legislative obligations from lack of adequate HRA financial support	21	Growth and Regeneration	Agreed at the Q3 Risk Review to be managed at EDM level, risk score to be reviewed, controls and mitigation actively managed regularly.
DRR Failure to manage and evidence compliance with fire safety obligations in HRA stock may lead to regulatory enforcement, injury, loss to residents, or damage to property.	21	Growth and Regeneration	Agreed at the Q3 Risk Review to be managed at EDM level, risk score to be reviewed, controls and mitigation actively managed regularly.
DRR02 Failure to evidence compliance with asbestos obligations in HRA stock.	21	Growth and Regeneration	Agreed at the Q3 Risk Review to be managed at EDM level, risk score to be reviewed, controls and mitigation actively managed regularly.
DRR17b Electrical safety - Failure to manage and evidence compliance with electrical safety obligations in HRA stock may lead to regulatory enforcement, death, or serious injury.	21	Growth and Regeneration	Agreed at the Q3 Risk Review to be managed at EDM level, risk score to be reviewed, controls and mitigation actively managed regularly.
CRR48b Failure of Goram homes to deliver in accordance with project 1000 Forecasts	21	Growth and Regeneration	This risk, along with CRR48 and CRR48a and CRR48c, are being reviewed with the view to merged into the Corporate Risk <i>CRR48 - We may not be able to meet the affordable housing needs of the City by failing to meet the Project 1000 Delivery targets.</i>
CRR48c Failure to deliver new Council homes in accordance with Project 1000 Forecasts	21	Growth and Regeneration	This risk, along with CRR48 and CRR48a and CRR48b, are being reviewed with the view to merged into the Corporate Risk <i>CRR48 - We may not be able to meet the affordable housing needs of the City by failing to meet the Project 1000 Delivery targets.</i>
Parks and Green spaces Asset deterioration and failure	20	Growth and Regeneration	Agreed at the Q3 Risk Review to be managed at EDM level, risk score to be reviewed to reflect EDM level, controls and mitigation actively managed regularly.
Resourcing for Finance Team may affect service delivery	20	Resources	Agreed at the Q3 Risk Review to be managed at EDM level, risk score to be reviewed, controls and mitigation actively managed regularly.

Appendix A3 – Risks Scoring 20 to 28 but not in Corporate Risk Register Q3 2023-2024 – December 2023

Risk Title	Score	Directorate	Comments
Placement sufficiency for children in care / care leavers	20	Children and Education	A review of this risk commenced in Q3 and will continue in Q4 to provide assurance on the current risk score, or whether the score can be reduced. Agreed at the Q3 Risk Review to be managed at EDM level, risk score to be reviewed, controls and mitigation actively managed regularly.
Integrated Care System Effectiveness of Joint Funding Arrangements	20	Adult and Communities	A review of this risk commenced in Q3 and will continue in Q4 to provide assurance on the current risk score, or whether the score can be reduced. Agreed at the Q3 Risk Review to be managed at EDM level, risk score to be reviewed, controls and mitigation actively managed regularly.
Strategic and Operational Governance of Refugee Resettlement, Asylum and NRPF	20	Adult and Communities	Agreed at the Q3 Risk Review to be managed at EDM level, risk score to be reviewed, controls and mitigation actively managed regularly.
DRR Possible Hengrove Leisure Centre PFI Budget Deficit	20	Adult and Communities	A review of this risk commenced in Q3 and will continue in Q4 to provide assurance on the current risk score, or whether the score can be reduced. Agreed at the Q3 Risk Review to be managed at EDM level, risk score to be reviewed, controls and mitigation actively managed regularly.

Audit Committee

29/01/2024



Report of: Director of Property, Assets & Infrastructure

Title: Property Programme Update

Ward: City Wide

Officer Presenting Report: Pete Anderson (Director of Property, Assets & Infrastructure)

Recommendation

Note the status and progress of the Property Programme.

Summary

This report intends to provide the committee with an update on the goals of the Property programme, and status/progress against these.

The significant issues in the report are:

- Governance arrangements
- Progress to date
- Key risks
- Anticipated next steps



Policy

1. This programme is well aligned to Corporate Strategy Theme 7 Effective development organisation:
 - Development and implementation of Corporate Landlord function will support ‘One Council’ approach - ED02
 - Disposals and review of retained assets will support right sizing of the estate - ED06

Consultation

2. **Internal**
Not applicable
3. **External**
Not applicable

Context

4. The context and drivers for the programme are as follows:
 - 4.1. The council is facing a significant financial challenge, with unsustainable demand for some council services adding significant pressures to budgets. The Council needs to deliver significant savings over the course of MTFP (£37m in 23/24, and further in 24/25+), as well as continue to manage and mitigate wider risks and new pressures as these arise.
 - 4.2. In addition to revenue savings required, there is a need to continue delivering capital receipts in order to part-fund the Capital Programme as well as transformation activities.
 - 4.3. Bristol City Council is the owner and occupier of a diverse and valuable property estate with a book value of over £1bn, covering a mix of asset types such as operational, investment and development. The estate carries a financial cost in terms of running and maintaining these sites and ensuring that they are safe, compliant and fit for purpose.
 - 4.4. The effective and efficient use of the council’s extensive estate is fundamental to continued delivery of public services, but also for supporting the achievement of the council’s corporate objectives, enabling new/future ways of working, delivering savings, as well as providing an opportunity to generate receipts (which are required to fund Capital programme and further transformation activities).
 - 4.5. Additionally, in 2020 Cabinet approved a [Corporate Property Strategy](#) and agreed to establish and embed a Corporate Landlord function and approach, designed to enable the Council to utilise its assets to deliver better, more effective services to communities. The model has only partially been implemented.
 - 4.6. At present, both budgets and activities normally carried out by a central land and property function remain somewhat fragmented across the Council; the result being lack of transparency of the asset base regarding the total cost (both capital and revenue) to the Council, reduced efficiency to leverage full value, and high levels of maintenance backlog across the estate which carries an inherent risk.
 - 4.7. Covid-19 also affected the way that teams work, reducing the need for the same level of office space and changing the requirements of central office spaces. Changes in working practices and

the use of technology brought on because of the pandemic in 2020 then afforded the Council a much more immediate move to agile/flexible working which had a material impact on the estate requirements and its management.

Proposal

5. The proposal is as follows.

5.1. The Property Programme was approved by Cabinet June 2023 ([ModernGov - bristol.gov.uk](https://modern.gov/bristol.gov.uk)). This programme ultimately aims to deliver the revenue savings and capital receipts stated within that report, as well as implement the model and approaches to support longer term sustainability.

5.2. The programme is broadly split into two core workstreams, with several projects that sit beneath these and support their ambitions.

5.2.1. Corporate Landlord – Implementing and embedding a centralised ‘One Council’ approach to the management of property assets, to help maximise the use and efficient running of the properties that we retain and make better more informed decisions on the use / disposal of property. Corporate Landlord will optimise management of the Council’s assets by bringing the responsibility and accountability for land and property asset management, including all budgets and decisions, centralised within one function. This will include process, people, technology and service changes.

5.2.2. Estate Review & Rationalisation – Review of the estate to implement a smaller and more efficient estate where we have the right amount and right quality of properties to serve the required purpose, while disposing of properties that are deemed surplus to requirements to achieve financial benefits for the organisation.

5.3. The programme is structured into a suite of delivery projects as well as some parallel workstreams led by services. Key projects include:

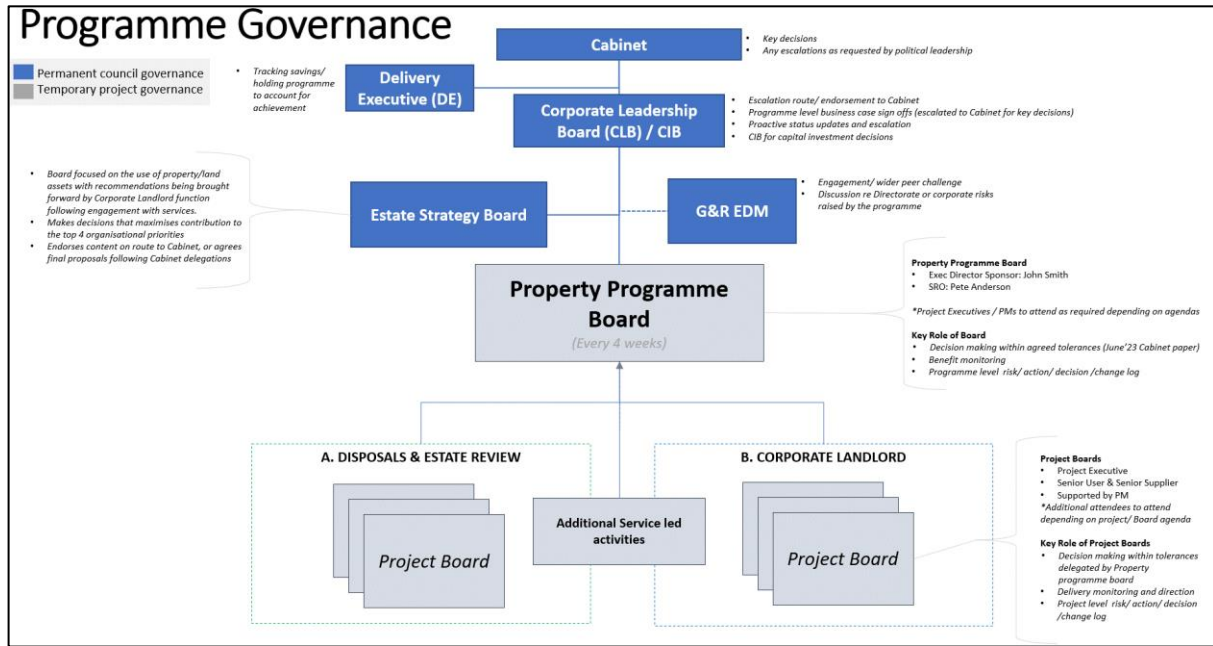
- **Corporate Landlord:**

- Corporate Landlord Function
- Asset Management Solution
- Hard FM procurement
- Corporate Catering review

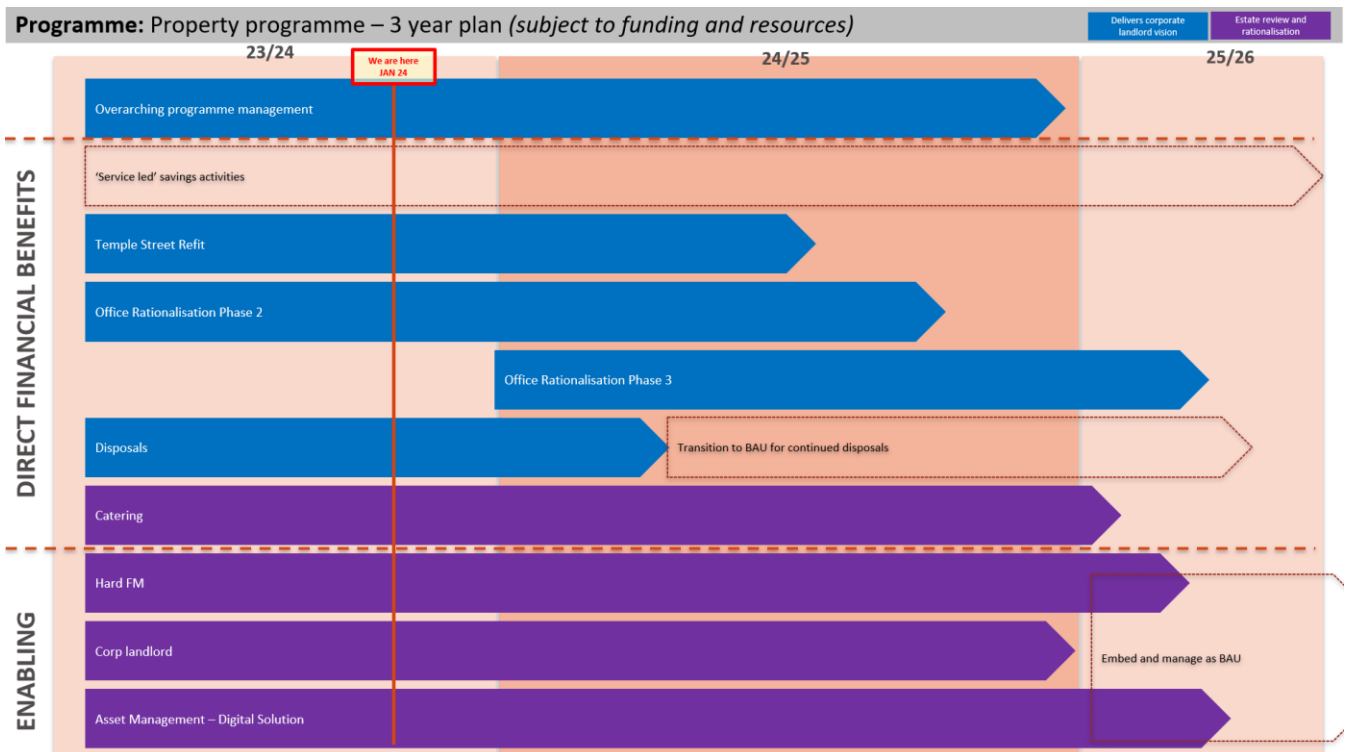
- **Estate review and disposals:**

- Estate review and disposals
- Office Rationalisation (various phases)
- Temple Street Refurbishment and Commercial let

5.4. The programme is governed as follows, with a monthly Property Programme Board to monitor status of overall programme and to delegate funds and approvals to individual project Boards, upon provision of appropriate business cases or proposals. Individual project Boards are then tasked with managing the delivery within their baseline approvals and escalating to programme Board as required. Estates Strategy Board (ESB) is also a key component of the programme governance, specifically in terms of recommending to Cabinet assets for disposal, to enable delivery of capital receipts target.



5.5. The current timeline of the programme is as follows – this remains subject to ongoing review, and confidence levels are lower for projects and workstreams in earlier lifecycle stages.



5.6. The following table provides an update on current lifecycle status of work within the programme:

Project/	Lifecycle	Narrative	Links to
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Workstream	Stage		associated public documents
Corporate Landlord Function	<i>Planning & Design</i>	A first phase of budget review work has been completed to identify where property related budgets sit across the Council. The next phase is focused on detailed design work for the Corporate Landlord service & model and seeking to centralise budgets and staffing to the Corporate Landlord team.	<i>Previous:</i> Property Strategy 2020
Asset Management Solution	<i>Options shaping</i>	A first phase of ‘as-is’ discovery work has been completed which clarifies the high-level service requirements and associated gaps. It is expected that the next stage of work will focus on soft market testing and more detailed options shaping and ‘to-be’ design work.	<i>None</i>
Hard FM procurement	<i>Options shaping</i>	The current Hard FM contract is due to end imminently. The project is assessing the current contract and scope and understanding opportunities to expand to support the corporate landlord model/vision. Requirements are being gathered and preparations for a tender exercise underway.	<i>Upcoming</i> - Feb 2024
Corporate Catering review	<i>Planning & Design</i>	This project is reviewing food related services including cafes, catering, and other services related to the use of premises for events and functions. It seeks to design and implement a more centralised approach that aligns to the Corporate Landlord Model. The Parks Cafes are being prioritised initially with a tender in development.	- Nov 2023
Disposals and estate review	<i>Various</i>	This project is primarily focused on identifying assets that could be disposed of to meet capital receipts target (and contribute some revenue savings where applicable). - A plan for 23/24 has been developed with several approvals at Cabinet, and delivery to achieve this is underway. A draft plan is in development for 24/25 with further work to build pipeline and confidence in meeting. It is expected that activities will move from programme to BAU once the	<i>Upcoming:</i> - Feb 2024 <i>Since programme initiated:</i> - Oct 2023 - Sep 2023 - July 2023 <i>Pre-programme -</i>

		Corporate Landlord service is more fully set up.	<ul style="list-style-type: none"> - Jan 2023 - July 2022 disposals
Office Rationalisation (various phases)	<i>Various</i>	<p>The office rationalisation work is focused on maximising utilisation and effectiveness of our office estate - increasing quality of retained workspaces and reducing overall estate – releasing sites for disposal or commercial let.</p> <ul style="list-style-type: none"> - A first phase of activities to move staff from 100 Temple to City Hall has been completed (releasing the space for commercial let). - A second phase of work has been approved and is underway, to release a target further 10 sites. - A third phase of activities (focused on locality hubs) is under early idea shaping and has yet to be initiated. 	<i>None</i>
Temple Street Refurbishment and Commercial let	<i>Planning & Procurement</i>	<p>The Full Business Case for the project is under final review. The Heads of Terms are also targeted for signing a commercial let in early January 2024. Next stage of works will include tender activity for core construction works.</p> <p>Note this covers only part of the available 100 Temple Street space and additional vacated spaces are being reviewed for other commercial letting opportunities.</p>	<i>None</i>
Additional service led activities	<i>Various</i>	<p>Several additional activities have been delivered, and others underway, led by the service, to support savings delivery and move towards the Corporate Landlord model. Activities such as:</p> <ul style="list-style-type: none"> - Recharging HRA correctly for fleet and sites - Vacancy management 	<i>None</i>

Other Options Considered

6. Not applicable.

Risk Assessment

7. There are several key challenges facing the programme which ultimately affect its ability to

deliver the financial targets (revenue and capital receipts) to different extents:

Risk/Issue Description	How risk/issue is being mitigated and monitored
<p>Property market – speed of disposals, as well as sale prices are dependent on the market at that time. Capital receipts could be lower (or higher) than anticipated and timing to deliver could be longer (or shorter than expected).</p>	<ul style="list-style-type: none"> • External consultants were commissioned to advise on market performance in the context of planned disposals, and advice used to inform decisions by ESB. • Sale prices tracked and monitored to project board to understand any local context / trends and inform future plans and update estimates receipts.
<p>Tension of revenue savings in <i>other</i> service areas vs. capital receipt (A)– There may be sites/properties that could achieve savings in other areas of the Council e.g. for Temporary Accommodation, Childrens, Adults – this will make meeting the disposals target more challenging for Property, but may achieve higher revenue savings for the organisation in other places.</p>	<ul style="list-style-type: none"> • Any proposal for use of an asset to provide details of estimated financial benefits to justify decision to retain rather than dispose. • Ongoing development of tool to support identifying what ‘best value’ looks like for any individual asset. This is being discussed and developed with Supported Housing Delivery Board as well as Estates Strategy Board (ESB).
<p>Tension of revenue impact vs. capital receipt (B)– In addition, there are assets that could be considered for disposal but which currently bring in revenue to the Council through rental income (investment estate)– so a disposal may cause an unwanted additional revenue pressure.</p>	<ul style="list-style-type: none"> • In 23/24, ESB made decision to limit disposals from the Council’s investment estate to minimise negative revenue impact. Future options to be explored but subject to approval by ESB and Cabinet.
<p>Poor data - Systems and current data inhibit ability to find relevant budgets for sites and cash savings quickly – Corporate Landlord work (incl. system changes, people and process changes) will help but will take time.</p>	<ul style="list-style-type: none"> • Savings forecasts related to disposal of BCC assets are currently conservative, recognising the current challenges. • Finance provides regular update report to Property Programme board on cashed savings to date and any issues in identifying budgets.
<p>Void properties - There are inherent risks in maintaining void properties, with costs for managing that risk and financial implications if the risk is not managed; these risks will increase the longer we retain properties.</p>	<ul style="list-style-type: none"> • Property team highlighting issues with void properties and escalating to project/programme boards. Corporate Landlord model implementation will enhance oversight and visibility of any issues.
<p>Funding & resources for 24/25 – The programme is currently managing delivery within the budget envelope agreed by June’23 Cabinet. In order to progress the totality of the proposed scale of programme, additional funding and resources are needed. If funds are not confirmed, the programme will be less likely to achieve its vision/</p>	<ul style="list-style-type: none"> • Prioritise activities with greatest returns • Continue identification of new proposals and service led activities alongside ‘project’ work. • Demonstrate case for change for each component of the programme to support funding request. • Monthly review of spend and savings to Property Programme Board, and reporting to CLB.

deliverables/ savings targets and will need to prioritise activities with greatest value.	
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Summary of Equalities Impact of the Proposed Decision

8. Equalities impact assessments will be produced at a project level, but overarching programme EQIA was provided as part of the June '23 Cabinet paper: [Appendix E1 - EQIA Property Programme June 23 v1.1 APPROVED 1.pdf \(bristol.gov.uk\)](#).

Legal and Resource Implications

9.

9.1. *Legal*

The procurement processes must be conducted in line with the 2015 Procurement Regulations and the Councils own procurement rules. Legal services will advise and assist officers with regard to the conduct of the procurement processes and the resulting contractual arrangements.

Any property to be disposed of in line with the Property Programme will need to be declared surplus following the internal procedure and also comply with S123 Local Government Act 1972. Disposal of HRA assets (if any) may need Secretary of State consent. Legal Services will guide officers with regard to ensuring the correct authority is in place and any disposal complies with all relevant legislation.

Legal advice provided by Andrew Jones and Husinara Jones, Team Manager/Solicitor 10 January 2024

9.2. *Financial*

The Property Programme has financial targets for revenue and capital that are key to the Medium Term Financial Plan. The programme currently has a budget of £6m in 2023-24 with funding required in future years, in particular for the 100 Temple Street refit.

(a) Revenue

The Property Programme revenue target is judged unlikely to be delivered in this year with mitigations in place across the Council.

(b) Capital

The Capital Receipts Cash Target for 2023-24 is expected to be met and possibly exceeded. In future years capital receipts are required to finance the delivery of the Council's capital programme.

(Financial advice provided by Ben Hegarty, Finance Business Partner Growth and Regeneration, 16 01 24)

9.3. *Land*

The Property Programme covers a range of activities which impact on our estate and how we

deliver property functions. More detail on these impacts is included in the body of the report, but ultimately the programme is enabling the authority to adopt a Corporate Landlord model which will lead the delivery of efficient, effective and sustainable land and property solutions whilst maximising social and economic returns for Bristol and its residents.

(Land advice/comments provided by David Martin, Head of Corporate Landlord)

9.4. Personnel

HR advice and support is provided to the programme, with particular focus on the Corporate Catering and Office Rationalisation projects, given the impact on Council services and its workforce. The Parks Café Solution is being prioritised, and the transition to a partnership model for the delivery of parks cafes is likely to include the transfer of employees to third party provider, under TUPE regulations. In line with TUPE Guidance and HR policy, the Council will consult with all staff affected and trade union partners.

HR Comments provided by Celia Williams, Human Resources Business Partner, 16 01 24

Next Steps

10. There is a significant amount of planned delivery until the end of 23/24 across the programme, with a clear focus on maximising both the revenue savings that can be delivered and the capital receipts that can be secured. In addition, resources will be prioritised on to the enabling projects that will enable future savings and more efficient and effective ways of working such as the implementation of the Corporate Landlord model.
- 10.1 The programme team is also undertaking detailed planning for the development and prioritisation of project and programme activities required moving into the next financial year. This includes ensuring appropriate allocation of available funding and resources and maintaining a focus on securing maximum return on investment.

Appendices:

None

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

None

Audit Committee

29/01/2024



Report of: Exec Director Growth and Regeneration

Title: Temporary Accommodation Programme

Ward: Citywide

Officer Presenting Report: John Smith, Exec Director Growth and Regeneration

Recommendation

That the Audit Committee note progress made on the Temporary Accommodation Programme

Summary

This report seeks to provide the Audit Committee with a high-level update on the Temporary Accommodation Programme.

The significant issues in the report are:

Governance arrangements on the Temporary Accommodation Programme
Progress to date on the Temporary Accommodation Programme
Issue of rising demand for TA and increase to number of placements
Plans to bring on additional work streams to try to increase supply of accommodation



1. Policy

1.1 The programme is aligned to the following Corporate Priorities:

- Development and Delivery Principle: specifically, ED05 Good Governance
- HC2 - Low or zero carbon homes: new builds and refurbishments will increase the number of low carbon homes.
- HC3 - Homelessness: Cost effective Temporary Accommodation for people who are homeless will increase.

2. Consultation

2.1 Internal

Not applicable

2.2 External

Not applicable

3. Context

3.1 Programme Overview:

3.2 Our project goal is to reduce the Housing Benefit subsidy loss which is the main cost to the council from Temporary Accommodation, by providing more Council-owned TA, and increasing the amount of supported exempt accommodation available.

3.3 Our key outcomes are:

- Cashable savings of £2.94m, of which £2.1m is committed for delivery in 23/24
- A more stable portfolio of TA, so that costs can be more easily controlled
- More supported housing.
- Medium term plan to significantly reduce subsidy loss for TA

3.4 This project will benefit the city in the following ways:

a). Reduction in subsidy loss will enable a balanced budget, contributing to the financial sustainability of the council

b). An increase in supported housing from Registered Providers will mean that more people are placed in accommodation that meets their support needs

c). More suitable temporary and emergency accommodation for those who need it, with less reliance on the use of hotels

3.5 The Temporary Accommodation Programme is made up of the following workstreams:

- Allocation of some general needs housing for use as Temporary Accommodation – this is only a temporary fix to help us balance budgets in the short term and will be reversed as other work streams deliver more housing supply
- Increased use of supported exempt accommodation
- Delivery of new build homes, conversions from the council’s disposal list, and accelerated new builds on small sites.
- Conversion of properties leased from the hospital trust
- Increasing direct lettings with private landlords at a cheaper rate than our Emergency Accommodation costs

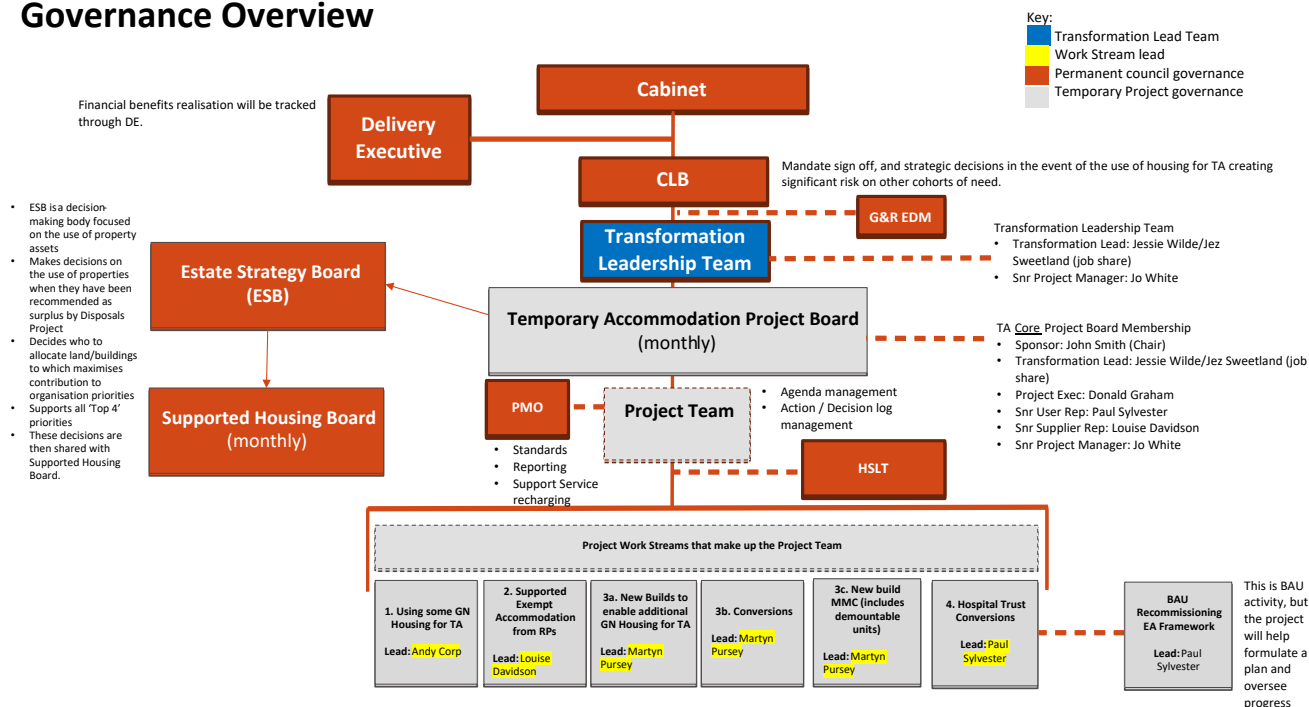
3.6 Emergency Accommodation Framework

3.7 In addition to the above work streams which make up the TA Programme the council has recommissioned its Emergency Accommodation Framework, as it will expire in February 2024. This framework is where we secure properties on a spot and block basis with private providers of emergency TA. This is our most expensive type of TA. The above work streams should mean that we use less of this type of TA, but we do need to use some, and the newly commissioned framework helps us to limit and forecast increases in pricing.

3.8 Project financials:

3.9 The project needs to deliver cashable savings of £2.1m in 23/24 and £821,000 in 24/25. The service has been carrying an ongoing budget pressure of £5m, so to reduce this we will need to aim for a higher target in terms of cost avoidance, to enable us to deliver our committed cashable savings in 23/24.

Governance Overview



3.10 The programme has a monthly board for decision making. It reports up to CLB monthly to share updates and to seek corporate decisions where necessary (for example, if a decision would affect other parts of the council or other programmes/projects). Any decisions around the use of council-owned assets are taken to the Estates Strategy Board (ESB). Savings are monitored at Delivery Executive.

3.11 Progress to date:

- Two procurement frameworks are now live, to enable more supported accommodation provision from Registered Providers.
- The refurbishment of 24 flats leased from the Hospital Trust for use as TA is in progress, with 12 now occupied.
- Increased number of direct lettings with private landlords for use as TA.
- 8 homes for homelessness reduction opened on Derby Street in October 2023.
- The programme is on track to deliver the total savings it set out to, over its initial 2-year period. However, demand is increasing at a higher rate than anticipated, so the programme will need to make increased savings in order to balance the subsidy loss budget.

3.12 Next Steps:

3.13 The programme is now looking at options to bring in additional work streams to increase housing supply quicker, to fulfil increasing demand. These plans are being worked through and considered in the context of the other top 4 programmes and wider council priorities.

4. Proposal

4.1 That the Audit Committee note progress made on the Temporary Accommodation Programme

5. Other Options Considered

5.1 N/A

6. Risk Assessment

6.1 When the programme was launched in January 2023, the TA as-is situation was unsustainable, so doing nothing was not an option, and our work streams reflect a range of options being pursued in parallel to try to increase the supply of housing and reduce the spend on TA subsidy loss. The consequences of not continuing with the programme would be that TA would continue to overspend and be unable to balance the subsidy loss budget, having a detrimental impact on the overall council budget.

Risk/Issue Description	How risk/issue is being mitigated and monitored
The national demand for Temporary Accommodation (TA) has increased significantly, and continues to increase. The current demand is increasing at such a rate that there is a risk of subsidy loss increasing further, despite savings delivered.	We monitor the subsidy loss monthly and adjust our forecasting accordingly. We are aiming to mitigate the increase in subsidy loss by bringing on additional work streams to increase housing supply. There is also a peer review into homelessness prevention taking place.
On top of a general increase in demand, there is a specific additional increase due to government decisions to issue notice to refugees who were being accommodated in hotels locally	We had already forecast an increase in demand related to this known issue, but it has increased further. Mitigations and monitoring are as above.
Due to a lack of affordable housing, much of temporary accommodation is secured via expensive spot purchased accommodation from the private rental sector.	The newly commissioned EA Framework seeks to mitigate this issue by bringing a cap to prices, as well as inflationary uplifts that we will apply (rather than providers raising their prices). The project work streams are providing alternative accommodation that should be cheaper and result in less subsidy loss.
The annual TA subsidy loss for 2023/24 is estimated to total around c.£13m, generating an	Mitigations and moderation is as above. All risks and issues are monitored at the monthly TA Board and CLB

ongoing budget pressure of at least £5m, with a risk that demand will increase.	as necessary.
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7. Summary of Equalities Impact of the Proposed Decision

7.1 The EqIA for the TA Programme is here

<https://democracy.bristol.gov.uk/documents/s84394/EQIA%20-%20Temporary%20Accommodation%20and%20recommissioning%20Emergency%20Accommodation%2001.pdf>

8. Legal and Resource Implications

8.1 Legal

The Temporary Accommodation Programme was approved by Cabinet in June 2023. There are no specific legal implications arising from this report which provides the Committee with an update on the progress of the Programme.

The committee will note the Equalities impact assessment.

(Legal advice provided by Husinara Jones, Team Manager/Solicitor 19 January 2024)

8.2 Financial

(a) Revenue

The Temporary Accommodation Programme was set up to reduce the revenue pressures on the Council created by Housing Benefit subsidy loss. The current target is £2.1m in savings in 2023/24 and £821,000 in 2024/25 which underpins the Council’s Medium Term Financial Plan. However, given the increase in Temporary Accommodation pressures this target will be increased in future years.

(b) Capital

The Temporary Accommodation Programme has £4.1m per annum for three years from 2025-26 in capital funding from the use of capital receipts. This funding is used to create new Temporary Accommodation through existing properties and working with partners to source and commission available properties more cost effectively.

(Financial advice provided by Ben Hegarty, Finance Business Partner Growth and Regeneration)

8.3 Land

Not applicable

8.4 Personnel

Not applicable

9. Appendices:

None

10. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

10.1 Background Papers:

10.2 Cabinet paper:

<https://democracy.bristol.gov.uk/documents/s84393/Final%20TA%20Report%20for%20Top%204%20J%20Cabinet%20005%20KS%20BM%20SP%20B.pdf>



Audit Committee

29th January 2024

Report of: Children & Education

Title: Our Families Programme Update

Ward: Citywide

Officer Presenting Report: Vanessa Wilson, Director of Children and Education Transformation

Recommendation

That the Audit Committee note the progress made on the Our Families Programme.

Summary

This report seeks to provide the Audit Committee with an update on key priorities for Our Families Programme and status/progress against these. Our Families Programme forms part of the Council top 5 Transformation Portfolio: Dedicated Schools Grant Deficit Programme; Adult Social Care Programme; Property Programme and Temporary Accommodation Programme.

This report does not cover Dedicated Schools Grant Deficit programme as this was previously reported at Audit on 20th November 2023 but does outline the systemic relationship with that programme.

The significant issues in the report are:

Proposal
Outcomes Seeking
Current Status
Costs, Capital, Savings
Key Risks/Issues



Policy

This programme is well aligned to priorities for our Children and Young People, set out within the Corporate Strategy and supported by the Belonging Strategy which deliver on the intentions of the Bristol One City Plan, the Bristol Corporate Parenting Strategy, the Bristol Children’s Charter and the Bristol Equality Charter. Furthermore, contributes to the Health and Wellbeing Strategy working with communities, children, young people and families, schools, early years which in turn impacts on strengthening our demand management. Furthermore, the programme contributes to the Inspectorate Local Authority Children Service improvement action plan.

We want every adult in Bristol to care passionately about children and young people and express that through relationships, community, and business life.

Our members demonstrate leadership through the various governance and partnership bodies on which they serve, actively supporting and encouraging our staff, local partners and wider stakeholders to help us in the delivery of our continuous improvement and the growth and development of our city as one where our young people thrive and are included.

The premise of the programme will design effective services with, and for, children, young people, and families; and efficiency of delivery will improve as a result through a whole system change. This change will deliver improved outcomes and inclusion for all, for our children, young people, and families whilst in return deliver financial sustainability for the future.

Consultation

1. **Internal**
None
2. **External**
None

Context

- 3.1 As outlined in [Budget Recommendations Cabinet Report 23rd January 2024](#) Children and Families 2023/24 has been a challenging year for Children’s Services. There has been significant pressure resulting from an increasing number of Looked after Children placements and an even bigger pressure on the unit cost of these placements due to local sufficiency challenges.
- 3.2 To date, the rate of referrals has been higher in 2023/24 than in 2022/23, with our current number of looked after children’s placements as at P8/Q2 standing at 1,442. This is due to a significantly higher number of referrals in May through to July, and in October and November. Re-referral rates in Bristol remain high with monthly peaks in July and September at 38.3% and 36.8% respectively with overall performance at 25% for the year to date compared to the national average of 22% and statistical neighbour average of 23%. After a significant improvement in referrals resulting in No Further Action (NFA) in October at 8.6% there has been an increase again to 17.1%. The national and statistical neighbour averages are 7% and 11% respectively.

- 3.3** Numbers of Children in Care have increased since September and there has been a steady decrease in the rate of these cases placed in foster placements. Short term stability of placement however remains good at 7% of children in care having 3+ placements in the past 12 months compared to 10% nationally and 11% for Bristol’s statistical neighbours and a rate of 68% with long term placement stability slightly below Bristol’s statistical neighbour’s average of 70% and the national average of 69%. A new measure reported this year nationally has indicated the short-term stability details for those with 3 placements in the past 2 years. Bristol also performs well here at 17% compared to 22% nationally.
- 3.4** Overall placement costs have on average risen by 17%.
- 3.5** Children and Education services are operating in a complex and challenging environment, balancing the tension between delivering essential improvements and savings delivery. The urgency of change correlates to the current improvements required now and in the long-term, the financial position, performance across the directorate and the increasing demands and pressures on services.
- 3.6** Our Families Programme will design effective services with, and for, children, young people and families; and efficiency of delivery will improve as a result through a whole system change. There is a systemic relationship between the top 5 programme areas Dedicated Schools Grant Deficit Programme, Adult Social Care Programme, Property Programme and Temporary Accommodation Programme as well as other areas within the Council such as Data and Insight, Fleet because greater stability will not be achieved by focusing on one area alone.
- 3.7** The principles that underpin our delivery of change are:
- 3.7.1** Child focused: ensuring that children, young people, and their families are at the heart of assessment and planning to deliver better outcomes.
- 3.7.2** Diverse: ensuring that we recognise that every child, young person and their families have differing needs, and we seek to act fairly in a judgement we make.
- 3.7.3** Responsible: working in an open collaborative way with families and partner agencies to find solutions to manage their differing needs and difficulties.
- 3.7.4** Enterprising: creating the environment that promotes and encourages to be more commercial through stronger partnerships with our partners, agencies, communities, voluntary community sectors in a collaborative way to create solutions to deliver better outcomes at a lower cost.
- 3.7.5** Sustainable: ensuring we work within our financial boundaries through a more strategic approach in our commissioning and delivery model. We want to redesign Children and Education services to bring overall costs in line with the agreed budget by 2027/28.
- 3.8** By addressing the challenges through improvements, we can achieve more ideal outcomes and impact for our children, young people and families, whilst reducing our cost of services and avoiding future costs through various opportunities.

- 3.9** The programme brings together all change activity within Children, Families, Education and Skills. This includes work currently underway, which will be restructured into the programme to ensure strategic alignment and a single view of benefits, risks and issues. The scope being:
- 3.9.1** Directorate wide: operating model; workforce talent management; demand management, early intervention and prevention; commissioning and partnerships; quality, improvement and performance; equality, diversity and inclusion; digital and technology.
 - 3.9.2** Revenue specific projects: Children’s Services (Ofsted) Improvement Plan; Children’s Enhanced Diagnostic; Home to School Travel; Family Hubs; Children and Education finance payment system (Controcc); Transitions; Young People Supported Housing Provision and Single Commissioning Hub.
 - 3.9.3** Capital specific projects: Children’s Placement Sufficiency; Foster Care Sufficiency and Home to School Travel fleet model.
 - 3.9.4** Oversight of Dedicated Schools Grant programme.

Proposal

- 3.** The proposal is as follows:
- 3.1.** Our Families Programme (Children and Education transformation) was approved by Cabinet: [6th June 2023 Our Families Programme Cabinet Paper](#). The programme seeks a whole system change to ensure delivery of the necessary improvements associated to Children and Education inspectorates, delivering better value and a balanced budget.
 - 3.2.** It is an opportunity for forward thinking and strengthening our co-production and multi-agency working, specifically the way we work and plans we prepare for children, young people and families. It ensures joint decision-making and actions around key initiatives such as Locality Working, Early Help, Family Hubs etc.
 - 3.3.** The programme reviews, develops and transforms services and the way we work, ensuring we use our resources (human and financial) wisely on those things that will deliver the best outcomes for children, young people and families, whilst ensuring we are financially sustainable in the long-term.
 - 3.4.** It is not limited to operations, but includes everyone working in Children and Education and those services outside of Children and Education that are key in supporting the delivery of our outcomes, such as, Public Health, Adult Social Care, Property Services etc. As such, staff are suitably engaged in helping to drive the change required. For this reason, workstreams leads have been identified to lead on the co-ordinated activities necessary to achieve the outcomes of the programme ensuring they bring together people across the services (including services outside of Children and Education) to share responsibility of implementing the change.
 - 3.5.** Doing nothing was not an option. The current model, systems and processes must be transformed to ensure improved services that provide the best outcomes for our children, young people and families, delivering upon our Belonging Strategy and best value through sustainable changes.

3.6. The consequence of doing nothing would mean:

- 3.6.1.** Unable to deliver the required improvements to take us from ‘Requires Improvement’ to ‘Good’ as outlined in Ofsted inspections.
 - 3.6.2.** Further deterioration in unit costs, increase in children in care/care leaver external placements etc significantly worsening the financial pressures.
 - 3.6.3.** Unable to strengthen our relationships with families and carers and design effective services with, and for, children and families.
 - 3.6.4.** Not able to identify the opportunities to mitigate the pressures long-term which would have a detrimental impact on the overall council budget.
- 3.7.** Based on lessons learnt from previous change programmes within Children and Education the directorate required a substantive transformation programme that covered operating model, better demand management and improved commissioning and partnerships underpinned by a strong governance and financial benefits approach.

Outcomes

3.8. The programme seeks a whole system change which will enable our Corporate outcomes and sustainable development goals as outlined in our Corporate Strategy. Key focus on ‘Doing What is Right’ for our children, young people and families. Our programme success will ensure we deliver the necessary improvements associated to our inspectorates, delivering better value and a balanced budget. In addition, new model and offer, stable workforce, new ways of working, improved processes, better demand management, strengthened commissioning, bringing together functions/activities where appropriate, stopping activities that add no value and a consistent use of intelligence to enable Children and Education to make informed decisions.

Ref	We will know we have succeeded when...	High Level Outcomes
1	<p>Delivered sustainable, long-term improvements to our services, including improved governance, quality assurance, compliance, practice and performance</p>	<ol style="list-style-type: none"> 1. Culturally, children and young people are at the centre of everything we do; 2. Children’s Services Ofsted inspection moved from ‘Requires Improvement’ to ‘Good’; 3. Strengthened our whole system to work with the health system which impacts on Special Education Needs and Disability, Family Hubs and high-cost placements; 4. Consistent application of practice standards, high quality assessments, plans and recording; 5. Early help services enable issues and problems to be identified as they emerge so that families receive the right support at the right time rather than after a crisis has occurred;

		<ol style="list-style-type: none"> 6. Improved performance visibility and management that provides members and senior officers with the right information at the right time to ensure effective decision making.
2	<p>Secured better value for money through a balanced budget by addressing the drivers for the increase in spend and future-proofed the service against increasing demand</p>	<ol style="list-style-type: none"> 1. Balanced budget, through reduction in internal and external delivery costs; 2. Delivered savings both in Medium Term Financial Plan and additional savings identified through the programme; 3. Maximised our income opportunities; 4. Delivered sufficiency of high-quality placements within the local area, thus securing better outcomes for our children in their own communities; fewer children and young people are placed out of area; 5. Stopped doing things that do not contribute to our outcomes and priorities
3	<p>Resources are deployed efficiently and effectively, with decisions on service development informed by insight, quality and cost analysis</p>	<ol style="list-style-type: none"> 1. Resource is aligned to demand and priorities; 2. Business improvements and financial efficiencies are delivered through extended integration, reduction of duplication, streamlined systems and reporting; 3. Unit costs are reduced, and effective contract management is in place to ensure Bristol gets what it pays for; 4. Being able to predict and measure impacts and interventions. Acting on real evidence not assumptions; 5. Using data, technology and analytics to prepare for the future.
4	<p>Developed more effective working relationships with key stakeholders and partners</p>	<ol style="list-style-type: none"> 1. Children and Education agendas fully embedded in the DNA of the council and in the approach of our city leadership; 2. Strengthened our commissioning and relationships through better collaboration and co-production with our children, young people, families, internal and external stakeholders, health partners and voluntary community sectors. 3. Improved partnership response to corporate emerging risks and issues including child criminal exploitation and mental health; 4. Integrated collaborative service delivery with improved outcomes; 5. Strengthened data and insight sharing between Children, Education, Adult Social Care, Housing and Public Health in order to strengthen decision making

		<p>and earlier intervention;</p> <p>6. Collaborative working with our partners to better plan, predict and prevent events that affect our communities;</p> <p>7. Equity of investment between partners to deliver improved outcomes</p>
5	Strengthened the capacity and capability of our workforce - developing the workforce to deliver a children/young persons centred approach	<p>1. Bristol is an employer of choice and is where supportive leadership and outstanding work delivers satisfaction for our staff and our children/young persons and our wider relationships with partners and our communities;</p> <p>2. Talent management framework providing a focus for investment in people to enable the best outcomes for the Children and Education services;</p> <p>3. Strengthened our recruitment and retention of our workforce through a talent management framework - alternative models and approaches such as apprenticeships, international recruitment, social work academy;</p> <p>4. Collaboration across organisational boundaries (internally and externally) in order to provide better services.</p>

3.9. The change journey will be one of:

- 3.9.1.** Responding – Delivery of our essential improvements and recommendations.
- 3.9.2.** Strengthening - Designing and developing a stronger strategic approach.
- 3.9.3.** Embedding- Delivering the approach and adapting it based on learning.

3.10. There are three angles from which we are approaching the challenge:

- 3.10.1.** Demand– tackling the number of children, young people and families that need our support and reducing the level of that need.
- 3.10.2.** Supply – how we organise our resources and commission to respond to that demand.
- 3.10.3.** Workforce – how we organise and support our staff to deliver the most effective and timely response to families.

Current Status

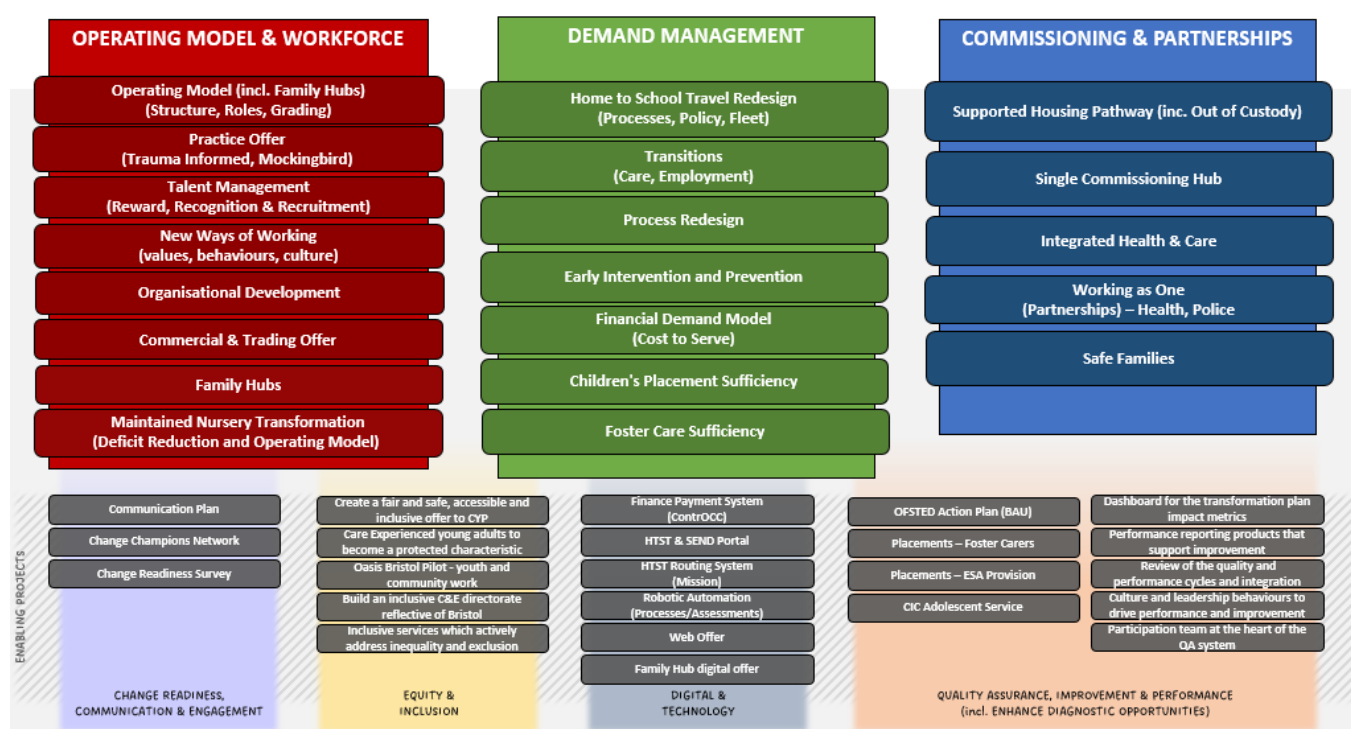
3.11. The programme is structured through 3 workstreams with a suite of projects associated to each workstream. The workstreams are enabled through a series of digital and technology, equity and inclusion and quality assurance, improvement and performance projects. The 3 workstreams being:

- 3.11.1.** Operating Model and Workforce: A system-wide approach where good Children Services

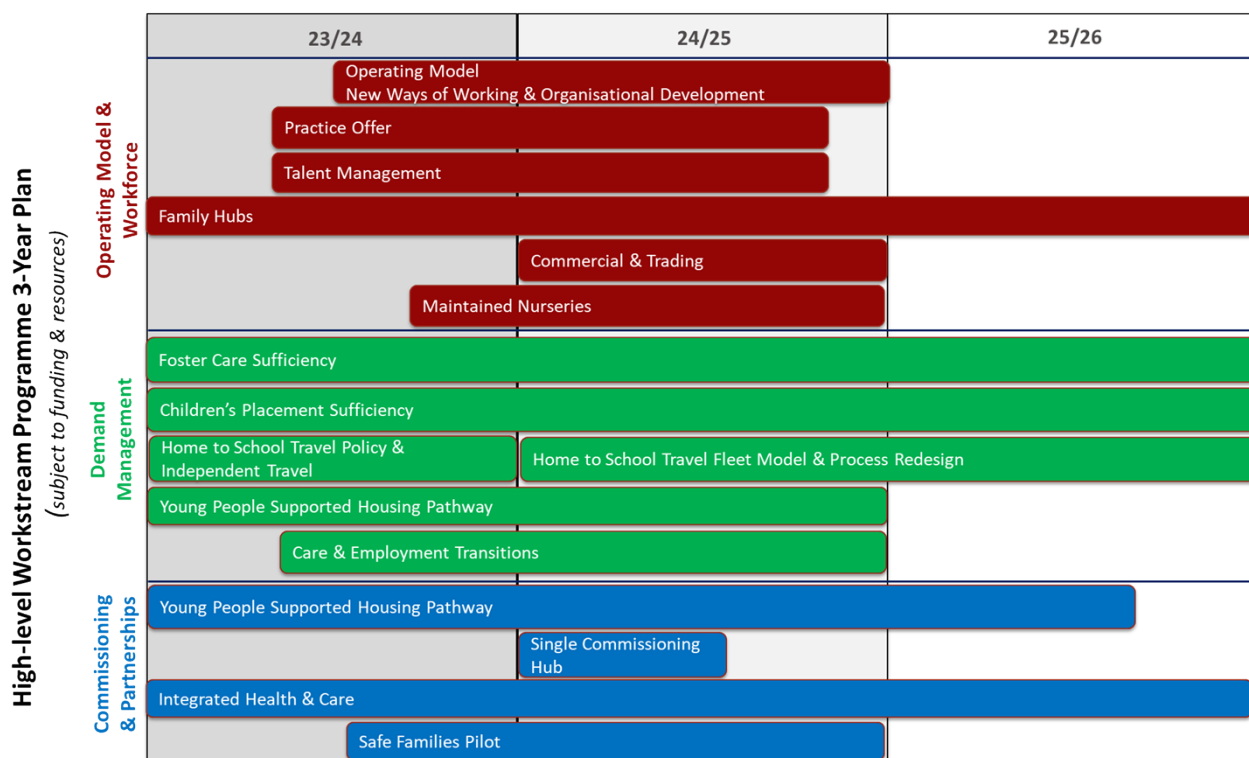
and Education is the foundation for meeting a wide range of needs.

- 3.11.2. Demand Management: Achieving efficiencies that reaches beyond the boundary of Children and Education and the organisation.
- 3.11.3. Commissioning and Partnerships: Harnesses the power of our partnerships to enrich the lives of the children, young people and families we work with to deliver the goal of better early outcomes for children/young people with increasingly greater efficiency. Alignment and efficiencies in the wider integrated care system.

3.12. The following below outlines the suite of projects against each workstream and the enabling projects.



3.13. The current timeline of the programme is outlined below. This remains subject to ongoing review, funding and resources.



3.14. The following table provides an update on current lifecycle status of work within the programme:

Workstream	Lifecycle Stage	Narrative	Links to associated public documents
Operating Model & Workforce	<i>Delivery</i>	Children and Education operating model and restructure Phase 1 completed December 2023. Phase 2 currently case for change is under development on proposed structures under each Head of Service subject to consultation with staff February 2024. Culture change programme to be developed in parallel with Phase 2 to rollout April 2024 onwards. The development of an assessment programme for management teams, with a specific focus on: leadership competencies, values and behaviours, financial acumen to be delivered April 2024.	<i>None</i>
	<i>Delivery</i>	Practice Offer – Trauma Informed is grant funded 1 day a week to raise awareness and support staff wellbeing across Childrens, Adults and Health services. As part of our workforce development, we have provided training to over 600 people across the Bristol Trauma Informed	<i>None</i>

		network and delivered a compassionate leadership course. Looking to use a framework for a local approach and pledge for integrated care system partners to commit to.	
	<i>Planning</i>	Adopting the ‘Mockingbird’ programme. This is an innovative method of delivering foster care using an extended family model which provides sleepovers, peer support, regular joint planning and training, and social activities. The programme improves the stability of fostering placements and strengthens the relationships between carers children and young people, fostering services and birth families.	<i>None</i>
	<i>Delivery</i>	Talent Management – strengthen our talent management (recruitment and retention) framework through alternative models such as apprenticeships, international recruitment, social work academy: <ul style="list-style-type: none"> Reviewed of all social worker pay grades, evaluation of job paperwork. Consultation with 150 staff (closes end of January 2024). Increase pay grades in line with regional salaries. International Social Worker team manager in place. Agency procured to manage the recruitment of international social workers, aim to start work from April 2024. Systemic practitioners recruited and will be in post in April 2024, and commence degree course at university in September. 	<i>None</i>
	<i>Delivery</i>	Behavioural workshops taking place on 3 identified opportunities (proof of concept: School Attendance, Foster Carers, Sufficiency and Family Hubs/Early Education.	<i>None</i>
	<i>Delivery</i>	Family Hubs – 3 physical hubs went live in June 2024. Working on defining scope for 2 new workstreams – digital and youth (exploring how we can add value to the youth provision in the city).	<u>Cabinet approval September 2022 Family Hubs and Start for Life</u>
Demand Management	<i>Delivery</i>	Children Homes Placement Sufficiency – extension to current capital programme mandate to develop children’s placement sufficiency in the city; children’s homes, including crisis homes and disabled children’s homes, and supported accommodation to address revenue base budget pressure in 23/24. Subject to approvals at Budget	<u>DfE Capital Funding to develop two new Children’s Homes</u> <u>January 2024 Cabinet Approval - x2 Children Homes</u> <u>Cabinet approval</u>

		<p>Cabinet 23rd January 2024. Full Business Case for approval July 2024.</p> <p>This will:</p> <ul style="list-style-type: none"> • Increase local sufficiency for children in care and care leavers. • Improve stability for children in residential care and the ability to ensure these homes remain safely at full capacity best utilising the resource. • Reduce usage of high-cost unregistered placements. • Reduce of 16- and 17-year-olds coming into care through the availability of crash pad/assessment provision. • Increase availability of provision to support children and young people to transition smoothly from residential provision, or for those with more complex needs. • Focus development of a service supporting children to move out of hospital (or similar) into suitable registered accommodation. • Increase availability of suitable provision in Bristol for Unaccompanied Asylum-Seeking Children (UASC) <p>Fostering Sufficiency – digital campaign, and Southwest Fostering Recruitment Hub April 2024. Fostering grant scheme for extensions and adaptations to homes subject to approvals at Budget Cabinet 23rd January 2024. Full Business Case and Policy for approval July 2024.</p> <ul style="list-style-type: none"> • Greater local sufficiency for children in care in fostering services. • Greater stability for children in residential care and the ability to ensure these homes remain safely at full capacity best utilising the resource. • De-escalate the use of residential and high-cost placements for children in care and significantly increase our cohort of local foster carers and reduce the use of more expensive distant placements and the use of Independent Fostering Agencies. <p>Home to School Travel – Post-16 and Pre-16 policy went out to consultation in December 2023 for implementation in September 2024.</p>	<p>March 2023 Sufficiency Strategy for Children in Care and Care Leavers 2023-2024</p> <p>Children’s Independent Fostering Agency Framework – South Central</p> <p>None</p>
	<p><i>Delivery</i></p>		
	<p><i>Delivery</i></p>		

	<i>Planning</i>	Subject to approval at Cabinet in March 2024. Home to School Travel - Independent Travel Training Programme being developed and exploring pick up points and handheld devices for Escorts. Options for hybrid electric vehicle fleet - options to be scoped and costed, including social enterprise model.	<i>None</i>
	<i>Delivery</i>	Maintained Nurseries – aim to secure an in-year financially sustainable operating model for 12 Maintained Nursery Schools in Bristol and establish a clear payment plan to address the historical deficits. A strategy developed and workshops with Headteachers in October 2023 Meeting with Bursars in January to analyse financial reporting.	<i>None</i>
	<i>Delivery</i>	Transitions - mandate signed off through the Adult Social Care Programme Board July 2023. Young people 13+ involved in transition pathway. Data cleansing exercise of almost 2000 records from many sources across social care and education. Merged data from social care and finance systems and now broken down into subsets. AS IS processes and pathway mapping completed. TO BE workshops commenced January 2024. Outline Business Case developed and subject to approval at Adult Social Care transformation board in February 2024. Performance reporting requirements will be requested through the Full Business Case from summer 2024. Full Business Case by July 2024 for complex or high-cost change items.	<i>None</i>
Commissioning & Partnerships	<i>Delivery</i>	Safe Families – procured the implementation of a 2-year pilot with families who link children with volunteers to provide support such as respite. Offers bespoke packages of support, delivered through a network of volunteers providing support to families in crisis or in need. The direct support is provided by volunteers and may take the form of hosting, befriending and practical resources. Safe Family manager recruited and now recruiting volunteer – 1 approved and 6 more in the process. Just received our first referral.	<i>None</i>
	<i>Delivery</i>	Development of alternative arrangements and frameworks for strengthening our children/young people’s commissioning of provision - draft	<i>None</i>

	<i>Planning</i>	Supported Housing Delivery Plan developed. Decision pathway process March 2024.	<i>None</i>
	<i>Planning</i>	Options appraisal for Single Commissioning Hub	<i>None</i>
		Create an environment that promotes and encourages to be more commercial through providing the necessary foundations - stronger partnerships with our partners, agencies, communities, Voluntary and Community Sector (VCS) in a systemic way to create solutions to deliver better outcomes at a lower cost. Maximising and pooling of knowledge through self-service tools to assist with trading / income generation. <ul style="list-style-type: none"> • Mentoring and or a commercialisation academy that internally supports directorate(s). • Increase number of successful grants and improve toolkits to support grants. 	<i>None</i>
Enabling	<i>Delivery</i>	Change readiness – engaged a number of Change Champions across Childrens and Education to support and embed the changes being delivered.	<i>None</i>
	<i>Planning</i>	Developing shared approaches to co-production, participation, engagement, and collaboration across Education, Social Care and Health	<i>None</i>
	<i>Delivery</i>	Technology – looking at ways we can improve processes by replacing onerous manual task with systems and applications. Home to School Travel re-tender of new routing system and looking at new additional functions – parent/carer/supplier portal, integrated invoicing.	<i>None</i>
	<i>Delivery</i>	Single view of transformation performance across Children and Education (outcomes and impact) – developed an Our Families programme scorecard which correlates with the formal performance reports that are produced every 3 months with are reported publicly through Bristol City Council Cabinet and Scrutiny Commissions.	<i>None</i>

Financials

Programme has an estimated cost of delivery of £11.6m and projected financial benefits £10.7m over the five period 23/24 to 27/28 of which, £2.831m per annum are recurrent thereafter.

Costs

- 3.15.** The overall revenue investment needed to deliver the transformation programme for the next 3 years is £11.567m of which £6.129m is already funded (grant and previously approved corporate budget). £1.7m of the remaining £5.438m was approved on [6th June 2023 Our Families Programme Cabinet Paper](#) to cover the period 23/24. The remaining £3.738m for 24/25 and 25/26 will be requested as part of the wider Transformation Portfolio programme ensuring appropriate allocation of available funding and resources and maintaining a focus on securing maximum return on investment.
- 3.16.** Funded costs relate to Family Hubs (£4.5m), Home to School Travel (£0.8m), Children and Education Finance Payment system Controcc (£0.483m) and initial approved resource/investment costs for April, May and June 2023 (£0.346m).
- 3.17.** Within the £5.438m is £1m associated to operating model for transitional costs.
- 3.18.** The approval for early release of investment in the sum of £0.8m for Home to School Travel (HTST) was agreed by Delivery Executive on 27 January 2023 following a review of Home to School Travel during October to December 2022 to enable key areas of work to proceed pending Cabinet approval of the full investment. The early work included:
- 3.18.1.** Commissioning a delivery partner to support the rapid redesign of Home to School Travel service, process redesign and new ways of working;
- 3.18.2.** A change in post-16 and pre-16 policy for 24/25 and the introduction of Independent Travel Training (ITT) for all applicable children from age 11+ ;
- 3.18.3.** Develop options for local transport delivery model, including development of our in-house vehicles;
- 3.18.4.** A technology appraisal and research into the current technology used by the team for various parts of the process and to consider other technology options that may provide a more suitable functionality to the Home to School Travel team, parents and carer and escort’s needs, whilst optimising efficiencies throughout the service, improved and more accurate invoice and streamlining processes.
- 3.19.** The approval of Change Reserve to implement a Children and Education finance payment system (Controcc) integrated with the case management systems, improving financial view of a child was agreed by Corporate Leadership Board in June 2022.
- 3.20.** The approval to spend the £4.5m for Family Hubs programme was granted by Cabinet on 6th September 2022. Department of Health and Social Care/Department for Education Family Hubs and Start for Life programme 2022-25 to improve family services through a single access point/ and front door to a range of universal and early help services - including co-located physical, virtual and outreach services. Providing an offer that meets the diverse needs of children and young people and their families across the 0-19 (up to 25) age range, recognising that a creative approach and collaborative work with families, children and young people is needed to make sure the offer is meaningful and connects with the wider development of our community-based services, including services for young people.

Capital

3.21. Subject to approval of [Budget Recommendations Cabinet Report 23rd January 2024](#) capital invest to save for the proposed projects:

- 3.21.1.** Children’s Placement Sufficiency Invest to Save (ITS) project - extension to current capital programme mandate to develop children’s placement sufficiency in the city; children’s homes, including crisis homes and disabled children’s homes, and supported accommodation to address revenue base budget placement pressures.
- 3.21.2.** Foster Carer Sufficiency Invest to Save (ITS) project - digital campaign, and Southwest Fostering Recruitment Hub April 2024. Fostering grant scheme for extensions and adaptations to homes to address foster carer saving proposals and placement budget savings and pressures. Full Business Case and Policy for approval July 2024.

3.22. Subject to approval 23rd January 2024 Cabinet funding available to support invest to save projects.

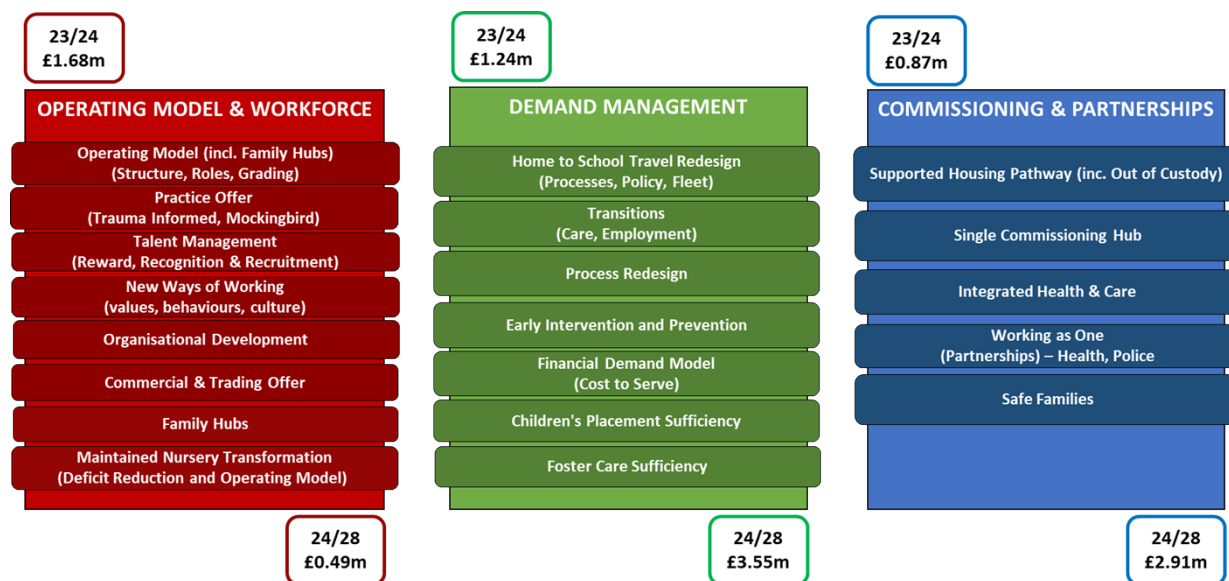
Allocate to Invest to Save Projects <i>(Excludes reimbursement from the ITS savings)</i>	24/25	25/26	26/27	27/28	28/29 - 34/35	Total
	£m	£m	£m	£m	£m	£m
Children’s Placement Sufficiency ITS Project	1.570	3.200	-	-	-	4.770
Foster Carer Sufficiency ITS Project	0.333	0.333	0.333	0.333	1.998	3.330

3.23. Subject to approval 23rd January 2024 Cabinet new savings associated to the above capital programmes, in addition to Medium Term Financial Plan savings already approved for these two projects.

Saving Ref	Description	24/25	25/26	26/27	27/28	28/29	Total
		£m	£m	£m	£m	£m	£m
24/25-ITS2/3/4/5/7	Children’s Placement Sufficiency ITS Project	-	0.390	0.570	-	-	0.960
24/25-ITS1/8/10	Foster Carer Sufficiency ITS Project	-	0.159	0.159	-	-	0.317

Savings

Projected financial benefits £10.7m over the five period 23/24 to 27/28 of which, £2.831m per annum are recurrent thereafter. Does not include savings proposed as part of [Budget Recommendations Cabinet Report 23rd January 2024](#).



3.24. Further stretch cashable saving opportunities in the pipeline for 2024 to 2028 to reduce costs on placement and provision of accommodation:

- 3.24.1.** Increased local sufficiency for children in care and care leavers.
- 3.24.2.** Improved stability for children in residential care and the ability to ensure these homes remain safely at full capacity best utilising the resource.
- 3.24.3.** Reduced usage of high-cost unregistered placements.
- 3.24.4.** Reduction of 16- and 17-year-olds coming into care through the availability of crash pad/assessment provision.
- 3.24.5.** Increased availability of provision to support children and young people to transition smoothly from residential provision, or for those with more complex needs.
- 3.24.6.** Focused development of a service supporting children to move out of hospital (or similar) into suitable registered accommodation.
- 3.24.7.** Increased availability of suitable provision in Bristol for Unaccompanied Asylum-Seeking Children (UASC).

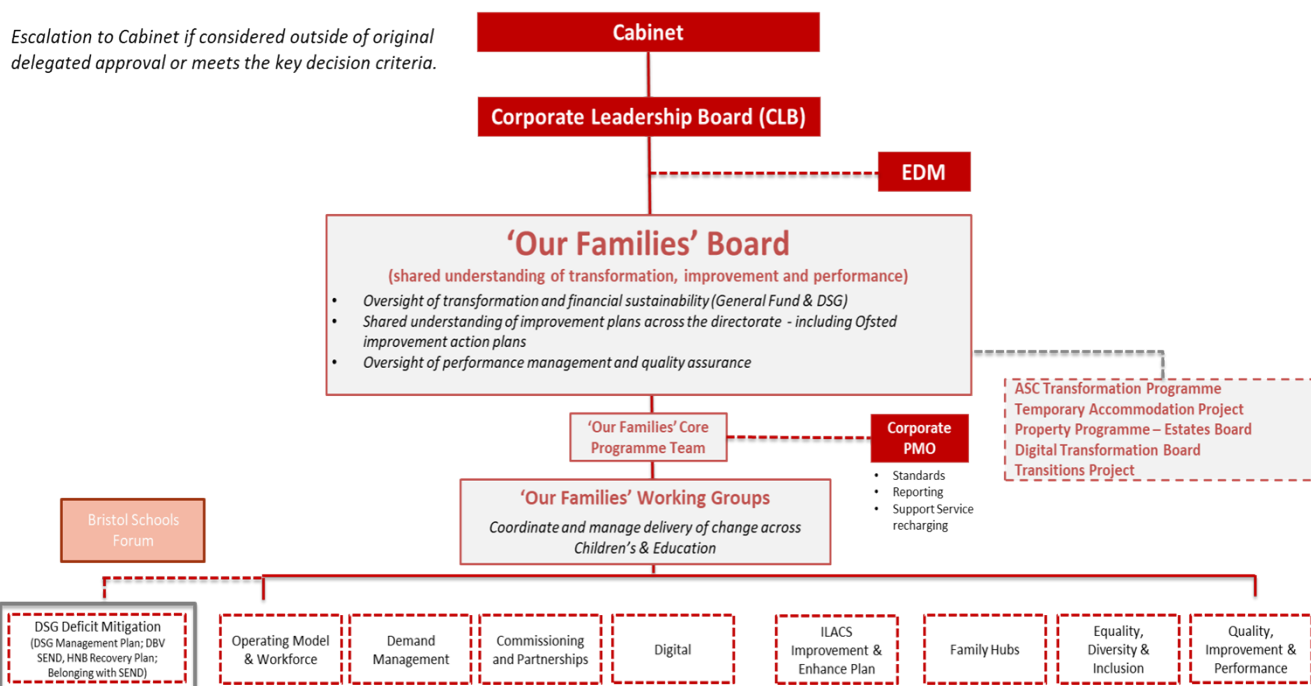
Governance

3.25. The programme is governed as follows, with a 6-weekly programme board chaired by the Executive Director of Children’s and Education to monitor status, costs, savings, issues, risks, performance, assurance of overall programme and to delegate funds and approvals to individual projects, upon provision of appropriate business cases or proposals. The programme has a performance scorecard that has a series of measures against each workstream such as number of children transferred to in-house provision from an external provider.

3.26. Oversight of delivery is managed at the strategic level through the Children and Education

Transformation Director and at an operational level through the programme manager. The board has multi-officer attendance including wider council representation such as Audit, Adult Social Care, Public Health, Growth and Regeneration and external representation from Integrated Care Board.

3.27. Individual project leads are then tasked with managing the delivery within their baseline approvals and escalating to Transformation Director and programme Board as required.



Risk Assessment

4. Risks and issues are monitored through the programme team and escalated to the Our Families Programme Board where appropriate and registered on corporate risk register if required. The key programme risks/issues and associated mitigations is outlined below.

Risk/Issue Description	How risk/issue is being mitigated and monitored
Scale of transformation and cashable savings is unachievable within required timescales.	Robust governance through Our Families Programme Board and Corporate Leadership Board. Clear individual accountabilities and responsibilities, benefits management, effective issue and risk management and prioritisation framework
Cashable savings not fully realised due to increase in costs, inflation etc.	Robust financial governance to monitor cashable savings, forecasting of any projected increase in costs. Programme is continuously reviewing further opportunities for savings to bridge any shortfalls and pressures.

Business as usual does not operate effectively during transformation and lack of capacity and/or expertise to drive the Transformation Plan	Adequate capacity will need to be in place so that BAU roles do not become diverted. Balanced use of dedicated programme team members and current service delivery resources with backfill as appropriate. Robust resource planning programme resourced with suitable skills and capabilities
Performance baselines for services are not reviewed during the programme to reflect any changes on those services i.e. increase in demands due to economic climate or changes in legislation then benefits realisation for performance may be less than expected	Monitor as a risk during the time of the phase and adjust any performance benefits realisations accordingly. Raise at Our Families Programme Board on key changes in performance
Potential lack of capacity within key corporate services e.g Finance, legal, HR, Communications to support the delivery of the programme	Approval of programmes resources, including corporate services against what internal capacity can be provided. Buy-in from Corporate Services to support the delivery of the programme
Family Hubs model, solutions/approaches are not considered as part of the wider Children and Education model then Family Hubs will become financially unsustainable, as Department for Education grant funding is only available until 2025.	Seek long term sustainability outside of Department for Education funding through the new operating model as part of the Early Years offer. Working closely in line with the Digital Transformation Programme and Citizen’s Services, prioritising utilising existing internal infrastructure/systems/technology on Council infrastructure.
Any delay to the implementation of the new Operating Model beyond April 2024 will impact 24/25 target savings.	Weekly meetings with key stakeholders to review progress, discuss issues and risks and remove blockers.
Funding for 24/25 not yet approved – may have to halt some projects if there is insufficient funding for resources to deliver all the projects/workstreams.	All current projects and workstreams being reviewed and assessed in terms of priority for Corporate Leadership Board approval.

Next Steps

5.
 - 5.1. There is a significant amount of planned delivery until the end of 23/24 across the programme, with a clear focus on maximising both the revenue savings that can be delivered and the development of business cases for 24/25. In addition, resources will be prioritised on to the enabling projects that will enable future savings and more efficient and effective ways of working.

- 5.2. The programme team is also undertaking detailed planning for the development and prioritisation of project and programme activities required moving into the next financial year. This includes ensuring appropriate allocation of available funding and resources and maintaining a focus on securing maximum return on investment.

Summary of Equalities Impact of the Proposed Decision

6. Equalities impact assessments will be produced at a project level, but overarching programme EQIA was provided as part of the June '23 Cabinet paper: [6th June 2023 Cabinet Our Families EQIA](#)

Legal and Resource Implications

Legal

The Our Families Programme was approved by Cabinet in June 2023. There are no specific legal implications arising from this report which provides the Committee with an update on the key priorities and progress for the Our Families Programme.

All proposals and actions must comply with the statutory framework regarding the Council's duty to safeguard and promote the welfare of children in its area.

Consultation will need to be undertaken as relevant in relation to any specific proposals and legal advice will be provided as needed.

The committee will note the Equalities impact assessment.

Husinara Jones, Team Manager/Solicitor
Nancy Rollason, Head of Legal Services
 17th January 2024

Financial

(a) Revenue

The Our Families Programme is focused on services funded by the Council's General Fund and therefore excludes the separate Dedicated Schools Grant Programme. The Our Families Programme has an estimated cost of delivery of £11.6m and projected financial benefits £10.7m over the five period 23/24 to 27/28 of which, £2.831m per annum are recurrent thereafter. Of the cost of delivery, £3.738m for 24/25 and 25/26 has yet to be approved and this will be requested as part of the wider Transformation Portfolio programme funding request. Delivery of the savings targets attached to this programme are critical to enable delivery against the forthcoming budget for 2024/25 due to be set by Council in February 2024. Rigorous governance and monitoring of savings and costs to deliver will therefore be required.

(b) Capital

Two new Invest to Save project mandates are subject to approval at Cabinet on 23rd January 2024 with a combined capital value of £8.1m.

Guy Marshall, Finance Business Partner, 17 January 2024**Land**

Not Applicable

HR

There are a number of HR implications arising from this report. Phase 1 focused on the Head of Service (HOS) roles across Children and Families, and Education and Skills where each department reduced from five to four Heads of Service. There were no redundancies at this stage as vacancies have been covered by temporary staff and internal development opportunities.

We are currently recruiting to two vacancies, HOS Safeguarding and Early Years and HOS Inclusion. Selection processes are due to take place on Monday 22nd January 2024, and Tuesday 23rd January 2024 respectively.

Phase 2 will focus on consultation with employees on the new proposed structures the HOS having been working on for their respective services. The Management of Change policy will apply where there are changes to structures proposed. It is anticipated that consultation will commence mid to late February 2024. There may be changes to numbers of employees in some services however we will work with employees and their trade union representatives to redeploy staff where possible as it is our intention to retain skilled workers where at all possible in mitigation of any redundancies.

This process may be iterative and any changes from reviewing services and the effectiveness of changes will be fully consulted on through the Management of Change policy.

A leadership and culture change programme is currently being developed for delivery to HOS and Service managers from April 2024.

Lorna Laing, HR Business Partner, 17th January 2024**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985****Background Papers:**

None