

Resources Scrutiny Commission Agenda



Date: Monday, 20 February 2017

Time: 9.30 am

Venue: The Writing Room, City Hall

Distribution:

Councillors: Graham Morris (Chair), Stephen Clarke (Vice-Chair), Donald Alexander, Tom Brook, Barry Clark, Helen Godwin, Geoff Gollop, Tim Kent and Afzal Shah

Copies to: Anna Klonowski (Interim Strategic Director Resources), Sandra Farquharson (Interim Head of HR), Shahzia Daya (Service Director - Legal and Democratic Services), Denise Murray (Service Director Finance), Johanna Holmes (Policy Advisor - Scrutiny), Sarah Wilson (DLT Support Manager - Business Change) and Louise deCordova (Democratic Services Officer)

Issued by: Louise deCordova, Democratic Services
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Date: Friday, 10 February 2017



www.bristol.gov.uk

Agenda

1. Welcome, Introductions and Safety Information

(Pages 4 - 5)

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. Chair's Business

To note any announcements from the Chair

5. Minutes of the Previous Meeting

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

(Pages 6 - 12)

6. Action Sheet

To note the progress of actions from the previous meeting.

(Pages 13 - 43)

7. 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 **5pm on Tuesday, 14 February 2017**.



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 **Friday, 17 February 2017**.

8. Work Programme

To note the work programme.

(Pages 44 - 52)

9. Channel Shift

10.00 am

The purpose of this report is to provide an overview of the channels used by citizens to contact the council through Citizen Services.

(Pages 53 - 58)

The Commission to note the report.

10. Social Value Policy: One Year On

10.30 am

The report sets out the Social Value Policy one year on, the aims and objectives, outcomes to date and proposed next steps.

(Pages 59 - 71)

The Commission to consider and comment on the report.

11. Resources Period 8 Finance Information (Draft Extract)

11.00 am

The draft report details the relevant Resources extracts taken from the Period 8 Finance Report.

(Pages 72 - 80)

The Commission to consider and comment on the draft report.



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.

You can also inspect papers at the City Hall Reception, College Green, Bristol, BS1 5TR.

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 and be available in the meeting room one hour before the meeting. Please submit it to democratic.services@bristol.gov.uk or Democratic Services Section, Brunel House St Georges Road Bristol BS1 5UY. 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 **three clear working days before the meeting**.

Please see www.bristol.gov.uk and the '[How to Have Your Say](#)' pdf for the parameters of each individual Committee and what will happen to your submission.

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, 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. This information will also be made available at the meeting to which it relates and placed in the official minute book as a public record (available from Democratic Services).



We will try to remove personal information such as contact details. 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. Public Forum statements will not be posted on the council's website. Other committee papers may be placed on the council's website and information in them may be searchable on the internet.

Process 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.
- 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.

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) and the footage will be available for two years. 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.



Bristol City Council Minutes of the Resources Scrutiny Commission

19 December 2016 at 9.30 am



Members Present:-

Councillors: Graham Morris (Chair), Stephen Clarke (Vice-Chair), Donald Alexander, Geoff Gollop, Tim Kent, Afzal Shah, Jo Sergeant and Sultan Khan

Officers in Attendance:-

Anna Klonowski (Interim Strategic Director - Resources), Richard Billingham (Service Director HR), Denise Murray (Service Director Finance), Nancy Rollason (Service Manager Legal), Martin Smith (Revenues Manager), Kevin Smith (Debt Management Group Leader), Tracy Mathews (Performance Improvement Advisor), Johanna Holmes (Policy Advisor - Scrutiny) and Louise deCordova (Democratic Services Officer)

1. Welcome, Introductions and Safety Information

The Chair led welcome and introductions.

2. Apologies for Absence

Apologies were received from Cllr Brook (Cllr Khan attended in substitute), Cllr Clark and Cllr Godwin (Cllr Sergeant attended in substitute).

3. Declarations of Interest

There were none declared.

4. Minutes of the Previous Meeting

The Commission resolved:

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

5. Action Sheet



An updated action sheet was circulated by the Scrutiny Policy Advisor. The Commission noted the progress of actions from the previous meeting.

In discussion and in response to Members questions, the following points were raised:

Property disposal

- a. Officers provided an update on value of the receipts from properties that had been released for sale. It was noted that at the time of the estimated valuations the property market had been depressed and therefore each sale had exceeded original forecast and reflected the current property market. The value had been transferred to the People Directorate. It was noted that the Park View business case was still to be updated.

Procurement Contracts

- b. Officers to provide additional detail including the value of each contract and the length of contract terms. **Action: Netta Meadows**
- c. Members commented that SME local spend appeared to be quite low and that it would be useful to have historical perspective to compare the data.
- d. Cllr Shah had been asked by the Mayor to look at ways to increase the use of SMEs in Council procurement. Some initiatives under consideration included action to reduce any artificial barriers to local SMEs applying for opportunities, such as increased transparency and improved communication about tendering processes, better use of the Council website and organisation of a biannual seminar for SMEs.
- e. Members considered that not many SMES were aware of the ProContract online system which informed subscribers about all of the Council's procurement opportunities. Members agreed that it would be useful to have a guide on the Council website which provided detailed support for suppliers on how to trade with the council.
- f. It was noted that research by FSB had shown that other cities were interested in following the Bristol Pound model. Members asked whether there was potential to use the Bristol Pound as a metric to score suppliers during the tendering process. **Action: Alison Slade**
- g. Cllr Clarke declared an interest as Director of the Bristol Pound.
- h. Members commented that the Social Value Act lays the groundwork to develop a strategy for dealing with local SMES which is beneficial to Bristol, and provides the ability to safeguard the local economy by using suppliers that employed a local workforce or contracted to local businesses and which would ensure a better deal for council tax payers. Members considered that the Council should have the ability to use supplier data to understand whether they were based



locally for example in the greater Bristol or West of England areas and therefore more likely to employ people who lived in Bristol.

- i. It was confirmed that the current SME categories were detailed in the Social Value Toolkit. Members asked whether the current procurement data set could be made accessible to all members and tracked over time. **Action: Alison Slade.**
- j. Members sought clarity over how contracts were awarded with regards to large contracts and whether going after economies of scale could be a false economy that consequently excluded local suppliers. It was suggested that that using local SMEs for services such as grounds maintenance could offer a more nuanced service and better value for money.
- k. Members raised concerns that contracts to larger providers have resulted in work being sub contracted to third parties outside of Bristol which are then unaccountable and cited the Warm-up Bristol scheme as an example.

6. Chair's Business

There was none.

7. Public Forum

There was none received.

8. Work Programme

The Commission noted the updates to the work programme.

- a. In response to Members questions officers confirmed the Council's budget was scrutinised by Overview and Scrutiny before the financial reports went to Full Council. Resources Scrutiny was solely focussed on financial extracts relating to the Resources directorate.
- b. Members questioned whether there was an opportunity to campaign government to look again into the level of compensation provided in the Revenue Support Grant with reference to students. Officers confirmed that payment is currently received for waste collection in halls of residence but not in houses of multiple occupancy. **Action: Officers**

9. Debt Collection (Presentation)

The Commission considered a presentation from the Service Director, Citizen Services presented by Martin Smith. The presentation set out the current position and future strategy for Debt Management model used in the Council and provided an analysis of options for future models being explored.



In discussion and in response to Members questions the following points were raised:

- a. Members sought clarification of how some debt was arising in the first place. It was understood that resources had been deployed to reduce processing times for housing benefits claims and therefore Housing benefits overpayments were cause for concern. Was there anything that could be done to reduce the benefits overpayments outstanding? Could the same resource be deployed to address this? Officers to look into this and provide a response. **Action: Martin Smith**
- b. Members asked for additional detail within the council tax domestic rate and non-domestic rate annual debts to confirm the proportion covered by direct debit payments. **Action: Martin Smith**
- c. Officers gave a summary of the debt collection process which was laid out in regulation for local taxation. It was noted that the cost of collection was added to the original debt. Officers also confirmed that the Department for Work and Pensions (DWP) FERIS (Fraud and Error Reduction Incentive) scheme funding to local authorities has enabled the Council to identify housing benefit overpayments at an earlier date. Officers to provide more information. **Action: Martin Smith**
- d. Officers to circulate a draft copy of the Fair Debt policy to Members. **Action: Martin Smith**
- e. Officers to provide an indication of the sources which made up the Sundry debtors £122m figure as it would be helpful to understand how much included social care costs, how much was normal trading debtors and how much was one-off or exceptional items. **Action: Martin Smith /Finance officers**
- f. Officers confirmed that they were currently unable to analyse the number of Council tax debtors within 30 days as there was not enough resource to process the response within the timescale. In chasing outstanding payments officers would select 25-50 % of the wards and process in batches.
- g. In house enforcement - Officers to report to Scrutiny when next steps are known, after the business case has been presented to the mayor. **Action: Martin Smith**

The Commission resolved:

To note the presentation, and the comments and actions arising.

10. Business Change Period 6 Finance (report)

The Commission considered a report from the Interim Service Director, Finance. The report set out the relevant Business Change/Resources extracts taken from the Period 6 Finance Report that went to Cabinet on 6th December 2016 and focused on significant variances to meeting the budget in 2016/17.

In discussion and in response to Members questions the following points were raised:



- a. The Commission noted that the Service Director Finance and Section 151 Officer Denise Murray was in post; and noted that Richard Billingham would be leaving the organisation at the end of January with an Interim Service Director of Human Resources, Nicky Beardmore recruited to the post.

Capital Disposals

- b. It was noted that an officer led Capital Board would provide guidance for future capital disposals and prioritise a review of the way capital spend was managed and monitored, this would require a closer relationship between the finance and property services teams to have robust management of Capital disposals.

Agency Spend

- c. It was confirmed that there were 12 agency staff in Resources Directorate including interim senior posts. For the period 8 report officers to review within each of teams how many covering interim roles and how many contingent roles. **Action: Anna Klonowski**
- d. Officers confirmed that £100k previously forecast related to an expected cost of agency staff within the software development service until the end of financial year. After subsequent review and detailed work this had been adjusted downwards and would be reversed out in period 8.

Property Portfolio

- e. A member referred to a Property Portfolio presentation at Place Scrutiny on 8 December and asked whether the strategy for managing the Council's £200m property portfolio and analysis of the opportunities to maximise potential yield, should be a subject of interest for Resources Scrutiny. It was agreed that this should be raised as a matter of concern to the Overview and Scrutiny Commission. **Action: Johanna Holmes/Chair**

Voluntary Severance

- f. It was confirmed that 308 staff had been released under voluntary severance resulting in savings of £9.3M to date. The previous estimate of 1000 equivalent FTE had been required in order to state the maximum number of staff that could have been affected when publishing statutory the s108 Notice.

Income Generation

- g. It was noted that the remit of the Directors Working Group was to work through corporate proposals, taking account of known risks to validate savings for income generation as part of budget process and provide assurance on robustness of what is being proposed. The Chief Executive had asked each Strategic Director to assume a coordinating role in own areas of income



generation. In addition, Cllr Pearce had been talking to members and working up suggestions and ideas. Members to feed further ideas and suggestions through OSM or direct to the Service Director Finance or the Interim Director Resources. **Action: Members**

Members ICT

- h. It was noted that Members should return any ICT equipment that was not being used as these may have licence fees attached. **Action: Members**

The Commission resolved:

To note the report, and the comments and actions arising.

11 Quarter 2 Performance Report for Resources Directorate (Report)

The Commission considered a report from the Performance Improvement Advisor. The report set out the existing performance indicators already reported to Business Change DLT. All indicators aimed to show the progress made to supporting the delivery of the Corporate Plan 2014/17.

In discussion and in response to Members questions the following points were raised:

BU355 Percentage of invoices paid on time (BCC)

- a. It was confirmed that the definition of invoices paid on time had changed mid-year. Members raised concern that this may either adversely affect SMEs or result in late payment fees.

BU115 Customer satisfaction (%) with ICT service desk

- b. Members commented that interactions with ICT Service desk had been good.

Legal services

- c. It was confirmed that the Bristol Waste and Energy companies did not have an obligation to use the Council's legal services. Bristol Companies work currently accounted for 58% of Legal Services income.
- d. It was agreed that much of the data included within the current report format was detailed management information. Officers to provide a condensed report for Resources Scrutiny which included a chart of all income for ease of comparison and some analysis of key indicators which identified chargeable and non-chargeable hours and how these were being used efficiently to generate income. **Action: Shahzia Daya**

The Commission resolved:



To note the report and the comments and actions arising.

Meeting ended at 12.00 pm

CHAIR _____





Resources Scrutiny Commission Action Tracker 2016/2017

Agenda Item	Title of Report/ Description	Action required and deadline	Responsible officer	Action taken and date completed
BC&RSC Actions 24 November 2016				
	Action Sheet	Officers to provide an update on income generation work progressed in the cross council working group.	Annabel Scholes / Sian Houdmont	<p>The Savings Working Group (SWG) requested that Directors consider potential income opportunities as part of their work to identify savings. Two key reports were shared with Directors for review and comment:</p> <p>A) KPMG report – DLTs to provide an update on the status of delivery of KPMG’s recommendations, or justification for why the proposed idea isn’t being progressed (Report originally shared with Change Board attendees Feb 2016)</p> <p>B) CIPFA – charging review – DLTs were asked to review the report and identify if there are any additional things listed in the CPIFA report that BCC could charge for, and is not currently. (Report sent to DLTs in Sep 2016)</p> <p>Due to timescale of submissions from Directorates the SWG did not have the opportunity to review the quality/completeness of responses – however all Directorates did submit a response. Viable opportunities were added to the savings list as ‘new concepts’ and incorporated into the budget setting process.</p> <p>The SWG therefore considers the review of KPMG and CIPFA responses as closed, and no further value from continuing any dedicated action relating to these reports.</p>

Please Note: Items marked as complete will be removed from the Action Tracker before the next meeting

Agenda Item	Title of Report/ Description	Action required and deadline	Responsible officer	Action taken and date completed
10	In-depth Review : Bristol Workplace Programme (presentation)	<ul style="list-style-type: none"> <i>Park View</i> Officers to provide a revised business case to Cabinet to reflect the changes. <i>Property Disposals</i> Officers to provide an update on the disposal of properties, identifying where capital receipts had equalled or exceeded those outlined in the business case for BWP 	Robert Orrett	<p>Members to be notified when this has happened.</p> <p>Officers provided the following verbal update on the value of the receipts from properties that had been released for sale at the December meeting :</p> <ul style="list-style-type: none"> - Avonvale Road - est - £670,000 actual - £750,000 - Beam St - est £145,000 actual - £200,000 - York Court - est £485,000 actual - £600,000 - Park View – information to be provided <p>Note: the current financial forecasts are being up-dated reflect the above figures</p>

Agenda Item	Title of Report/ Description	Action required and deadline	Responsible officer	Action taken and date completed
12	Procurement Update	<ul style="list-style-type: none"> <i>First Bus</i> Officers to confirm the position with regard to state aid waivers 	Shahzia Daya	<p>These contracts were awarded by my predecessor, the former Mayor. I am told that the Park & Ride contracts were tendered in accordance with EU regulations, and subsequently awarded on the basis of the cost and quality criteria laid out in the tender process. The successful tenderer was the lowest bid, which was a significant reduction in the previous Park & Ride contract price. 2. The Council does not exceed the cap on de minimis contract payments to any bus operator and this is true for the totality of First Bus operations in the West of England.</p> <p>The funding for the service 51 contracted journeys was in part transferred to ensure the continuity of evening journeys on service 50. Without this funding they would have been withdrawn. Funding for all contracted journeys is being reviewed to determine the most appropriate use of the budget for supported bus services.</p>
		<ul style="list-style-type: none"> <i>Contracts</i> Officers to provide additional detail to include number of contracts, how many involved key decisions and an indication of how much time, the new step extends the process by. 	Netta Meadows	<p>All contracts over £500k require key decisions. The number of current contracts over £500k is 88. The new Commissioning & Procurement Group (CPG) has not added any time to the whole commissioning process as the group meets twice a week in order to ensure there is a timely process in place.</p> <p>Please see the attached separate list of contract renewals for the next year.</p> <p>To be confirmed if this discussion has taken place</p>

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Agenda Item	Title of Report/ Description	Action required and deadline	Responsible officer	Action taken and date completed						
		<ul style="list-style-type: none"> <i>Contract Renewal Timescales</i> Officers to provide Councillors with a list of contracts up for renewal each quarter. <i>Care Contract : Out of Hours liability</i> Offline discussion with Cllr Barry Clark <i>SME Local Spend</i> Officers to provide a breakdown on a top level basis within a month. How many SME's are based locally? (Understanding of 'locally' still to be defined. Cllr Clarke requested that Officers please use their discretion on definition of 'locally' to provide the response). 	<div>Netta Meadows</div> <div>Netta Meadows</div> <div>Alison Slade</div>	<div>In the period 1 April 2016 to 30 September 2016 36.95% of our external spend was with SMEs and of that 15.02 % was with SMEs within BS1 to BS 16 Detail as shown here:</div> <table> <tr> <td>£24.4M</td> <td>15.02%</td> </tr> <tr> <td>£35.6M</td> <td>21.93%</td> </tr> <tr> <td>£60.0M</td> <td>36.95%</td> </tr> </table>	£24.4M	15.02%	£35.6M	21.93%	£60.0M	36.95%
£24.4M	15.02%									
£35.6M	21.93%									
£60.0M	36.95%									

BC&RSC Actions 19th December 2016

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Agenda Item	Title of Report/ Description	Action required and deadline	Responsible officer	Action taken and date completed
	Action Sheet Procurement Up-date (from above)	<ul style="list-style-type: none"> Officers to provide additional detail including the value of each SME contract and the length of contract terms. <p>Members requested to know if the 15.02% figure had been tracked over time. If so, has it gone up or down? If not, can it now be?</p> <p>Members requested to know how much of the 36.95% figure comes from the regions SMEs?</p> <p>Members asked how the 15.02% for local SME's compared with other local authorities figures for this and asked if the information is available, if Bristol's could be benchmarked against other local authorities.</p> <p>Members requested routine</p>	<p>Netta Meadows</p> <p>Alison Slade</p> <p>Alison Slade</p> <p>Alison Slade</p> <p>Alison Slade, Netta Meadows</p>	<p>This data is not accessible at this time as we are not currently capturing it in our contract database in a way it can be extracted.</p> <p>The 15.02% of SME spend within BS1 to BS 16 has not been tracked previously. Going forward this can be done.</p> <p>We are pursuing this but currently we don't record the information in this way on our contracts register, as per our answer above. We are currently in the process of restructuring the Procurement service and once this new structure is in place this is something that we can look at changing in order to be able to report on this more frequently.</p> <p>We have been unable to find any published benchmarking data and therefore cannot offer any analysis of how we compare at this stage. We are currently considering a one off benchmarking exercise with other members of the South West Procurement Group, if they are also agreeable to undertaking it.</p> <p>Members and Officers to agree at the February meeting when and how this will take place.</p>

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Agenda Item	Title of Report/ Description	Action required and deadline	Responsible officer	Action taken and date completed
		reporting of the above points at scrutiny meetings.	& Johanna Holmes	
Page 18	Debt Collection	(1) Housing benefits overpayments: is there anything that could be done to reduce the benefits overpayments outstanding? Could resource be deployed to address this? Officers to look into this and provide a response.	Martin Smith	Please see the information below for Officer responses
		(2) Members asked for additional detail within the council tax domestic rate and non-domestic rate annual debts to confirm the proportion covered by direct debit payments.	Martin Smith	As above
		(3) Officers gave a summary of the debt collection process which was laid out in regulation for local taxation. It was noted that the cost of collection was added to the original debt. Officers also confirmed that the Department for Work and Pensions (DWP) FERIS (Fraud and Error Reduction Incentive) scheme funding to local authorities has enabled the	Martin Smith	As above

Please Note: Items marked as complete will be removed from the Action Tracker before the next meeting

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Agenda Item	Title of Report/ Description	Action required and deadline	Responsible officer	Action taken and date completed
		<p>Council to identify housing benefit overpayments at an earlier date. Officers to provide more information.</p> <p>(4) Officers to circulate a draft copy of the Fair Debt policy to Members.</p> <p>(5) Officers to provide an indication of the sources which make up the Sundry debtors £122M figure as it would be helpful to understand how much included social care costs, how much was normal trading debtors and how much was one-off or exceptional items.</p> <p>(6) Officers to report to Scrutiny when next steps are known, after the business case has been presented to the mayor.</p>	<p>Martin Smith</p> <p>Martin Smith /Finance officers</p> <p>Martin Smith</p>	<p>Please see the attached document</p> <p>Please see the information below for Officer responses</p> <p>As above</p>
	Resources Period 6 Finance	Agency Spend: 12 agency staff in Resources Directorate. For the period 8 report officers to review within each of the teams how many are covering interim roles and how many contingent roles.	Nicki Beardmore	There were 65.9 FTE agency staff/consultants working in Resource Directorate for Period 8, though of these, the total includes 17 agency sourced ABS staff, undertaking assignments outside of Resource Directorate. 5 of the 65.9 FTE are recorded as being contractors or consultants. ABS have recently been added to the Resources structure.

Please Note: Items marked as complete will be removed from the Action Tracker before the next meeting

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Agenda Item	Title of Report/ Description	Action required and deadline	Responsible officer	Action taken and date completed																														
		Property Portfolio: Members asked whether the strategy for managing the Council’s £200m property portfolio and analysis of the opportunities to maximise potential yield, should be a subject of interest for Resources Scrutiny. It was agreed that this would be raised at the next Scrutiny Chairs Meeting.	Johanna Holmes/Chair/ Vice Chair	<table><tr><th colspan="2">Agency / Contractor / Consultants for Period 8</th></tr><tr><th>Area</th><th>FTE</th></tr><tr><td>ABS</td><td>20</td></tr><tr><td>Finance</td><td>6</td></tr><tr><td>Human Resources</td><td>3</td></tr><tr><td>ICT: Commissioning & Information</td><td>0</td></tr><tr><td>ICT: Delivery</td><td>21</td></tr><tr><td>ICT: Digital Transformation</td><td>3</td></tr><tr><td>Internal Communications</td><td>2</td></tr><tr><td>Legal</td><td>10.9</td></tr><tr><td>Overall Total</td><td>65.9</td></tr><tr><td>Overall Total (Excluding non Resource ABS Placements)</td><td>48.9</td></tr><tr><td colspan="2"></td></tr><tr><td>Agency</td><td>60.9</td></tr><tr><td>Consultant / Contractor</td><td>5</td></tr></table> <p>Scrutiny Officer has discussed this with the Chair of Place Scrutiny, who will now speak to the Chair of Resources Scrutiny. This was also discussed at the 30 /01/17 Planning Meeting. Members have agreed to discuss this amongst themselves and report back on how they wish to proceed with this.</p>	Agency / Contractor / Consultants for Period 8		Area	FTE	ABS	20	Finance	6	Human Resources	3	ICT: Commissioning & Information	0	ICT: Delivery	21	ICT: Digital Transformation	3	Internal Communications	2	Legal	10.9	Overall Total	65.9	Overall Total (Excluding non Resource ABS Placements)	48.9			Agency	60.9	Consultant / Contractor	5
		Agency / Contractor / Consultants for Period 8																																
Area	FTE																																	
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Finance	6																																	
Human Resources	3																																	
ICT: Commissioning & Information	0																																	
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		Income Generation: Members to feed further ideas and suggestions through OSM or direct to the	Members	For Members to note																														

Please Note: Items marked as complete will be removed from the Action Tracker before the next meeting

Agenda Item	Title of Report/ Description	Action required and deadline	Responsible officer	Action taken and date completed
		Service Director Finance or the Interim Strategic Director Resources. Members IT: it was noted that Members should return any ICT equipment that was not being used as these may have licence fees attached.	Members	For Members to note
Page 21	Quarter 2 Performance Report for Resources Directorate	Officers to provide a chart of all income for ease of comparison and some analysis of key indicators which identified chargeable and non-chargeable hours and how these were being used efficiently to generate income.	Shahzia Daya / Nancy Rowlandson	This information will be provided to Members when included in the Q3 Performance Report due in March

Debt Collection - Responses

Action 1

Housing benefits overpayments: is there anything that could be done to reduce the benefits overpayments outstanding.
Could resource be deployed to address this? Officers to look into this and provide a response.

Collection of housing benefit overpayments (HBOP) is split between the benefits and revenues services, with the revenues service collecting HBOP where the citizen is no longer in receipt of housing benefit. The recovery environment is challenging with small arrangements over extended periods being the norm.

Recent FERIS (Fraud and Error Reduction Incentive Scheme) funding from the DWP has allowed additional resource to be allocated to both HBOP identification and also recovery and a new (temporary) member of staff will be joining on 30 Jan. Guidance from the DWP following a visit from the Performance Delivery Team suggested an increase in the minimum payment levels (to £11.10 per week) for HBOP debts from the previous minimum level

Please Note: Items marked as complete will be removed from the Action Tracker before the next meeting

(£3.70 per week). This increase is being implemented with effect from the end of January for both deductions from ongoing entitlement and arrangements. The increasing use of direct earnings attachments will also lead to an increase in the level of HBOP recovery.

If additional trained resource was resource was available this could bring about better targeted interventions on live HB cases potentially reducing the amount of overpayments, plus further checking could also increase validation and possible reduction overpayments create / recovered.

Action 2

Members asked for additional detail within the council tax domestic rate and non-domestic rate annual debts to confirm the proportion covered by direct debit payments.

Council Tax

The collectible debit for 2016/17 after discounts and exemption was £212m. As at 4 December 2016 £175m had been paid of which £132m was collected by direct debit and a further £43m collected via payments made online / bank transfer / cash.

The number of domestic properties at annual billing was 197,420. Of these, 105,000 (53.2%) council tax payers pay monthly instalments by direct debit and that value for 2016/17 is anticipated to be £152m.

Recovery documents issued between 1 April 2016 and 4 December 2016 were:

Reminder:	37,000 - value £14.3m (current year and previous years)
Second Reminder:	6,000 - value £1.4m (current year and previous years)
Final Notice:	1,500 - value £800k (current year and previous years)
Summons:	12,321 - value £11.4m (current year and previous years)

At 4 December 2016 there remained £5.97m current year summonsed debt outstanding.

Business Rates

The collectible debit for 2016/17 after reliefs and exemptions was £221m. As at 4 December £192m had been paid; £104m collected by direct debit and a further £88m collected by BACS / cash / online.

The number of commercial properties at annual billing was 15,500. Of these 6,400 (41.3%) business rates accounts pay monthly instalments by direct debit and that value for 2016/17 is anticipated to be £120.8m.

Please Note: Items marked as complete will be removed from the Action Tracker before the next meeting

Recovery documents issued 1 April 2016 to 4 December 2016 were:

Reminder: 6,025 - value £13m (current year and previous years)

Summons: 2,153 - value £15m (current year and previous years)

At 4 December there remained £2.25m current year summonsed debt outstanding.

Action 3

Officers gave a summary of the debt collection process which was laid out in regulation for local taxation. It was noted that the cost of collection was added to the original debt. Officers also confirmed that the Department for Work and Pensions (DWP) FERIS (Fraud and Error Reduction Incentive) scheme funding to local authorities has enabled the Council to identify housing benefit overpayments at an earlier date. Officers to provide more information.

FERIS (Fraud and Error Reduction Incentive)

The DWP FERIS initiative which began in April 2015, allows an authority to bid for monies on an annual basis (up to a ceiling amount) and if then successful use these monies to set up initiatives to look at tackling further tackle Fraud and Error in their Housing Benefit (HB) caseload.

The DWP will then look to further financially reward local authorities who further tackle Fraud and Error by reducing HB expenditure, via a Performance Improvement Fund (PIF) where it can be demonstrated that HB expenditure has been reduced based on certain baselines and further percentage reductions. For Bristol these successful bids have been used to pay for additional resource to look at risk based reviews and campaigns of existing claimants plus additional overpayment recovery staff (c£100k).

The potential rewards of the scheme mean an authority can receive an additional of up 2.5% of its administrative grant each quarter (i.e.c£270k per year), but despite annual reviews of the scheme the targets are very stretching meaning Bristol has only received one quarterly reward of £18,918

Overpayments and Subsidy

The amount of Housing Benefit that authorities can claims back via the subsidy regime from the Department for Works and Pension (DWP) depends on mainly on the cause of the overpayment, i.e. claimant or local authority error and the total amounts created in these respective areas.

For those HB overpayments that are 'claimant error' then there is a flat rate of the authority receiving 40% of any HB expenditure paid out. Therefore if the authority further collects 60% of the total created debt it will 'break even' and if it collects over 60% then gains additional revenue.

For local authority error the subsidy calculations are more complex meaning that authority may receive 0%, 40% or 100% dependent on the total amount of overpayments raised in this area against the total amount of HB expenditure. For most years Bristol City Council has managed to claim the 100% amount, although for 2014/15 following a DWP qualification it received 0%.

Please Note: Items marked as complete will be removed from the Action Tracker before the next meeting

Action 4

Officers to circulate a draft copy of the Fair Debt policy to Members.

Please see the attached document.

Action 5

Officers to provide an indication of the sources which make up the Sundry debtors £122m figure as it would be helpful to understand how much included social care costs, how much was normal trading debtors and how much was one-off or exceptional items.

The Finance Operations Manager has provided a breakdown of the annual charges raised via ABW as sundry debts as follows:

Social Care costs	£ 40,791,075
One-off / Exceptions	£ 4,839,548
Normal Trading	£ 76,697,548
Total	£122,328,148

Action 6

Officers to report to Scrutiny when next steps are known, after the business case has been presented to the mayor.

The business case for both the in house enforcement proposal and collective debt are yet to be presented to the Mayor. In House Enforcement has been worked up with colleagues in Finance to show the anticipated potential net income stream and will be considered by DLT. The first step of the collective debt proposal is with colleagues in Finance to implement and will result in the transfer of some work to the debt management team within Revenues with a view to increasing collection.

Please Note: Items marked as complete will be removed from the Action Tracker before the next meeting

BRISTOL CITY COUNCIL

CORPORATE DEBT

POLICY



Summary of policy:

This policy details the principles to be adopted by the Council when undertaking the collection of debt from both citizens and businesses.

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FAIR DEBT COLLECTION CHARTER

Bristol City Council will collect debt fairly and impartially and with regard to the social welfare of our customers.

Communication

The Council will:

- Send documents in a format that is clear and easy to understand.
- Ensure that all written communications use appropriate language and that plain English is the standard.
- Ensure consistency of approach and high standards of service across all departments when dealing with customers.
- Make it easy for customers to contact us when having difficulty paying Council debts.
- Be “preventative” by offering a wide range of payment options.
- Strive to improve contact with customers by coordinating publicity and marketing campaigns and promoting advice and support services.

Fairness

The Council will:

- Apply common repayment and debt management principles to all the debts that it has to collect; giving regard to the relevant legislation that governs the recovery of each type of debt.
- Apply common considerations and principles across all Council departments when assessing the customers circumstances and ability to pay
- Recover debts by agreed arrangements that are realistic and sustainable or, where possible, by attachment to earnings or benefits in preference to the use of external agents.
- Recognise that households dependent on means tested income replacement benefits and / or with multiple debt problems may face particular problems and need extended repayment periods.
- Endeavour, where multiple debts are owed to the Council, to agree payment arrangements on the principles of preventing further debt whilst allowing all debts to be repaid. In practice this may mean ensuring that current liabilities are maintained whilst a sustainable amount is paid towards clearing other debts.

- Work in partnership with local advice agencies and signpost customers to advice and support agencies available to them.
- Ensure that both internal recovery officers and external agents contracted to the Council, work to the agreed Code of Conduct. This is available on the Council's website at www.bristol.gov.uk/xxxxxxxxxx.

The Council expects customers to:

- Notify the Council of any changes in circumstances as soon as possible.
- Take responsibility for their debts and to seek advice from the Council or an independent advice agency when experiencing financial difficulties.
- Contact the Council early on when experiencing difficulties in making payments.
- Make realistic and affordable payment arrangements in respect of their debts and avoid additional costs by making early contact and maintaining payment arrangements.
- Claim any discounts, exemptions or benefits to which they are entitled at the appropriate time.

Your views and making a complaint

Bristol City Council is committed to providing high-quality services to all our customers. We welcome and value your feedback so that we can improve the services we provide to you. We take all forms of feedback seriously and will use the information to monitor our performance and adapt our services to meet your needs. Further details on how to do this is available on the Council's website (www.bristol.gov.uk/xxxxxxxxxx).

POLICY SUMMARY

INTRODUCTION

The Policy has been developed to help meet the Council's Corporate Plan priorities and is also part of a response to Central Government's agenda to provide solutions that have prevention and intervention as key drivers for public service delivery to local people. The documents that have contributed to the formulation of this strategy are included in the references.

The Corporate Debt Policy covers all Council Departments including Rents, Revenues & Benefits and Shared Transactional Services (Debtors). Partner agencies include WRaMAS (Welfare Rights and Money Advice Service), the Equalities Department of the Council as well as Bristol Credit Union and the BCC commissioned advice agencies, and includes the following organisations:

- Bristol Citizens Advice Bureau
- Bristol Debt Advice Centre
- North Bristol Advice Centre
- St. Paul's Advice Centre
- South Bristol Advice Services
- Avon & Bristol Law Centre

The policy is in two parts covering:

- Part 1: Objectives
- Part 2: Scope and operation

PART 1: OBJECTIVES OF THE POLICY

1.1 Purpose – Why have a “Corporate Debt” policy?

Bristol City Council is required to collect monies from both its citizens and businesses for a variety of reasons. It is inevitable that the Council will be required to pursue the recovery of arrears from both individuals and businesses that may experience difficulty in paying. An agreed policy of how the Council manages and collects debts is key in ensuring consistency and best practice for customers and the organisation.

The Corporate Debt Policy identifies where responsibility for collection of different debts lie, and sets out the principles and standards in relation to contact, recovery process, repayments and benefit / money advice. Included in the policy is the provision of support mechanisms and practices to all customers. It details the approach to collecting debt in Bristol and also provides practical help, advice and support in the management of multiple debts owed to the Council.

The policy sets the framework for a consistent and sensitive approach to collecting debt whilst at the same time ensuring that the Council continues to maximise income collection and arrears recovery performance.

This policy will cover all debts owed to the Council including:

- Council Tax
- Rents, both housing and others, e.g. garages, commercial, sub account and former tenancy debts.
- Benefit overpayments
- Business Rates
- General debtors, e.g. unpaid fees and charges
- Legal costs

Appendix A summarises the types and priority of debt covered by this policy.

1.2 How is it to be used?

We will take practical steps to:

- Raise awareness of debt with customers and clearly identify how much / how it has occurred and raise awareness of the implications of non-payment
- Use the full range of collection and recovery methods as appropriate if debts are not paid. The policy does not prejudice any legal action that the Council may wish to take.
- Promote ways to pay and the help and support that is available to customers.
- Apply this policy to all departments and provide the same level of service at the initial enquiry stage. However, each department will apply its' own procedures and processes in recovery of the debt.

1.3 Policy Objectives – What are we trying to do?

We are trying to:

- Maximise income for the Council, including rent income due to the Housing Revenue Account for Council houses, to ensure that all Council Tax and rent payers' interests are protected.
- Achieve an equitable share of income available to pay across all Council debts.
- Achieve efficiency savings by identifying solutions for customers on debt issues at the first point of contact.
- Be fair but firm.
- Be “preventative” by, for example, offering a wide range of convenient payment options and advice, such as budgeting, managing money and dealing with debt.
- Help, where possible, to maximise customer's income and increase their ability to pay.
- Advise customers of advice and support agencies available to them and encourage self help
- Ensure consistency of approach and high standards of service when dealing with customers.
- Share knowledge, information and expertise across the Council and other agencies whilst striving to comply with legislation such as the Data Protection Act etc.
- Apply best practice in relation to debt collection

1.4 Contact with customers

We will:

- Encourage customers to make early contact in respect of debt related matters.
- Use plain English in written letters and documents.
- Coordinate publicity and marketing campaigns across the Council.
- Promote advice and support services.
- Provide communication assistance where appropriate e.g. translation/interpreting services

1.5 What does it cover?

The policy covers the following:

- 2.1 - How ability to pay is assessed
- 2.2 - What service customer's will receive
- 2.3 - Communicating relevant information
- 2.4 - How information is shared
- 2.5 - How people can access advice and support
- 2.6 - Excluded debts
- 2.7 - How we will deal with irrecoverable debts
- 2.8 - Corporate approach for dealing with customer credits and refunds
- 2.9 - The Council's "Fair Comment" complaints procedure
- 2.10 - How the Council uses Collection and other Agencies
- 2.11 - How the Council will conduct Personal Visits
- 2.12 - Serious arrears.
- 2.13 - Arrangements for policy review and impact monitoring

PART 2: SCOPE OF THE POLICY

2.1 Assessment of ability to pay

Guidelines for repayment and arrangements

These guidelines have been produced to encourage consideration of all aspects of a customer's situation when making arrangements to pay debts, to ensure that the best advice is given to customers at the appropriate time. This will include making referrals to other agencies for money and / or debt advice. Where the assessment of benefits is taking place appropriate delays in the recovery process should be allowed.

An arrangement to pay a debt, should take into account circumstances that may make someone vulnerable. Vulnerable customers are defined as those who need, or may need, additional care or floating support services to live independently. The Council takes a broad view of vulnerability and recognises that vulnerability is not necessarily permanent. We aim to identify people who are, or who may later become, vulnerable. We recognise that this classification does not necessarily mean that a customer will always or ever need support and that many vulnerable people will have multiple needs and fall under a number of groups. Staff will have a flexible approach to vulnerability that is able to respond to the issues presented by a customer, and attempt to identify vulnerability in debtors even when the debtor does not express their situation in those terms.

Examples of vulnerable groups could include:

Disabled people, those with drug and alcohol problems, offenders, ex-offenders and people at risk of offending, those with a recent history of homelessness and / or sleeping rough, people fleeing domestic violence and/ or harassment, teenage parents, refugees, gypsy / travellers, young people leaving care or have previously been in care, older people with support needs, young people with support needs.

When discussing payment arrangements, debts owed to other Council departments, e.g. Rent, Local Tax, Benefit, and Debtors must be taken into account. In particular:

- Direct recovery from benefits should be prioritised (where possible), rather than passing cases to collection agencies or enforcement agents.

- Repayment arrangements must be affordable, based on reasonable and realistic amounts, acknowledging other priority payments and / or debts and supported by a financial statement from a debt advice agency where applicable. Financial statements are not mandatory where the customer has been confirmed as in receipt of a means-tested benefit.
- Additional costs for the debtor should be kept to a minimum, by holding court action as long as possible wherever possible, especially where the customer is actively engaging with a debt advice agency in respect of their financial position. Consideration should be given to removing any additional costs incurred if the customer is in receipt of a means tested benefit and has engaged with the process throughout.
- Whilst an offer of payment is being considered, customers with multiple debts to the Council are expected to make and maintain regular payments that are at least equivalent to the current minimum deduction levels from means tested benefit. For those on means tested income replacement benefits (income support, income based JSA, income based ESA and pension credit (guarantee) the maximum weekly repayments for all Council debts should not normally exceed twice the recovery rate from means tested income replacement benefits set by the Department for Work and Pensions. For those on other means tested benefits (working tax credits housing benefit or council tax benefit) weekly repayments should not normally exceed four times the maximum DWP recovery rate.
- The maximum levels for formal arrangements should not prevent customers from making higher payments where circumstances allow. When assessing ability to pay any available savings will be taken into account.

After considering the options above, you should also refer to your own Departmental Codes of Practice for debt resolution.

2.2 What services will customers receive?

Once a customer has made contact it is imperative that he / she is referred on to the most appropriate source of debt management support.

On initial contact with Bristol City Council customers will be informed of the options available to manage their debt(s) and of the relevant service provider. Where appropriate, customers will be informed of debt advice and support services available to them outside the Council.

Customers presenting with a single debt will be able to make a payment or where the debt cannot be cleared, a realistic agreement to pay via the first point of contact or relevant Council Department.

Those who have multiple arrears will be advised to seek, or be signposted to, independent debt advice. We will also advise customers to visit the Advice West website for further information.

Customers presenting with multiple debts need to know that there is a solution to their debt problems and should be actively encouraged to share with staff information on all monies owed and issues affecting their ability to pay in order for the most appropriate referral to be made.

The Policy does not promote a “one size fits all” approach, but rather looks to work with the customer to take agreed steps to help address multiple debts. The response to debt management will vary, as different solutions are needed to address the far ranging complexity of some multiple debt cases.

Alongside the debt owed to the Council, the policy will enable customers to receive help, advice and support in reaching realistic payments to other creditors including Her Majesty’s Court Service (in respect of fines), utilities, credit companies and mobile phone suppliers through the use of targeted debt advice.

Where practicable, we will also require our partners to ensure the same level of service is provided and encourage other agencies to mirror our approach to diversity and inclusion issues.

2.3 Information

In addition to detailing the amount payable and a description of the charge, the Council will include the following information on all requests for payment.

- (a) The payment options available.
- (b) A contact telephone number for queries in relation to the accuracy of the account.

(c) A contact telephone number for discussing payment arrangements where the customer has difficulty in paying the amount requested on the account.

Wherever possible the contact telephone number in (b) and (c) will be the same.

Where it is necessary to issue recovery documentation (e.g. a reminder or summons) following non payment of an initial account, or failure of an instalment arrangement, then the Council will also include the information detailed above.

The structures, points of contact, linkages, communication and information sharing protocols will be developed and shared with service providers and customers. The Council will wherever possible provide information to meet specific communication needs and take account of diversity and exclusion issues. In meeting individual needs the Council will, where practical, ensure that individual preferences are documented so that ongoing and future correspondence can be delivered in the preferred format. This includes using accredited language translators / interpreters (such as Big Word) to assist persons whose first language is not English and BSL interpreters for those who are deaf.

Where appropriate, documentation will advise customers where to get help and advice about benefits and debt problems. This will normally include information about the local money & debt advice agencies, Bristol Credit Union and any other relevant key partners.

We will ensure that all written communications uses language appropriate to the intended recipient and that plain English is the standard wherever possible. We will explain complex terminology when it is required to be used by law. All documents will be issued in a timely manner, in accordance with statutory deadlines where appropriate and will explain the legal options open to the Council to collect debts in a factual manner, taking into account the current recovery stage of the case.

Staff in personal contact with customers (e.g. in the Customer Service Points or Customer Service Centre (CSP/CSC) will signpost them towards advice on benefits and debt matters appropriate to their needs usually provided by the Corporate debt policy partners.

2.4 Sharing Information

All computer systems used by the Council to bill and recover monies will satisfy statutory requirements and support the full range of recovery options. All staff involved in the collection and recovery of accounts will be given training appropriate to their function.

To ensure success of this policy and ensure consistency of approach, it is necessary to establish effective working practices and liaison arrangements across Council Departments, statutory and voluntary agencies, and all service providers when dealing with multiple debts. Subject to the Data Protection Act, access to debtors' information contained on different systems will be shared internally so that an individual's full indebtedness can be established and properly dealt with.

2.5 How people can access advice and support

The Council will promote the Advice West and Money Advice Service websites as well as directing customers to appropriate independent debt advice agencies. If considered appropriate the Council may directly refer customers to an independent debt advice agency.

2.6 What is excluded?

Penalty Charge Notices (parking contraventions)

Penalty Charge Notices, pre county court charge registration, are excluded from the policy's arrangement to pay process. Only post charge registration cases may be considered in any arrangement process, providing severe financial hardship is identified as a result of the parking debt adding to other Council debts. Such consideration would normally be through partner advice agencies or the multiple debt referral process.

Penalty Charge Notices that have accrued due to non-payment or multiple tickets, where there are no other council debts, are not included in the Corporate Debt Policy. However, in cases of financial hardship it may be possible to offer arrangements to discharge the debt over a period of six months or less.

2.7 Irrecoverable Debts

The Council recognises that not all debts are collectable and therefore it will be appropriate in certain circumstances to classify debts as irrecoverable, where pre determined criteria are met.

The Council has guidelines / policies in place which detail the criteria and action taken prior to an account being written-off. This will include a common approach to dealing with debt relief orders, bankruptcy and administration orders. It is also recognised that accounts below a certain value will be uneconomic to collect.

2.8 Credits

Bristol City Council has a corporate approach to refunding credits, and where possible, checks are made for other outstanding debts in respect of the customer, prior to a refund being made.

There is no specific case law or authority relating to the transferring of credits between departments. Where no “relationship” exists between a credit and a debt, other than it is held by the same local authority, the general practice should be to give notice to the customer that it is the intention to offset a credit owing to one department of the Council to another, unless it is confirmed that arrangements have been made to repay the debt with the relevant department. There should be no intention to cause undue financial hardship by withholding any credit nor should credits be used to offset any future liabilities. If the customer disputes the Council has a right to offset a credit against a debt, the matter should be referred to the appropriate manager / department who hold the credit for advice

Other credit refunds, for example compulsory purchase compensation and home loss payments will be included in this policy approach.

2.9 Complaints

The Council will endeavour to resolve problems in relation to debt collection at an early stage, in an informal manner.

Where this is not possible, customers are advised of the Corporate “Fair Comment” complaints procedure, should they wish to take the matter further.

2.10 How the Council uses Collection and other Agencies

The Council will ensure that collection and other agencies adhere to the code of conduct specified by the Council.

For collection agents (enforcement agents) this includes mandatory corporate membership of both the Enforcement Services Association of England and Wales and the Association of Civil Enforcement Agencies. The company must also be regulated by the Financial Services Authority or related statutory or regulatory body.

2.11 How the Council will conduct Personal Visits

The Council will only make visits to customer's homes between the hours of 07:30 and 20:00, unless otherwise arranged with the customer. All Council staff will carry identification that will be produced on demand.

Staff will not enter a property where a minor is the only occupant or where they feel that the person with whom they are speaking could be considered vulnerable as defined in section 2.1 above.

2.12 Serious Arrears

There are procedures that are to be used by staff when dealing with customers with serious arrears. Serious arrears can be defined in a number of ways but in general terms relate to those citizens who have significant high value multiple arrears. Citizens who fall into this category will be offered the opportunity to receive independent debt advice.

The Council will endeavour to minimise the use of eviction or bankruptcy proceedings wherever possible and encourage customers to take independent debt advice.

2.13 Policy review and monitoring

The Corporate Debt Policy and its effectiveness will be monitored. This will be carried out by **xxxxxxxxxxxxxx**, which will meet quarterly to discuss any problems and issues that have resulted from the policy.

The Corporate Debt Policy will be reviewed annually. This will enable it to be updated where necessary and take account of changes in legislation, best practice and innovation.

New approaches and ways of working will inevitably be introduced and the Corporate Debt Policy will need to be adapted to take these into account.

It is hoped that you find this document useful however if you have any observations or comments please feedback via email to corporate.debt@bristol.gov.uk.

APPENDIX A: DEBT TYPES

Priority Debt

There are many types of debt, but those considered as “priority” debts are those debts owed to creditors who can take the strongest legal action against an individual who does not pay.

It isn't the size of a debt that makes it priority but what creditors can do to recover their money.

Individuals are not always aware of the consequences of failure to pay or creditor' or their own rights.

The procedures supporting this policy would ensure customer awareness of what priority debts are.

The Policy identified the following as equal priority debts:

- Rent arrears – as it can result in eviction
- Mortgage arrears – as they can result in repossession
- Council Tax and Business Rates – as they can result in enforcement agent action, deductions from earnings / benefits, bankruptcy or imprisonment
- Other secured loans – as they can result in the loss of a home

Other priority debts:

- Fuel debts – as they can result in disconnection
- Income Tax and VAT – as they can result in bankruptcy or imprisonment
- County Court Judgements - as they can result in enforcement agent action, Attachment of Earnings, charging order or bankruptcy
- Fines or Compensation / Costs Orders – as they can result in imprisonment
- Hire purchase – will be considered essential if, for example it is for the purchase of a car needed to get the owner to work.
- Business Rates – as it can result in enforcement agent action, bankruptcy or imprisonment
- Benefit overpayments – as it can result in deductions from on-going housing benefit, or direct deductions from benefits or earnings
- Maintenance or child support – as it can result in enforcement agent action or imprisonment
- Penalty Charge Notices (parking contraventions)- can result in enforcement agent action

- Water / Sewerage charges – as they are an on-going annual charge for an essential service

The following are considered non-priority debts:

- Credit / store cards
- Unsecured personal loans or bank overdrafts
- Credit / interest free / hire purchase agreements
- Catalogue debts
- Doorstep loans
- Money borrowed from family and friends.

APPENDIX B: REFERENCES

This policy document draws on best practice and Audit Commission guidance contained in the national report “Local Authority Housing Rent Income”. Other sources of information used include:

- Lord Chancellors’ paper Can’t Pay, Won’t Pay, 2003
www.bristol.ac.uk/geography/research/pfrc/themes/credit-debt/pfrc0307.pdf
- Effective Enforcement white paper by the Lord Chancellor’s Department in 2003
webarchive.nationalarchives.gov.uk/+/http://www.dca.gov.uk/Enforcement/wp/index.htm
- Citizen’s Advice Bureau’s key tips for dealing with debt
www.adviceguide.org.uk
- National Debt Line Advice to public
www.nationaldebtline.co.uk
- Improving the effectiveness of Rent Arrears Management – ODPM2005
www.communities.gov.uk/publications/housing/improving
- Key Lines of Enquiry, Rent Income Excellence network briefings.
www.rien.org.uk
- Citizens Advice and the Local Government Association (LGA) - Council Tax arrears - good practice and protocol 2010
www.citizensadvice.org.uk
- Local Government Ombudsmen report Can’t pay, Won’t pay October 2011
www.lgo.org.uk/news/2011/oct/focus-report-bankruptcy/

Resources Scrutiny Commission

20th February 2017



Report of: Anna Klonowski, Interim Strategic Director of Business Change

Title: Scrutiny Work Programme

Ward: n/a

Officer Presenting Report: Johanna Holmes, Policy Advisor - Scrutiny

Contact Telephone Number: 0117 9036898

Recommendation

That Members note the Work Programme.

Summary

The report provides details of forthcoming topics for Scrutiny, which were selected by Members in September 16.

The significant issues in the report are:

The Resources Scrutiny Commission section of the Work Programme

People Scrutiny Work Programme Items	Neighbourhoods Scrutiny Work Programme Items	Place Scrutiny Work Programme Items	Business Change & Resources Scrutiny Work Programme Items	Overview & Scrutiny Management Board Work Programme Items
September 2016				
Performance monitoring	Annual Report from Director of Public Health Suggested methodology: Report to meeting (People commission invited to attend)	Local Flood Risk Management Strategy Suggested Methodology: report to meeting	Q1 Finance Monitoring for Business Change	Audit Referral re Public Engagement
Risk Register	Sexual Health Re-procurement (People commission invited to attend)	Residents Parking Schemes	Q1 Performance Report for Business Change	Cabinet Referral re the Elimination of the Gender and Race Pay Gap
BCC Adult Social Care Strategic Plan	Mental Health & Neighbourhoods (already agreed by Chair)	Q1 Performance Report	Business Change Directorate Risk Register	BCC International Strategy (Place)
Children Services Improvement Plan Year 2	Risk Register		Quarterly Update re Outcomes of Legal Cases (will be part of performance report) - TBC	Mayor's Response re Cabinet Referral - Budget Timetable and Mayor's Forward Plan
Bristol's Strategy for Children, Young People and Families & Children and Family Partnership work programme (N'ds Commission invited to attend)	NPs positioning briefing (no paper or dem services deadlines) to determine dates and format of further NP scrutiny through the municipal year			Scrutiny Work Programme - standing item
				Mayor's Forward Plan – standing item
				Scrutiny Resolution and Full Council Motion Tracker – standing item
				Protocol for dealing with exempt items
				Delivering the Corporate Plan – Outturn Performance Report for 2015/16
				Performance Indicators – Agreeing the best approach
				Q1 Financial Monitor

People Scrutiny Work Programme Items	Neighbourhoods Scrutiny Work Programme Items	Place Scrutiny Work Programme Items	Business Change & Resources Scrutiny Work Programme Items	Overview & Scrutiny Management Board Work Programme Items
October 2016				
The draft Corporate Strategy 2017-2022, Business Plan 2017/18 and Medium Term Financial Plan 2017/18 – 2021/22 (1 of 2)	The draft Corporate Strategy 2017-2022, Business Plan 2017/18 and Medium Term Financial Plan 2017/18 – 2021/22	The draft Corporate Strategy 2017-2022, Business Plan 2017/18 and Medium Term Financial Plan 2017/18 – 2021/22	The draft Corporate Strategy 2017-2022, Business Plan 2017/18 and Medium Term Financial Plan 2017/18 – 2021/22	
Models of Health and Social Care a) Better Care, b) Three tier model (to be preceded by an informal briefing regarding good practice in involving disabled people in service design and evaluation and co-production).	Budget Analysis for Neighbourhoods	Public Transport Information Strategy	Up-date: - Member's ICT Issues	
Re-commissioning Bristol Youth Links	Playing Pitch Strategy	Resilience Strategy		
	Herbicide Safe Alliance			
	Young People's Housing Pathway Plan			
November 2016				
The draft Corporate Strategy 2017-2022, Business Plan 2017/18 and Medium Term Financial Plan 2017/18 – 2021/22 (2 of 2)	Housing Delivery - positioning update paper	Joint Spatial Plan (WoE Joint Scrutiny)	Business Change Finance Information (extracted from Cabinet Report)	The draft Corporate Strategy 2017-2022, Business Plan 2017/18 and Medium Term Financial Plan 2017/18 – 2021/22
Annual Safeguarding Adult's Report	Libraries of the Future – update to Scrutiny	Joint Transport Study (WoE Joint Scrutiny)	In-depth Review: Bristol Workplace Programme (BWP). - To include up-date on Romney House Situation	Mayor's Forward Plan – standing item
Corporate Parenting Panel Annual report	Urban Parishes (information item)	Up-date on previous Transport Inquiry Day Recommendations	BCC Procurement - up-date	Scrutiny Resolution and Full Council Action Tracker – standing item
Annual Safeguarding Children's Report		MetroBus (WoE Joint Scrutiny)		Scrutiny Work Programme - to approve the outcomes from the workshop
Bristol as City of Sanctuary and Supporting refugees and asylum		Supported Bus Services		Democratic Engagement

People Scrutiny Work Programme Items	Neighbourhoods Scrutiny Work Programme Items	Place Scrutiny Work Programme Items	Business Change & Resources Scrutiny Work Programme Items	Overview & Scrutiny Management Board Work Programme Items
seekers, including unaccompanied minors / care leavers				
Home Care update		Cabinet Member Q&A Session		Preparing for Future Devolution Deals
23rd Nov - Meeting in common with South Gloucestershire Health Scrutiny Committee to receive an update on the University Hospitals Bristol response to the Verita Independent Report.				
December 2016				
Briefing workshop (ahead of Feb Inquiry Day) School places and admissions, to include information on exclusions and the Integrated Education and Capital Strategy (All Councillors invited to attend)	**No Neighbourhoods meeting in December**	Q2 Performance Monitoring	Business Change Finance Information (extracted from Cabinet Report) - to include ICT Spending Pressure	Budget Scrutiny
		Directorate Risk Register	Q2 Performance Report for Business Change. To include - Quarterly Update of Outcomes of Legal Cases	Democratic Engagement Select Committee Terms of Reference
1st December – Meeting in common with South Gloucestershire Health Scrutiny Committee and North Somerset Health Committee: Bristol, North Somerset and South Gloucestershire Sustainability and Transformation Plan (STP) (Neighbourhoods Scrutiny Councillors invited to attend)		Update on the Council's property portfolio	Debt Collection – what is/isn't being collected	Mayor's Forward Plan – standing item
		Cabinet Member for Place - Q&A Session		Scrutiny Work Programme - standing item
		Place Financial Monitoring -		Scrutiny Resolution and Full

People Scrutiny Work Programme Items	Neighbourhoods Scrutiny Work Programme Items	Place Scrutiny Work Programme Items	Business Change & Resources Scrutiny Work Programme Items	Overview & Scrutiny Management Board Work Programme Items
		Period 6 (extracted from Cabinet Report)		Council Action Tracker – standing item
January 2017 – Note two OSM Meetings (5th and 19th)				
Update on the Crisis Line	Neighbourhood Partnerships	<i>Meeting Cancelled</i>	<i>Meeting Cancelled</i>	5 th Jan - Companies' Business Plans (to include exempt information)
Annual Education Performance – All Key Stages	Review of the Housing Revenue Account Business Plan			19th Jan - Budget Scrutiny – to consider and endorse the draft response to Cabinet
Performance monitoring Q2	Voluntary and Community Sector			
Commissioning approach	Supermarkets dealing with waste - update on current position			
Page 48	Finance Update (to include the context of Actions and Objectives set out for Neighbourhoods in the Corporate Strategy and Business Plan)			
	Performance Information - Q2			

February 2017				
3rd Feb – Inquiry Day School place planning and school admission arrangements (all Cllrs invited to attend)	Review of Parks - positioning statement	Air Quality (N'ds SC invited to attend)	Business Change Finance Information (P8 extracted from Cabinet Report) - to include ICT Spending Pressure	Elimination of the Gender and Race Pay Gap
27th Feb Meeting in common with South Gloucestershire Health Scrutiny Committee to receive an update on the University Hospitals Bristol response to the Independent Review of Children's Cardiac Services in Bristol and a Review of pre-	Local Housing Company Strategic Business Case	Cultural Strategy - Plus up-date on the Dec 15 Culture Inquiry Day Recommendations	Procurement & Social Value Policy – Up-date	Feedback Regarding Budget Process

operative, perioperative and postoperative care in cardiac surgical services.				
	Bristol Waste Company	Cabinet Member Q&A Session (Cllr Tincknell)	Channel Shift	Scrutiny Structures and Ways of Working
	Budget Issues (to include an assessment of the impact of budget decisions on Neighbourhoods)	Community Assets - Overview		Scrutiny Resolution and Full Council Action Tracker – standing item
	Neighbourhood Partnerships – update from member working group			Inquiry Day Recommendation Tracker
				Scrutiny Work Programme - standing item
				Mayor's Forward Plan – standing item

March 2017

Performance monitoring Q3	Performance Information - Q3	Climate Change and Energy Security Framework	Resources Finance Information (extracted from Cabinet Report) - to include ICT Spending Pressure	Green Capital - maintaining the momentum – presentation and discussion (Place Scrutiny)
Risk Register	Risk Register	Energy Services	Q3 Performance Report for Resources – Quarterly Update re Outcomes of Legal Cases	Scrutiny Resolution and Full Council Action Tracker – standing item
Mental health working group action plan updated (Neighbourhoods Scrutiny Cllrs invited to attend)	Finance Update	Warm Up Bristol	Resources Directorate Risk Register	Financial Monitor
Home Care Update	Local Council Tax Reduction Scheme	ELENA Programme Update	Legal Services – business model	Update from the Devo Working Group
The use of Police custody as a place of safety	Trial of Glyphosate -Free Weed Treatment - Report back	Heat Networks		Mayor's Forward Plan – standing item
Provision of mental health Services (including provision of beds and maternal beds)	(provisional) Tree Services			Scrutiny Work Programme - standing item

<p><i>The following items have been referred to the Neighbourhoods Scrutiny Commission</i></p> <ul style="list-style-type: none"> • <i>Update following Mental Health Summit,</i> • <i>Update following Freedom of Mind festival (Young People's Mental Health)</i> 		Performance Monitoring		Process for Dealing with Exempt Material
<i>New meeting date required for the Health and Wellbeing Board work programme – joint with Neighbourhoods</i>				
April 2017				
<div>Page 50</div> - Health Providers - Quality Account reports (meeting in common with South Gloucestershire Council)		Joint Spatial Plan <i>Suggested methodology:</i> report to meeting (WoE Joint scrutiny)		Future of Performance Reporting
- Other health updates (Members to highlight required information)		Joint Transport Study <i>Suggested methodology:</i> report to meeting (WoE Joint scrutiny)		Annual Performance Report (note – provisional item)
		Colston Hall		Financial Monitor
		Arena Update (WoE JS also looking at this)		
		North Fringe and Cribbs Patchway New Neighbourhood		
		Prince Street Bridge Report		
May 2017				
<i>Two meetings in May:</i> <ul style="list-style-type: none"> • <i>1 x People Scrutiny Committee</i> • <i>1 x Joint Health Scrutiny</i> 		Visit to the Bottle Yard Studios and Filwood Green Business Park (TBC)		

Committee				
Education themed meeting				
Learning City Board Work programme				
Update on the Employment and Skills strategy (to include information on work experience)				
SENCO responsibilities, SEND reforms and High Needs funding – the impact on pupils and their learning				
Alternative Learning update report (including information on exclusions)				
Joint Health Scrutiny Committee				
Sustainability and Transformation Plan				
June 2017				
Youth Links re-commissioning update	Performance Information - Q4			Financial Monitor
Children Services Improvement Plan Year 2	Risk Register			
Youth Offending Team update (to include information about CYP in Gangs)	Finance Update			
Items to be scheduled				
Further scrutiny of the Sustainability and Transformation Plan (STP)	Council Tax Reduction Scheme	Long Ashton Park and Ride - Management	Income Generation - review of outcomes following KPMG review	<i>Provisional item</i> – Update (s) from the Future of Devolution Working Group
	Information, Advice and Guidance Review	Property Items Postponed (December) - Revenue Generation and Asset Sales - BCC's strategic principles for management of its	Change Programme (ICT Projects/benefits realisation) (TBC if rescheduled)	<i>Provisional item</i> – Update (s) from the Democratic Engagement Select Committee

		investment property - Community Buildings – is now Community Assets in Feb 17		
	Libraries	Bristol Transport Plan		Outcome of the external review of Bristol City Council's budget – <i>note OSM have requested that the Vice Chair oversees this part of the meeting</i>
	Voluntary Community Sector	City Centre Movement Strategy and City Centre North East Spatial Framework		Outcome of the external review of Green Capital
	Provisional - TBC by Strategic Director - Briefing on Information, Advice and Guidance Review	MetroWest (WoE Joint Scrutiny)		Outcome of the external review of elections (note – report may also be shared with the Democratic Engagement Select Committee)

Resources Scrutiny Commission

20th February 2017



Report of: Patsy Mellor - Service Director Citizen Services

Title: Channel Shift

Ward: Citywide

Officer Presenting Report: Rizwan Tariq – Head of Citizen Services
Nicki Beardmore Interim Director ICT

Contact Telephone Number: 0117 35 25450

Recommendation

1. To note the current approach to channel shift
2. Use available data to manage demand, reduce failure, inform service redesign and serve the remaining customers through digital channels where possible, reducing overall contact as a whole. This report refers to contact received through Citizen Services not corporately

Summary

1. There is evidence of channel shift from telephone and face-to-face to the web.
2. Uptake of web services varies from service to service, dependent on the service offering and functionality. It is the role of the service to adopt Channel Shift priorities with support from ICT and Citizen Services where appropriate
3. Channel shift opportunities detailed outline current opportunities available, further development of channel shift is dependent on BCC adopting and continuing a channel shift strategy



Context

The purpose of this report is to provide an overview of the channels used by citizens to contact the council through Citizen Services. It is not intended to give a corporate view of channel shift or the approach in other areas.

Citizen Services provides citizen contact handling for a large volume of contacts into Bristol City Council but not for all, this report will only focus on contact through Citizen Services as this is where there are mechanisms in place to record volumes and trends.

Citizen Services built a Target Operating Model (TOM) in 2015/16 which recognised it needed to respond and adapt to ensure it continued to improve its customer service offering to citizens. With reducing budgets, the challenge was to improve and automate contact where possible. With the uptake and increasing volume of online services, Citizen Services focussed on delivering excellence digitally, enabling self-service and delivering telephone and face-to-face access to those who needed it.

The key challenge was to maximise the online offering, driving 80% of the contact onto self-service or assisted digital channels by 2017. This was to be supported by a single contact centre with staff enabled to handle all calls through cross-training, citizen face-to-face service points integrated with community hubs and/or libraries where possible. In the interim, by summer 2016, the contact centre would cross-train contact centre staff to increase the number of services they delivered and reducing from 9 silo teams to 4 cross-trained teams.

To achieve this simplified technology for citizen advisors and citizens to use will be required, as well as knowledge management, using the right performance measures and reporting. Automation and integration were seen as cornerstones for this, with end to end processes being delivered digitally as much as possible without requiring intervention.

Achievements to date

Citizen Services was successful in delivering the following interim outcomes:

- 4 cross-teams set up by citizen enquiry type (Housing, Revenues & Benefits, Streets and Protection)
- 100 Temple Street designed around the needs of the citizen
- New performance measures introduced, emphasising first contact resolution and quality of the transaction.
- An increase in digital take up and corresponding reduction in telephone calls to the contact centre for those services that have been partially digitised
 - o Local Tax calls down 17% (2014/15 to 2015/16)
 - o Benefits calls down 24%
 - o Births & Death registration appointment booking calls down 24%
 - o Travel card calls down 13%
- Corresponding increase in website sessions of 18% (2015-2016)

If we want our citizens to engage fully with us in relation to the services they need, then we have to give them the opportunity to do so. In order to achieve a shift to the digital channel is it necessary for this channel not just to enable citizens to do what they can currently do

through face to face or telephone contact but to also provide additional benefits through the digital channel.

Bristol City Council started upon this journey through the change programme, progress was incremental. Across the council, our online digital offer is improving, but it's not the main channel used by citizens. Many of our services have an online presence but little functionality.

From insight, we know Bristol is a connected city; our citizens are well set up to receive digital services:

- 79% of Bristol households have broadband and 92.7% of Bristol Households using the internet regularly.
- Bristol ranks 4th in the UK for average speed (with superfast broadband available to 94% of households)
- 83% of adults go online (98% of 16-34 year olds) (Source – OFCOM)
- 93% of adults have mobile phones of which 71% are smart phone users (Source – OFCOM)
- 52% of traffic to BCC website is via a mobile device (smartphone or tablet)
- Older people and disabled people usage of the intranet is growing year on year with 74% of people aged 65-74 and 71% of disabled people now regular users. (Source ONS report 2016)

We know that many of our citizens want to self-serve. Our website gets 4 million hits per year, and the digital services we've started to make available have been well received.

There has been a shift in the way citizens contact us, the biggest shift over the last year has been from more costly channel types (telephone and face to face) to the web.

Channel	2015/16	2016/2017 (Apr – Oct)
Telephone	78%	71%
Face to Face	15%	13%
Web	6%	16%
Email	1%	Less than 0.5%

Whilst the shift to web is encouraging, the uptake has varied from service to service, with the challenge being to digitise such a vast range of varied services.

Local Tax, Waste Services and Residents Parking have the best offering. Uptake for other services is lower as further investment and development is required to improve the digital offer, by increasing the availability of digital forms and their functionality.

The main success has been where digital services are fully integrated with the back office system so that there is no need for an intervention from staff; the two areas where there is end to end automation are Local Tax and Waste Services. Those services that are fully automated also make a saving as an intervention is not required, although up-front investment is required to enable this along with ongoing maintenance and support. Those services that are partially automated require an advisor to double key into the back office system.

Approach

Delivering excellent digital services doesn't mean excluding those who cannot or will not self-serve, it means we should design for excellent digital assistance. The approach should be in the first instance to use available data to manage demand, reduce failure, inform service redesign and only serve the remaining citizens through digital channels, reducing overall contact as a whole.

Citizen Advisors in the contact centre and face-to-face service points heavily promote the digital channels where citizens are able to self-serve, this in turn creates capacity for them to spend more time with those citizens that are vulnerable or are unable to self-serve.

For those citizens that can, the following approach is used:

Face-to-Face

- Citizen Advisors signpost to those services that are available online.
- Provide assistance to those that are less confident with online services so that they can self-serve next time; continue this approach until they are confident to self-serve independently.
- Help citizens with digital enquiries even if not directly related to the council services, e.g. they will help a citizen set up an email address so that they can not only access council services but also digital services for other providers.

Telephone

- Signpost citizens to services available online especially where the citizen can track the progress online.
- Follow up any signposting with an email with the direct link.
- Removal of telephone numbers from the website.
- Promotion of online channels on telephone messages and social media (Twitter).

Back office / Service areas

- Targeting specific groups through leaflets, awareness and posters etc. where they are able to directly self-serve such as students for council tax.

In addition to promoting digital channels, Citizen Services also look at failure demand on a regular basis; Failure demand is a contact from a Citizen where they did not need to contact the council e.g. Citizens telephoning to find out next bin collection day (this information is readily available via the website). At the end of every call, the contact centre advisor logs the reason for the call, whether it was resolved at the first point of contact and if it the contact from the citizen could have been avoided altogether.

The contact centre team capture this information in a monthly report which is sent to Service Heads for the services delivered through Citizen Services. The contact centre management team also meets with each service area on a quarterly basis to discuss the demand on the service and explore ways of improving processes to reduce the need for the citizen to contact the council.

Next Steps

1. To continue with the current approach to shifting citizens from more costly channels to digital channels.
2. To actively use data to manage demand down, manage demand from failure and inform prioritisation of redesign of services.
3. Where possible, promote online as more digital services are updated.
4. Ensure information, advice and guidance pages on the website are adjusted to reflect seasonal demand and kept updated.

Financial Implications

The cost to serve through digital services is less than traditional channels however there is an investment required to develop, run and maintain all digital channels.

Legal Implications

Not applicable.

Public Sector Equality Duties

5a) 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.

- 5b) The Scrutiny function plays an important part in assisting the Council in meeting its public sector equality duties and ensuring that the views of different communities and members of the public are taken into account in the development and delivery of services. Scrutiny work streams need to ensure that assessments of equalities impacts are an integral part of their work both in terms of scoping topics, gathering evidence and formulating recommendations.

Appendices

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Resources Scrutiny Commission

20th February 2017



Report of: Social Value Advisory Group

Title: Social Value Policy: One year on

Ward: Citywide

Officer Presenting Report: Netta Meadows, Service Director Strategic Commissioning & Commercial Relations

Contact Telephone Number: 0117 90 37744

Recommendation

Resources Scrutiny Commission are asked to receive and comment on the Social Value Policy: One year on report and proposed next steps.

Summary

1. It is a statutory requirement for the Council to implement a policy on Social Value. The Public Services (Social Value) Act 2012 requires public authorities to consider how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area.
2. Bristol City Council adopted a Social Value Policy 1st April 2016.
3. The implementation and impact of the Policy is monitored by a Cross Sector Advisory Group. The group have contributed toward the drafting of this report.
4. The potential for securing additional social value is considered within all of our commissioning and procurement activity.
5. The Social Value Policy supports a breadth of priorities within the Corporate Strategy beyond those traditionally planted within commissioning and procurement.

The significant issue in the report is:

1. The first 6 months reporting indicates we are on track to achieve the targets set within the Policy.
2. Case study examples are provided in areas as diverse as construction, care and support, and back-office services such as provision of agency staff.



EXECUTIVE SUMMARY

1. POLICY

- 1.1. The City Council adopted a Social Value Policy in April 2016, adopting the requirements of the Public Services (Social Value) Act 2012, and placing this in a Bristol context. This Policy had four aims and five objectives.

AIMS

1. To further our sustainable procurement objectives to protect and enhance the environment.
2. To promote the local economy by supporting micro, small and medium sized enterprises and the voluntary and community sector in Bristol to thrive
3. To tackle disadvantage and address inequalities of health, wealth and opportunity in the city
4. To involve local people and organisations in how we meet the needs of local communities through the commissioning cycle.

OBJECTIVES

1. Involve local people and organisations in determining social value outcomes by beginning engagement and/or consultation at the earliest possible opportunity in a commissioning process.
2. Agree proportionate and relevant social value outcomes with the marketplace at pre-procurement stage, and ensure that they are linked to the strategic priorities in the Corporate Plan.
3. Apply a methodology that ensures 10% of the quality element of the price/quality ratio will be allocated to social value, when it is identified in the commissioning process that additional social value outcomes are relevant and appropriate.
4. Spend at least 25% of the Council's total procurement budget with micro, small and medium size businesses, social enterprises and voluntary / community organisations in 2016/17 and be ambitious in our endeavour to improve on this figure.
5. Work with internal staff, the marketplace and communities to improve understanding of social value, our Policy and evaluation methods.

2. OUTCOMES TO DATE

- 2.1. These aims and objectives are being delivered:

1. The Social Value Policy has been used as a tool to improve engagement and consultation in commissioning. Discussion with stakeholders is on-going on how this becomes an embedded feature of practice, rather than something to be implemented as part of the Policy.
2. Social Value-related outcomes have been identified and captured in procurement processes undertaken since the Policy was implemented, for instance the creation of 87 apprentices. See section 26 for more detail.
3. Commissioning plans developed since April 2016 generally allocate 10% of the quality evaluation. The choice of the exact proportion is part of the Commissioning Plan.
4. The proportion of the City Council's total procurement spend with micro, small and medium sized enterprises has risen to 36.95%, of which 15.02% are local (BS1-16), based on interim figures for 6 months. Confidence in the data has also improved.
5. Awareness of Social Value has improved – 56% of suppliers reported in our annual survey that they were aware of the Policy. Training has taken place.

- 2.2. Bristol has developed a reputation for delivering Social Value, and has been identified, by external evaluation, as an ‘embracer’ of Social Value¹, along with 14% of local authorities in England.

3. NEXT STEPS

- 3.1. This report has drawn of information gained in the first six months since the adoption of the Policy. Further data is required to give a more definitive evaluation of the impact of Social Value, based on 12-18 months of delivery.
- 3.2. Resources Scrutiny Commission may wish to give guidance on development of the Policy.
- 3.3. Resources Scrutiny Commission may wish to request a further report in February 2018, where outcomes from the first year can contribute to a review of the Policy.

¹ [Social Enterprise UK, 2016](#)

BACKGROUND DETAIL

Policy

1. Commissioning and procurement activity is governed by the Council's Procurement and Financial Regulations, the UK Public Contracts Regulations 2015, EU Procurement Directives and in the context of the Bristol Compact and Procurement Concordat for Small and Medium-sized Enterprises. Various other duties also apply depending on the nature of the goods, services and or works to be procured.
2. The Social Value impact and outcomes sought are structured around the Corporate Strategy 2017 – 2022 and the Vision for the City.
 - 2.1. The Corporate Strategy sets how we will work together with the citizens of Bristol and our partners to make the best use of resources. To achieve this over the next year our Social Value Policy will continue to be embedded in our commissioning and we will continue to develop good practice. This will support both a thriving voluntary sector and local SMEs with a view to enable the growth of local initiatives and encourage social enterprise.
3. The Social Value Policy and Toolkit were developed by the Cross-Sector Social Value Advisory Group, with significant contribution from the Federation of Small Businesses, Social Enterprise Works and Voscur, representing the views of the 'priority organisations' (the main targets for policy implementation).

Consultation

4. Internal

This report, of the Cross Sector Social Value Advisory Group has been prepared by the Procurement & Commercial Relations Service and has been shared with Resources DLT. See also points below regarding the composition of the group (5.2.1) and engagement with internal officers (30 - 35).

5. External

- 5.1. The Procurement & Commercial Relations Service undertake an annual supplier satisfaction survey. One of the questions asked seeks to ascertain the level of awareness within our supply market of the [Social Value Policy](#).
 - 5.1.1. In July 2016 56% of respondents stated that they were aware of the policy and how it was incorporated into contract award criteria.
- 5.2. The Cross Sector Advisory Group, representing their sectors has participated in the implementation and in monitoring the impact of the Policy.

The Cross Sector Advisory Group

 - 5.2.1. The membership of the group comprises representation from: the Federation of Small Businesses; Social Enterprise Works; Voscur; West of England Centre for Inclusive Living (WECIL); Office for Civil Society (OCS), and Bristol City Council Officers: Procurement & Commercial Relations: Policy, Strategy & Communications: Equalities & Community Cohesion, Performance and Information and Employment, Skills & Learning.

Context

Practice

6. Social Value is about maximising the impact of public expenditure to secure the best possible outcomes: improving the economic, social and environmental well-being of the area, whilst

delivering value for money. The Social Value Policy supports this through commissioning and procurement.

7. Commissioners are required in advance to consider what additional social value can be sought in our contracts, this must be:
 - linked to the subject matter of the requirement;
 - included in the tender documentation; and
 - included as part of the tender evaluation.
8. Since the policy was implemented 27 tender processes have reported the inclusion of social value requirements (including the Arena construction), other projects are in progress.
NB: Social Value will only be secured where contracts are awarded, commence and performed. Between April and September 2016 there have been a total of 49 contracts awarded and commenced, that will run beyond the 2016/2017 financial year.
9. Where social value is to be evaluated as part of the quality element of the tender a methodology is applied that ensures this is set at 10% of the total quality award criteria, unless there is sound rationale for a lesser or higher weighting, for example a short term, low value, one off consultancy contract may include no social value requirement.
10. Feedback from suppliers and sector representative bodies, intelligence (lessons learnt) and experienced is used to continually review and refine our approach, tools, systems and resources to ensure best practice is optimised. For example following early tenders we revisited the social value question we ask which now provides further guidance enabling bidders to have some context upon which to structure their submission.

Furthering our sustainable procurement objectives to protect and enhance the environment

11. Reducing the impact of our activities on the environment and promoting action to protect and exploiting opportunities to enhance and ensure sustainability, is assessed in all relevant procurement.
12. In delivering value for money, for us, includes taking into account ethical and socially responsible whole life costs.

Promoting the local economy by supporting micro, small and medium businesses, social enterprises and the voluntary community sector in Bristol to thrive

13. We recognise that micro, small and medium size business; social enterprises and voluntary community sector organisations are often well placed to deliver the social benefits local communities identify, introducing innovative and flexible new ways of working and finding creative ways to support them. In addition to this we know they are the sectors of the market at greatest risk of being disadvantaged in our procurement processes as a consequence of change in policy, practice and/or procedure. We have therefore, identified them as our ‘priority organisations’.
14. We have committed to ‘positive action’ in respect of organisations of and for equalities groups or groups of people with characteristics protected by legislation.
 - 14.1. This means we are proactive in targeting our communications, information and resource at these organisations. When re-designing procurement systems, process, policy and/or procedure we assess the impact on our priority organisations, directly consulting with them and/or the bodies representing them, ensuring changes do not inadvertently adversely affect these organisations.
15. An objective of our Policy is to increase our procurement spend with our ‘priority organisations’ to 25% of our expenditure through procurement.
 - 15.1. 2014/15 analysis indicated that ‘direct’ spend with prime contractors identified as

‘SMEs’ – small, micro and medium sized enterprises, was 16% of our overall spend through procurement.

- 15.2.** The spend through procurement for this period was £330 million.
- 16.** The figure (spend through procurement with ‘priority organisations’ for the first 6 months of the 2016/17 year is at 36.95% with our ‘priority organisations’, this compares to 27% for the Cabinet Office’s assessment of public sector procurement. We will continue to monitor this level.
 - 16.1.** Of this 15.02% of these suppliers were ‘local’ being those with registered trading premises in the BS1 – BS16 postal code areas.
 - 16.2.** The spend through procurement for this period (Q1 & Q2 2016/17 was £162 million.
 - 16.3.** At present this figure only includes direct spend with main ‘first tier’ contractors and does not include ‘priority organisations’ who work as sub-contractors in the supply chain. However this is being monitored through contract monitoring where a commitment is made during the tender.
 - 16.4.** Since the implementation of the policy and introduction of the new E-Procurement Solution (ProContract) the collection, recording and ability to analyse data has improved which may have impacted on the reportable ‘direct’ spend with our priority organisations.
- 17.** Prime contractors are being asked to indicate and commit to a percentage of contract spend to be through ‘local’ procurement and also with ‘priority organisations’ through the supply chain.
- 18.** As our monitoring and reporting functionality improves via use of the Contract Monitoring module in the ProContract e-procurement portal, we aim to be able to possess greater oversight of the supply chain.
- 19.** As part of our commissioning processes market engagement events are delivered, informing the market of upcoming opportunities. These are also used to understand from the supply market the barriers and challenges that may exist for them in engaging in the Council’s procurement exercises and to offer guidance about how to satisfy the social value requirement, levelling the playing field and, enabling competition with larger business and organisations.

Tackling disadvantage and addressing inequalities of health, wealth and opportunity in the City

- 20.** In implementing and embedding the policy we have drawn on the knowledge, expertise and relationships of our Advisory Group representative bodies who have supported our commitment to ‘positive action’ in respect of organisations of and for equalities groups or groups of people with characteristics protected by legislation.
 - 20.1.** Awareness raising, information sharing, upskilling, enabling and representation has been embedded and delivered within business as usual for these organisations/bodies. However, the Council’s targeted activities in this regard have been constrained so far by internal service re-design and limited available resource.

Increasing Employment, Skills & Learning opportunities

- 21.** The Procurement & Commercial Relations and Employment, Learning & Skills Services have worked closely, throughout the development of implementation of the policy, drawing on the knowledge and experience that exists in each of these areas. In doing so, we have been able to demonstrate good progress in this area in terms of outcomes and in evidencing how social value can support the aspirations of the City – see points below (25 - 27).
- 22.** Where appropriate prime contractors are asked to consider specific areas where we want to secure additional social value, demonstrating within their tender submission how they would assist us in addressing the needs and objectives identified.
- 23.** These include:

- Apprenticeships and work placements to be offered
- Percentage of labour force to be sourced locally
- Interviews offered to our 'priority groups'
- Other Employment, Skills or Learning initiatives such as workshops, careers advice, enterprise events, site visits etc.

24. The Learning City Partnership, Learning for Work Group receive bi-monthly reports setting out targeted social value activities that seek to 'improve employment, skills and learning outcomes' through commissioning and procurement. This group provide vital scrutiny and challenge function in addition to championing the work that is happening in this space.

Examples of Social Value Commitments made

25. Below are some examples of social value commitments made since the policy was implemented:

- Ashton Bridge – 5 Apprenticeships and 28% spend with SME's/VCS organisations.
- Great Run - The provider will actively engage with the largest 150 employers in the South West to encourage them to enter teams into the Bristol events. This engagement will take place directly and through business forums such as South West Business.
- Election Print Services – 100% of spend through this contract will be with our 'priority organisations'. With regard to seeking to build on the knowledge and understanding of the democratic process through schools and the Youth Parliament within the City of Bristol the preferred provider will fulfil these elections free of charge (depending upon quantities and cost) and have offered e-voting, if agreed, for non-statutory elections which would reduce carbon emission in administering these elections.

To support the initiative the provider will supply printing and stationery to the value of £500.00 each year of the contract.

Commitments to date

26. Actual achievements will be reported on as contract commitments are agreed and monitoring information received. Due to the timescale associated with commencing a contract and delivering a service, achievements typically take some months to implement and emerge.

Employment, Skills & Learning Skills Outcomes	Indicative tender commitments to October 2016
Number of Apprenticeships ¹	87*
Number of work placements ²	64
Spend with SMEs / VCS ³	7 (equates to >£50m across the lifetime of all current contracts)
Local procurement ⁴	1 (equates to £100,000)
Local labour ⁵	3 (committing between 50%-100% of provider workforce from the local area)
Number of interviews for BCC priority clients ⁶	14
Other Employment, Skills & Learning initiatives ⁷	19

¹ Total number of apprenticeships across all contracts

² Total number of work placements across all contracts

³ Total number of prime contractors committing to an agreed % of local procurement, through the supply chain – see further breakdown below

⁵ Total number of contracts committing to an agreed % of use of local labour within contract delivery

⁶ Total number of interviews for BCC Priority Clients across all contracts

⁷ Total number of 'Other' Employment, Skills & Learning

⁴ Total number of prime contractors committing to an agreed % of contract spend with SMEs/VCS, through the supply chain initiatives across all contracts, includes education commitments (workshops, careers advice, site visits, enterprise events)

[The Benefits of Apprenticeships to businesses report](#) 2015, prepared for the Skills Funding Agency reported:

- Training is estimated to have resulted in a positive net gain to employers of on average £1,670 per apprentice - England 2013/14
- Each apprenticeship created is worth an estimated £38,000 to the economy in the long term
- Employers report that apprenticeships bring added gains to their business above and beyond the narrow benefits of productivity and economic output

*Please note that this table includes commitments made as part of the procurement of the Bristol Arena. It is envisaged that future contracts will include comparable social value commitments.

27. Case Study: Supply of agency staff

Guidant Group are the managed service provider working in partnership with BCC on all aspects of contingent workers. As part of Guidant's tender submission they made a range of social value commitments, which included:

- A workplacement each year supporting Business in the Community's Ready for Work Programme
- 20% of Contract Spend with 'priority organisations'
 - Q1 spend was 23% and Q2 26%
- 50% of labour (workforce) from Bristol area
 - 53% of the workforce are from the 'local' area
 - We are currently unable to identify those from neighbouring counties and/or beyond
- Additional employment, skills and learning activities

In achieving and in places, exceeding these commitments Guidant Group have offered, through their sister company Blue Arrow, four young people work placements.

- Two of these are our care leavers
- Two have been placed through 'Project Search'
 - One of these opportunities is in catering
 - Two in retail
 - One in logistics

27.1. Quote: Lynn Tonks, Executive Manager Blue Arrow

"We are delighted to be working with Kim Taylor [BCC Employment Support Care Leaver Project] to support young care leavers join the workforce of Bristol through our extensive variety of clients and skill sets available. By supporting with coaching skills in the workplace, offering bespoke training for key roles and working with our clients to help provide a positive experience for these individuals, we anticipate seeing a new confident workforce arising from this initiative."

"The true success of these projects has been the synergy, passion and desire of different businesses pooling together playing to each other's strengths. As we work with Guidant, the council, DWP, charities and training providers we have collectively been able to see the full journey through to the end, from people lost in society, being given support, funding, training and investment of time to coach them into employment."

In addition to Guidant Group being awarded ‘Investors in People Platinum status’, demonstrating their commitment to excellent people management (one of a handful of organisations in the South of England to achieve this level), they are thrilled to become the first ever recruitment organisation to be awarded Level Three Disability Confident Leader status by the Department for Work & Pensions (DWP) – the highest accolade achievable in the new Disability Confident scheme. Guidance Group are also holders of a Recruitment Industry Disability Initiative (RIDI) Award for Disability Confidence.

27.2. Project Search

Delivered in partnership with City of Bristol College and Sixteen Co-Operative Ltd, Project Search specifically supports young people, who have had additional support at school or college relating to a learning disability and/or autism that have an Education Health & Care Plan (EHCP). The Project supports this group of young people to develop the skills that will prepare them for employment.

Involving local people and organisations in how we meet the needs of local communities

- 28.** Commissioners routinely engage with the potential supply market early in the commissioning process, consulting them on the proposed social value outcomes to ensure these aspirations are relevant, proportionate and achievable and do not inadvertently disadvantage our ‘priority organisations’ in the tendering process.
- 29.** Service users, people and communities are consulted with about our proposed commissioning and procurement activities to ensure the services commissioned and outcomes sought are what they need and want.

Promoting Social Value, raising awareness and sharing good practice

Local

- 30.** We have a [policy](#), [toolkit](#), templates, guidance and an e-learning module embedding social value in our commissioning and procurement practice.
- 31.** Routine quality assurance checks ensure the policy is being applied as proportionately, relevant, as inclusive and innovatively as possible.
- 32.** The Procurement & Commercial Relations Service have run a series of internal workshops for commissioning and procurement officers and continue to offer information, advice and guidance about procurement and social value during regular monthly ‘lunchtime learn’ sessions.
- 33.** A further workshop for commissioning and procurement officers to ensure consistency of approach, share learning and best practice is planned for early 2017.
- 34.** Support to the wider council in developing, social value in procurement is embedded in practice, and procurement officers offer advice and guidance about social value in business as usual.
- 35.** The Procurement & Commercial Relations Service are working closely with colleagues in Learning & Organisational Development to ensure all opportunities to disseminate information, share learning and good practice with commissioning and procurement officers are maximised.
- 35.1.** This includes participation within the Community of Practice Network.
- 36.** We exploit local networks such as the Partners In Procurement group to promote social value and share good practice.
- 37.** The Procurement & Commercial Relations Service in partnership with Social Enterprise Works delivered a presentation at the annual ‘Supplying the Public Sector Event’ showcasing our approach, practice and learning of social value.
- 37.1.** Analysis of the event reported it was a *‘really successful event with some very encouraging feedback’*.

Regional

38. We work closely with the South West Procurement Board to raise the profile of social value, understand the regional approach and share in good practice and resource.
39. In collaboration with Cornwall County Council, the Office of Civil Society (Cabinet Office), Social Value Best Practice Task Force and Social Enterprise Works, a Social Value Workshop to Commissioning and Procurement leads was held in September 2016.
 - 39.1. Attendance included representation from local authorities across the region, Fire, Ambulance and Police Services, CCG and several Universities.
 - 39.2. This session was well received; feedback was positive and has since been promoted by the National Advisory Group.

The National Advisory Group (NAG)

- 39.3 The National Advisory Group for Local Government Procurement, convened by Local Government Association (LGA) is a group of senior local government procurement professionals brought together to:
 - Influence, shape and lead national procurement policy;
 - Identify and share good practice to maximise the benefits of good procurement;
 - Highlight the role of procurement in supporting wider policies, improvements and efficiency savings for the sector;
 - Identify blockers to efficient and collaborative procurement and how these might be resolved;

National

40. Following delivery of this event members of the Advisory Group were asked to join the National Best Practice Task Force.
 - 40.1. The task force was founded in order to establish a best-practice framework for the integration of the Act into public-sector commissioning and procurement. The Task Force aims to bridge the gap between public and private sectors recognising that it is only through collaboration and partnership that success will be achieved.
41. Following the publication of an independent national report [‘Procuring for Good’](#) by Social Enterprise UK, we were recognised as being among:
 - 14% of ‘embracer’ Local Authorities, ‘leading the way on Social Value’;
 - 25% of councils to have a social value policy;
 - a third of all councils who routinely consider social value in commissioning and procurement.

This was acknowledged in a Mayoral [press release](#).
42. Though our work in developing Social Value in Bristol we have been in dialogue with Disability Rights UK exploring how we may work with them to improve employment, skills and learning opportunities for young people with disabilities and/or long term health conditions, through procurement and social value.
43. The Social Value Advisory Group have participated in a number of research and policy development papers, namely with the University’s of Shizuoka, Japan and Leicester.

Increasing social benefits in all Council activity and services

Planning Commitments & S.106 agreements

44. Good practice and learning has been shared between the Employment, Skills & Learning Service (who support and monitor Employment, Skills & Learning commitments through planning) and the Procurement & Commercial Relations Service and Social Value Cross Sector Advisory Group in developing our approach to creating social value. Communication is ongoing to ensure we are joined up and fully exploiting all opportunities permissible within the Planning legislation.

Bristol Impact Fund

- 45.** The Bristol Impact Fund, Grants Prospectus application process has included a question to be appraised as part of the award decision process, considering ‘additional value or benefits the organisation aims to achieve through the delivery of the proposal’ a (Social Value) question. Analysis of the breadth of proposals, outcomes, potential contribution and impact will be undertaken following formal award in spring/summer 2017. The social value/ additional benefit outcomes of grants awarded through this process will be monitored on an ongoing basis.

Proposal

- 46.** We would ask that Business Change Scrutiny Commission continue to monitor and receive reports on implementation and consider policy revision February 2018.
- 47.** This would include improved intelligence gathering, which would be used to further target priority organisations.

Expectations for Review of the Policy

- 48.** We anticipate that we will exceed the percentage of spend with our ‘priority organisations’ through procurement, and would consider a future recommendation to increase this target, and to continue to be stretching.
- 49.** We recommend that a review of the Policy takes place, involving discussion with the Advisory Group. This could include being explicit about priority groups to include people with characteristics protected by legislation, care leavers and those under-represented within specific skills forces i.e. women in construction.
- 50.** We recommend aligning this workstream with that of the City Office and the development of a Corporate Social Responsibility Charter for Bristol.
- 51.** The Cross Sector Advisory Group is developing proposals to improve the awareness of Social Value, including:
- 51.1.** A Social Value Networking & Engagement Event to raise awareness and the profile of social value in the City, share learning and good practice, reflect on progress to date and consider the shape of our approach in moving forward. We propose this be run in September 2017 following the completion of a full year under policy and gathering of data for this period.
 - 51.2.** In partnership with WECIL, this event is to be followed by bid writing’ workshop(s) focusing our ‘priority organisations’ preparing them to articulate their Social Value ‘offer’ within quotations or tenders.

Advisory Group Member Comments

52. Office of Civil Society (OCS)

We will continue to engage with national policy development and use these opportunities to showcase and develop our activity. The Office for Civil Society's Public Services Programme is currently working to support and improve the voluntary sector's ability to deliver and shape public services, this includes work to develop social value, we will continue to engage and explore opportunities this presents.

53. Social Enterprise Works (SEW)

SEW are enthused by BCC's adoption of a dedicated social value policy, the hard work and dedication of the BSVP team through such challenging times, as well as the initial business commitments made towards generating additional social value across the city.

Our main recommendation would be for BBC to be more explicit in making firm commitments towards increasing procurement spend specifically with social and community focused organizations, as we believe that the social value policy has the potential to be truly transformative for the sustainable development of Bristol's thriving social economy.

54. Federation of Small Business (FSB)

The FSB welcomes the development of a Social Value Policy, and wishes to highlight the risk that certain Social Value commitments could increase the cost of delivery to suppliers.

The FSB also welcomes the opportunity for small businesses to grow by doing business with the City Council and other commissioners. Increasing the proportion of services delivered by small businesses in the local area is an important step in this direction.

Other Options Considered

55. See points above regarding further review point (46) and alignment with the work of the City Office (50).

Risk Assessment

56. The current policy and practice has been allocated no additional budget and assumes additional social value is secured at nil cost, both to the Council and the supplier, in the form of cost savings or by achieving more outcomes for the same cost and/or finding innovative ways of reducing waste. Interpretation, application and market feedback is being monitored to track 'cost' implications of securing additional social value to ensure there is no negative impact of our policy on the market, particularly our 'priority organisations' or on the quality of the goods, services and/or works we procure.

Public Sector Equality Duties

57. a) 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.

- 57. b)** Where social value is considered as part of the commissioning exercise, the Public Sector Equality duty will continue to apply. Equality is considered at every stage of the commissioning cycle, with a particular focus on pre-procurement consultation. Our social value complements the Equality Act.

A full Equality Impact Assessment (EQIA) undertaken in 2015, at the beginning of the project.

Legal and Resource Implications

Legal

Not applicable. Report for information not decision, legal issues to be considered in any future iterations of the Policy.

Financial

At present our social

(a) Revenue

Not applicable. Report for information not decision, revenue issues to be considered in any future iterations of the Policy.

(b) Capital

Not applicable. Report for information not decision, capital issues to be considered in any future iterations of the Policy.

Land

Not applicable

Personnel

Not applicable

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

EQIA

Agenda item

Bristol City Council

Resources Scrutiny Commission

20th February 2017

Report of: Denise Murray, Service Director, Finance

Title: Period 8 Finance Report for Resources Scrutiny

Ward: Citywide

Officer presenting report: Denise Murray, Service Director, Finance

Contact telephone number: 0117 [35 76255](tel:01173576255)

Recommendation

That the Commission consider and comment on the relevant Resources extracts detailed below taken from the Period 8 Finance Report.

Members are to note that is a [DRAFT report until considered by Cabinet on the 7th March 2017](#)

Extracts Period 8 Finance Report – Resources

Extract 1

12. The following forecasts are based on actual expenditure to the end of October 2016 and Budget Managers' estimates of future spending for the rest of the financial year, as approved by each DLT. The net overall forecast outturn of £12.9m represents 3.7% of the General Fund net revenue budget.
13. The following table provides a summary of the general fund revenue position at directorate level. A more detailed analysis is provided at Appendix A. Budgets are profiled equally across the year, but spending profiles may be different.

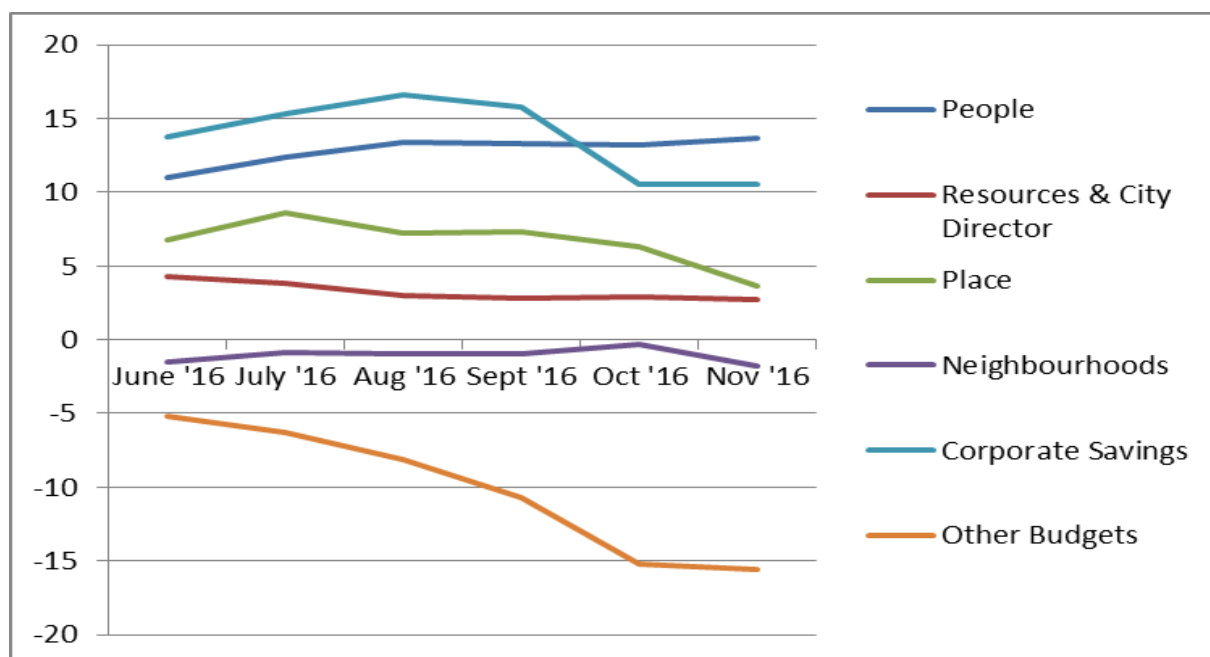
Table 1: General Fund Forecast Net Expenditure

General Fund Revenue Budgets - Period 8			Forecast Outturn Variance (Under)/Over Spend	Forecast Outturn Variance at Period 7	
Directorate	Net Budget £m	Forecast Outturn £m	£m	£m	
People	206.6	220.3	13.7	13.2	↑
Place	17.2	20.8	3.6	6.3	↓
Neighbourhoods	68.7	66.9	-1.8	-0.4	↓
Resources	25.7	28.8	3.1	3.2	↓
City Director	6.9	6.4	-0.4	-0.3	↓
Corporate Savings Programme (Net Budget)	-8.7	1.7	10.5	10.5	
SUB TOTAL – SPENDING ON SERVICES	316.2	344.9	28.7	32.7	↓
Other Budgets *	28.6	15.2	-13.4	-12.8	↓
Released from Reserves	0.0	-2.4	-2.4	-2.4	
TOTAL	344.8	357.7	12.9	17.5	↓

*Other Budgets includes capital financing & borrowing costs, un-apportioned central overheads and contingencies.

The following chart provides a trend analysis of the forecast outturn, by directorate, reported since quarter 1, end of June 2016.

Chart 1: Trend Analysis of Forecast Outturn



Extract 2

13.4 Resources - £3.1m Pressure

2016/17 Budget	Gross Expenditure £m	Gross Income £m	Net Revenue Budget £m
Resources	40.0	(14.5)	25.5

The main variance within Resources is within the ICT Service, which has been offset by savings in other areas. The overspend against budget for ICT relates to additional hardware and maintenance costs (£2.8m) and software development service increases (£1.3m) as a result of growth in additional demand for license costs. This is in part as a result of investment in new technology and digital developments. The current pressure of £3.6m is a £0.2m reduction from P7.

ICT – £3.6m Pressure

In Period 8, the ICT budget pressure decreased by £226K. This reduction mainly relates to a forecast reduction of £82k in the Information Security budget and a further reduction in forecast of employee costs. Adjustments have also been made to reflect the reduction of costs resulting from the early departure of the Interim Service Director amounting to £72K. Further reductions have been made by bringing agency arrangements to an end (£36K) and reduced forecasts for employee spend.

A full review of agency spend is underway, particularly targeting ICT Delivery. This is looking at overall use of contractors/agency and particularly focussing on those contractors/agency staff who have been in post longer than 13 weeks. These arrangements are being ceased and ICT Delivery will be transitioning to a service delivery model that does not incur contingent workforce fees where they are not absolutely required. Further any ongoing and future Agency spend will be directed through Guidant with remaining off-contract arrangements being ceased. This will relieve both in-year pressure and transfer through into 2017/18.

Risks identified

The following risks have been identified to the current budget position within ICT:

- Unexpected business demand, such as a result of an Ofsted, or other regulatory body, inspection. (For example requiring issue of laptops, tablets).
- Any remedial actions that may be required to achieve compliance with connection standards, e.g. Public service Network (PSN).
- Remedial actions in event of serious cyber or other event, (e.g. ransomware), resulting in loss of data/access to key BCC systems and data.
- Information Commissioners fine in case of Data Breach or Loss (may not be an ICT related loss, i.e. may be loss of case papers) and remedial actions in event of Data Breach or Loss;
- Remedial actions in event of major supplier commercial failure.

The high level detail is given here. It is important to note that, at this point in time, if

these items were to occur they would result in expenditure being drawn down from reserves or contingencies.

Human Resources – £0.6m Surplus

Human Resources is reporting a forecast of £0.65m underspend which is an improvement of £81k since P7. During the period adjustments were made to the Annual Leave Top Up Scheme arising from recalculations following the Voluntary Severance scheme and benefits due to the HRA. This resulted in a loss of income of £124K. This was offset by budget adjustments relating to vacancies and the spending freeze amounting to £163K together and further one-off savings from Learning and Development.

Risks identified:

- Unfilled vacancies plus staff leaving through VS will deliver savings but may increase workplace pressures and the ability of the service to respond to organisational requirement during a period of significant workforce change.
- The income target through the Annual Leave Top Up scheme is dependent on staff take-up across the organisation and this may not be possible as staffing levels will be lower post-restructure. This may mean that the income target in 16/17 is not realised. Also, staff leaving on VS who are in the scheme will cause loss of income in the current year.

Legal Services – £0.1m Overspend

The underspend of £63k reported for Legal Services at Period 7 has now moved to a £96k overspend, which is a movement of £160k deficit on the previous forecast. Although there have been savings across the Division of c£100k relating to the spending freeze there have been further pressures that are highlighted below:

Electoral Services

As previously reported, there are cost pressures in year as a result of the cost of running elections and electoral registration (£1.3m). These pressures will be managed in this financial year through a drawdown in reserves and in future years through an offsetting arrangement, whereby budget is set aside in non-election years to fund election years.

Legal Place

The income forecast for local land charge income has been reduced by £213k as a lower volume of searches has been conducted.

Legal People

Court cases have increased substantially this year for litigation cases where the Council is being challenged in the High Court through claims and judicial review and therefore increasing the forecast by a further £75k.

Risks Identified (including Legal Services, Electoral Services, Mortuary & Coroner, & Register Office):

- demand led and cannot predict its spend – high cost/profile cases could happen at any time;
- there may be an increase in an area of work through e.g. court rulings or practice;
- income is more predictable over the short term as clients are known, but will fluctuate over the longer term with changes in external clients as work and projects come to an end and new work will need to be identified;
- there may be a parliamentary election in 2017 or other smaller elections and referenda, which are not currently included in the 4 year budget predictions and which would have budget implications;
- legislative changes, such as the introduction of medical examiners, could cause significant budget pressures;
- increases in the number of deaths due to widespread fatalities that could not be predicted;
- births and deaths registration are reactive services and cannot be completely estimated.
- **Electoral Services** - Currently the postage amount is estimated because printing is billed three months in arrears by Print and Mail Operations. The canvass printing for Oct and Nov for annual canvass printing is currently estimated.
- **Lord Mayor's Office** - Spending freeze - risk that no maintenance spend may reduce income generation potential. **Democratic Services** - Risk of impact of no longer supporting P&CP and also concerns that school appeals income is not covering reality of staffing costs - review required
- **Members Green** - Political Assistant is due to go on maternity cover in Feb 17, backfill process needs clarification in line with spending freeze
- **Member Development** - Limited Activity on member development, - risk of lack of training to members in chairing positions etc

Finance – On budget

Expenditure is being maintained within budget; a number of vacancies are evident within the service (full time equivalents FTE's at the beginning of the financial year was 110 and is at 97.5 through vacancies and VS); non-essential expenditure against non-staffing budgets as also ceased, reducing the forecast expenditure against travel & subsistence.

As previously reported, the Finance Transformation work must continue and where this cannot be contained in existing budgets it will be funded from reserves earmarked for this purpose.

Risks identified:

- Unfilled vacancies plus staff leaving through Voluntary Severance will deliver savings but may increase workplace pressures and the ability of the service to respond to organisational requirement during a period of significant workforce change.
- Under resourcing finance can lead to a risk of not meeting the requirements of the role of S151 officer.
- Income targets for future years are dependent on successful bidding and provision of an effective, value for money service offer. There is a risk associated with the income from Avon Fire & Rescue for future years as the contract is due for renewal at the end of 2017/18.

Extract 3 – Capital Programme

25. The capital programme changes during the year as the phasing of schemes is reviewed and the notifications of additional schemes and resourcing are received (to the extent that these projects are fully funded). The Capital Board (an officer working group) oversees the coordination of the Capital Programme, ensuring that projects are delivered within their allocation of funding and planned timescales. As at the end of Period 8 there is a forecast underspend of £2.1m. Monitoring indicates that capital spending in 2016/17 will be £220.8m compared to the latest approved budget of £222.9m.

The following table sets out the forecast of spend by Directorate. Additional detail is provided at Appendix B.

Table 6: Capital Programme Forecast Expenditure & Financing

	Period 7 2016/17 Budget	Capital Budget Adjustments	Period 8 2016/17 Combined Budget	2016/17 Forecast Outturn	2016/17 Forecast Outturn Variance	2016/17 Actual Spend to Date
	£m	£m	£m	£m	£m	£m
People	40.8	(0.1)	40.7	40.9	0.2	16.3
Place	87.3		87.3	84.0	(3.3)	38.7
Neighbourhoods	9.8	0.1	9.9	8.4	(1.5)	3.9
Resources	18.7	(7.0)	11.7	12.2	0.5	7.8
City Director	0.0	7.0	7.0	7.0	0.0	0.6
Housing Revenue Account	56.0		56.0	56.7	0.7	34.4
Corporate	10.2	0.1	10.3	11.6	1.3	7.7
Totals	222.8	0.1	222.9	220.8	(2.1)	109.4
Finance By:						
Prudential Borrowing			83.7	84.3	0.6	
Capital Grants			69.3	65.9	(3.4)	
Capital Receipts *			0.0	0.0	0.0	
Revenue Contributions			13.9	13.9	0.0	
Housing Revenue Account (Self-Financing)			56.0	56.7	0.7	
TOTAL CAPITAL FINANCING			222.9	220.8	(2.1)	

* As reported in the P7 Cabinet Report -The amount included against capital receipts £5m have transferred to Prudential Borrowing, as the capital receipts will be used to fund transformation activity expenditure within the general revenue fund.

26. The actual capital spend to the end of Period 8 is £109.4m (49% of Combined Budget). Whilst historic trends indicate that capital spending increases towards the end of the financial year, the level of forecast spend to date (30th November 2016) is low compared to the current budget for the financial year. Projected spend to the year end, based on a pro-rata basis, would be £164.1m or 73% of the current budget.

27. During Period 8, there has been a movement of budget (£7m) from the Resources Directorate to the City Director. This reflects the movement of the Bristol Futures service between the directorates. In addition, there has been a minor variation to the budget agreed by the Capital Board of £100k, which is now reflected in the Neighbourhoods budget. This relates to the receipt of external funding to support the provision of additional play facilities. As a result, the combined budget for Period 8 has increased from £222.8m to £222.9m.

28. As at the end of November 2016, there is a forecast net underspend against the Capital Programme of £2.1m, against an overspend of £3.1m at the end of Period

7. The following is a summary of the significant areas where budget pressures have been identified:

Extract 4 - Income Collection

37. At the end of each financial year, the Council is required to calculate a bad debt provision based on its level of outstanding debt. The amount of provision required is dependent on the age of the debt, with all debt over 2 years, being 100% provided for. The current bad debt provision (as at 31st March 2016) is £11.8m. Based on the current level of debt in table 8, if no further action is taken, the required bad debt provision is estimated to be £15.5m. Single, large debts can have a disproportionate impact on the provision required. However, action will continue to be taken between now and the end of the financial year to ensure that the value of outstanding debt is reduced.

Table 8 – Outstanding Debt Analysis by Directorate

Directorate	Outstanding Value £000's	Average Value £
People	19,777	2,052
Resources	330	599
Neighbourhoods	3,566	352
Place	3,832	1,197
City Director	166	9,738
Corporate & Other	3,564	356
TOTALS	31,234	931

Extract 5

Overall Risk Assessment

43. In the Budget Report presented to Full Council in February 2016, a number of significant risks were identified. The finance reports this year have identified that a significant number of these risks have come to fruition in the early part of the financial year, or remain relevant. The list below highlights the most significant of these risks:

- the scale of overall reductions to all directorate budgets (£35.4m identified and included in the approved budget) and the potential of non-delivery of these savings;
- the potential of overspends against budgeted net expenditure;
- Increase in pension liabilities;

As well as the risks highlighted above, the following additional risks have been identified:

- Living Wage Accreditation – this will require a full review of all external contracts and may result in additional contractual costs;
- inflationary pressure on contract and energy costs;
- The effect of Brexit both on house building industry and general economic confidence;
- There will be other costs, such as the Mayoral Combined Authority, still to be fully quantified;

Any risk assessment requires constant review and will form part of the ongoing future monitoring.