

# Cabinet Agenda



**Date:** Tuesday, 21 January 2020

**Time:** 4.00 pm

**Venue:** City Hall, College Green, Bristol, BS1 5TR

## Distribution:

**Cabinet Members:** Mayor Marvin Rees, Nicola Beech, Craig Cheney, Asher Craig, Kye Dudd, Helen Godwin, Helen Holland, Anna Keen, Paul Smith and Steve Pearce

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**Date:** Monday, 13 January 2020



# Agenda

## **PART A - Standard items of business:**

### **1. Welcome and Safety Information**

Members of the public intending to attend the meeting are asked to please note that, in the interests of health, safety and security, bags may be searched on entry to the building. Everyone attending this meeting is also asked please to behave with due courtesy and to conduct themselves in a reasonable way.

Please note: if the alarm sounds during the meeting, everyone should please exit the building via the way they came in, via the main entrance lobby area, and then the front ramp. Please then assemble on the paved area in front of the building on College Green by the flag poles.

If the front entrance cannot be used, alternative exits are available via staircases 2 and 3 to the left and right of the Conference Hall. These exit to the rear of the building. The lifts are not to be used. Then please make your way to the assembly point at the front of the building. Please do not return to the building until instructed to do so by the fire warden(s).

### **2. Public Forum**

Up to one hour is allowed for this item

Any member of the public or Councillor may participate in Public Forum. Petitions, statements and questions received by the deadlines below will be taken at the start of the agenda item to which they relate to.

#### **Petitions and statements (must be about matters on the agenda):**

- Members of the public and members of the council, provided they give notice in writing or by e-mail (and include their name, address, and 'details of the wording of the petition, and, in the case of a statement, a copy of the submission) by no later than 12 noon on the working day before the meeting, may present a petition or submit a statement to the Cabinet.
- One statement per member of the public and one statement per member of council shall be admissible.
- A maximum of one minute shall be allowed to present each petition and statement.
- The deadline for receipt of petitions and statements for the 21 January 2020



Cabinet is 12 noon on Monday 20 January. These should be sent, in writing or by e-mail to: Democratic Services, City Hall, College Green, Bristol, BS1 5TR  
e-mail: [democratic.services@bristol.gov.uk](mailto:democratic.services@bristol.gov.uk)

**Questions (must be about matters on the agenda):**

- A question may be asked by a member of the public or a member of Council, provided they give notice in writing or by e-mail (and include their name and address) no later than 3 clear working days before the day of the meeting.
- Questions must identify the member of the Cabinet to whom they are put.
- A maximum of 2 written questions per person can be asked. At the meeting, a maximum of 2 supplementary questions may be asked. A supplementary question must arise directly out of the original question or reply.
- Replies to questions will be given verbally at the meeting. If a reply cannot be given at the meeting (including due to lack of time) or if written confirmation of the verbal reply is requested by the questioner, a written reply will be provided within 10 working days of the meeting.
- The deadline for receipt of questions for the 21 January 2020 Cabinet is 5.00 pm on Wednesday 15 January. These should be sent, in writing or by e-mail to: Democratic Services, City Hall, College Green, Bristol BS1 5TR.  
Democratic Services e-mail: [democratic.services@bristol.gov.uk](mailto:democratic.services@bristol.gov.uk)

**When submitting a question or statement please indicate whether you are planning to attend the meeting to present your statement or receive a verbal reply to your question**

### **3. Apologies for Absence**

### **4. Declarations of Interest**

To note any declarations of interest from the Mayor and 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.



**5. Matters referred to the Mayor for reconsideration by a scrutiny commission or by Full Council**

(subject to a maximum of three items)

**6. Reports from scrutiny commission**

**7. Chair's Business**

To note any announcements from the Chair

**PART B - Key Decisions**

**8. WECA Transport Authority Integration Project**

**(Pages 6 - 18)**

**9. P8 Budget Monitoring Report**

**(Pages 19 - 46)**

**10. Budget Recommendations to Full Council, including Treasury Management Strategy**

**(Pages 47 - 188)**

**11. Housing Revenue Account 2020/21 budget proposals**

**(Pages 189 - 224)**

**12. Budget for the Dedicated Schools Grant 2020/21**

Equalities Impact Assessment - to follow

**(Pages 225 - 264)**

**13. Cultural Investment Programme**

**(Pages 265 - 278)**

**14. Strategic Partnering Initiative**

**(Pages 279 - 300)**

**15. Procurement of a contact to provide Storage Area Network**

**(Pages 301 - 306)**

**16. Procurement of a IT Hardware and Consumables contract**



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- (Pages 307 - 312)
17. **South Bristol Sports Centre Reinstatement Tender - Phase 1**
- (Pages 313 - 315)
18. **Bristol Holding Limited Group Company Business Plans 2020/21  
- 2024/25**
- (Pages 316 - 455)
19. **Temple Island - scheme content and development agreement**  
Report to follow
20. **Re-procurement of the Run Bristol contract 2021-2026**
- (Pages 456 - 466)
21. **A Sport and Physical Activity Strategy for Bristol 2020 - 2025**
- (Pages 467 - 511)
- PART C - Non-Key Decisions**
22. **Q2 Performance Report**
- (Pages 512 - 525)
23. **Q3 Corporate Risk Report**
- (Pages 526 - 548)





# Decision Pathway Report

**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 21 January 2020

<b>TITLE</b>	<b>Transport Authority Integration Project</b>		
<b>Ward(s)</b>	<b>All/Sub-regional</b>		
<b>Author: Patsy Mellor</b>	<b>Job title: Director: Management of Place</b>		
<b>Cabinet lead: Cllr Kye Dudd</b>	<b>Executive Director lead: Stephen Peacock</b>		
<b>Proposal origin:</b> <i>Other</i>			
<b>Decision maker:</b> Cabinet Member <b>Decision forum:</b> <i>Cabinet</i>			
<b>Purpose of Report:</b>			
<ol style="list-style-type: none"> <li>To seek approval for the transfer of selected transport functions to WECA, for which WECA already has legal responsibility as per the WECA Order.</li> <li>To seek approval for the transfer of the budget for staff and resources of £1.46m (subject to and formal consultation with affected staff) and the delegation of authority for related processes (including TUPE, novation of contracts and implementation of an operating agreement that will govern how decisions are made between authorities after the transfer is completed) to the Executive Director for Growth and Regeneration; in consultation with the Cabinet Member for Finance, Governance and Performance and the Executive Director for Resources.</li> </ol>			
<b>Evidence Base:</b>			
<ol style="list-style-type: none"> <li>A set of public transport functions was conferred to WECA as part of the WECA Order. The proposed change is intended to transfer selected transport functions to WECA, for which WECA already has legal responsibility as per the WECA Order. Those functions were concessionary travel, bus service information, community transport and supported bus services. Travelwest, and business-as-usual operation of Metrobus, are also included within this proposal. Detail of these functions is provided in Appendix A.</li> <li>A WECA project commenced in March 2019, with a view to delivering the change. Analysis of work of relevant teams within the Management of Place service has also been undertaken by BCC, to ensure a rigorous process.</li> <li>An operating agreement between WECA and the constituent authorities is in development, to ensure that the governance arrangements between WECA and its constituent authorities are clear and WECA is accountable for how the levy payments are invested.</li> <li>The total staff resource which is proposed to transfer (from the Passenger Transport Services and Transport Information teams) is 10.8 FTE (subject to formal consultation with affected staff).</li> <li>The 2016 devolution deal stated that “in addition, a new single policy and delivery body will be created covering the same area...” As such, a second phase of the Transport Authority Integration project is anticipated – which will seek to consolidate transport policy/planning functions; and potentially other public transport functions. This will come back to Cabinet for decision.</li> </ol>			
<b>Cabinet Member Recommendations:</b>			
<b>That Cabinet:</b>			
<ol style="list-style-type: none"> <li>Approves the transfer of the budget for staff and resources of £1.46m (subject to formal consultation with affected staff) to WECA, and delegates responsibility for related processes (including TUPE, novation of contracts and implementation of an operating agreement that will govern how decisions are made between authorities after the transfer is completed) to the Executive Director for Growth and Regeneration; in</li> </ol>			

consultation with the Cabinet Member for Finance, Governance and Performance and the Executive Director for Resources.

- Notes that £8.17m is already part of the existing WECA Levy, of which £0.045m relates to potential staffing costs arising as a result of the transfer to WECA. This amount will be subject to inflationary increases of 2% annually, and is subject to annual cost reviews by the UAs

**Corporate Strategy alignment:**

- Proposed change agreed in principle as part of the WECA Order and reflected in the 2016 devolution agreement.
- WECA committee decision on 30<sup>th</sup> November 2018 delegated responsibility for the “responsibility for developing, and implementing, a transition plan is delegated to the West of England Combined Authority Director of Infrastructure, in consultation with equivalent Directors from the constituent councils.” This was passed with a unanimous vote.
- BCC Corporate Strategy states that regional devolution helps the council to achieve its priorities.

**City Benefits:**

- The creation of WECA as the Transport Authority for the region is expected to bring the following benefits:
  - Principle of “greater than the sum of the parts” – meaning we can achieve more by combining resources through WECA than as councils working individually
  - A strategic approach to transport to support housing delivery, business and economic growth, connected communities and to tackle climate change and air quality
  - Providing a consistent transport offer across administrative boundaries
  - Improved resilience and operational efficiency
  - Stronger negotiating position with transport providers
  - Improved visibility/influence of the region at a national level
  - Greater opportunities to advance sustainability and climate change agendas
  - Access to more capital funding
  - Delivering a regionally prioritised transport investment programme
  - Harnessing the collective authority of the combined Leaders and Mayors through the WECA Committee

**Consultation Details:**

Jan/Feb 2020 – Formal consultation on proposal

**Background Documents:**

- West of England devolution deal (government policy paper 16<sup>th</sup> March 2016) <https://www.gov.uk/government/publications/west-of-england-devolution-deal>
- The West of England Combined Authority Order 2017 <https://www.legislation.gov.uk/uksi/2017/126/contents/made>
- West of England Combined Authority Committee 30<sup>th</sup> November 2018 <https://westofengland-ca.moderngov.co.uk/documents/g129/Public%20reports%20pack%2030th-Nov-2018%2010.30%20West%20of%20England%20Combined%20Authority%20Committee.pdf?T=10>

<b>Revenue Cost</b>	<b>£ 1.495m</b>	<b>Source of Revenue Funding</b>	<i>Various Revenue Budgets within Sustainable transport.</i>
<b>Capital Cost</b>	<b>£ N/A</b>	<b>Source of Capital Funding</b>	
One off cost <input type="checkbox"/> Ongoing cost <input type="checkbox"/>		Saving Proposal <input type="checkbox"/> Income generation proposal <input type="checkbox"/>	

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

**Finance Advice:**

- BCC’s existing WECA levy is estimated at £8.17m for 2020/21 (subject to Cabinet and full Council approval). There is no Cabinet decision sought on this as part of this report, however, it should be noted that this already includes staffing costs totalling £0.045m relating to any affected staff who may transfer (subject to consultation and TUPE) to WECA.
- This report is seeking approval to add 3 new services to the WECA Levy – Bus Information, MetroBus, and

- Supported bus services in this phase. It also intends to transfer the staff responsible for providing this service.
3. The value of services transferring is outlined in Table 1 below. The total estimated service expenditure is £1.214m plus staffing costs of £0.281m (which excludes staffing cost of £0.045m already in the existing Levy).
  4. The existing WECA Levy benefits from a 2% uplift (which equates to £0.204m including Community Transport buffer mentioned below and allowing for a proportion of staff costs for staffing not deemed in scope to transfer as part of TUPE).
  5. While the standard service does not allow for the typical annual inflation increases, Concessionary Fares are adjusted from time to time, and the 2% uplift is expected to allow a sufficient buffer to cover such increases. This should address year-end adjustments/additional billing.
  6. Community Transport, one of the existing services in the Levy has a planned tapering in 2020/21 which should reduce cost by £0.065m. For the purpose of budgeting, it is assumed that this funding remains as-is to allow sufficient buffer WECA to deliver service needs across all Levied services without reverting to BCC.
  7. With the exception of staffing costs which benefit from a 2% pay increase in line with TUPE (within the first year of transfer only), the new services will be transferring at existing prices and with an expectation that efficiencies will be realised as well as utilised in funding all future service growth demand. There will be no inflationary increase to these services. Also, with the exception of On-cost for staff (NI & Pension), no other overhead is provided in this transfer. WECA will be covering these from within their existing resources or from efficiencies.
  8. Supported bus services, one of the new services transferring, benefits from a fuel subsidy grant from central government (BSOG), and this grant will be novated as part of the budget transfer. In addition to this, the service also benefited from S106 contributions towards bus services, however, these additional funds are ending in 2019/20 and have been excluded from future planning assumptions. For the BSOG that is transferring, it is expected that the services currently funded will continue, however, were the grant to cease, there is a risk that this will result in service changes. Likewise, if the BSOG were to grow, BCC will expect to see an increased investment of such funds within its geographical area.
  9. The Budget for new services transferring into the WECA Levy totals £1.495m and is currently part of the sustainable transport budget. The budget will be transferred to a corporate levy budget and removed from the Management of place budget.
  10. The report seeks approval to transfer a budget of £1.495m into the WECA Levy, as well as transfer 10.8 FTE (Subject to consultation and TUPE) to WECA. There are no other financial implications as part of this report.

**Table 1**

		BCC Proposed Levy		
		20/21	20/21	20/21
<u>Existing Services</u>		£	£	£
Total Existing WECA Levy (2% Inflation)		8,126,531	8,289,421	8,455,570
<u>New Services</u>				
<u>Bus Information</u>				
	Gross Expenditure	86,388	86,388	86,388
	Income/Funding	-25,000	-25,000	-25,000
	Sub-Total	61,388	61,388	61,388
<u>Metrobus</u>				
	Gross Expenditure	181,678	181,678	181,678
	Income/Funding	-118,402	-118,402	-118,402
	Sub-Total	63,276	63,276	63,276
<u>Supported bus services</u>				
	Gross Expenditure	1,621,590	1,621,590	1,621,590
	Income/Funding	-532,340	-532,340	-532,340
	Sub-Total	1,089,250	1,089,250	1,089,250
	<b>Total New Services</b>	<b>1,213,914</b>	<b>1,213,914</b>	<b>1,213,914</b>
<u>New staffing Cost</u>				
	Staffing Costs (Incl £45k already included in Existing Levy)	326,556	327,462	328,385
	<b>Grand Total WECA Levy</b>	<b>9,667,001</b>	<b>9,830,797</b>	<b>9,997,869</b>



**Finance Business Partner:** Kayode Olagundoye 13/01/2020

**2. Legal Advice:** The West of England Combined Authority Order 2017 transferred the public transport functions referred to in this report to WECA. This report seeks approval to now transfer the associated BCC resources and staff delivering these functions to WECA.

The Transfer of Undertakings (Protection of Employment) Regulations 2006 are likely to apply to the Transport Authority Integration project. The Council must determine the scope of those transport functions which have transferred to WECA as part of the first phase of the project. It can then assess which employees are assigned, for the purposes of TUPE, to those services and will therefore transfer under TUPE to WECA.

TUPE applies by operation of law and any disputes will be dealt with in accordance with the legal basis on which TUPE may apply.

The Council should continue to seek advice from HR and Legal Services in relation to the potential transferring employees and also any impact on staff who do not transfer. Ideally the Council and WECA will provide suitable indemnities for any employment liabilities arising pre-transfer (Council) or post-transfer (WECA).

WECA is a scheme employer in the LGPS so pension arrangements for transferring employees will be relatively straightforward.

Legal Services will advise and assist officers in relation to the novation of contracts and the operating agreement.

**Legal Team Leader:** Husinara Jones 17/12/2019

**3. Implications on IT:** Consideration of the migration of data and systems access will need to be made as the project progresses involving colleagues from IT Services and Information Assurance. Decisions regarding which items of equipment are to be transferred need to continue (via TUPE or via separate commercial/legal agreement). A transition period will need to be established whereby BCC continues to provide equipment and software access whilst WECA procure/implement their replacement systems. At this time, the scale or scope of the work cannot be fully assessed.

**IT Team Leader:** Simon Oliver 11/12/2019

**4. HR Advice:** Employees assigned to the core elements of the Transport function deemed in scope for the integration will transfer under TUPE regulations to WECA on 1<sup>st</sup> April 2020. Work is underway to assess which staff may be affected, pending the Cabinet meeting in January 2020. HR are fully engaged with the project and are working closely with the other unitary authorities and WECA's project team. Formal consultation with affected employees and the trade unions should commence straight after Cabinet's decision to allow time for meaningful consultation with those transferring as well as teams and individuals who will remain in BCC.

**HR Partner:** Celia Williams 10/12/2019

<b>EDM Sign-off</b>	Colin Molton	09/10/2019
<b>Cabinet Member sign-off</b>	Clr Kye Dudd	21/10/2019
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	19/12/2019

<b>Appendix A – Further essential background / detail on the proposal</b>	<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>YES</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Eco-impact screening / impact assessment of proposal</b>	<b>YES</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>

Appendix K – ICT	NO
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## Appendix A: Further essential background / detail on the proposal

### WECA Public Statement (November 2019)

The West of England Combined Authority took on new transport powers as part of the devolution deal, and we are now working with our constituent councils to bring the delivery of these new powers and functions together.

Since WECA was set up in 2017, these functions have been carried out by the councils on behalf of WECA, but now we are looking at how we bring them together.

Working together in this way means we can achieve more by combining resources and taking positive action to address our challenges as a region.

It means we can plan public transport across council boundaries, supporting our Joint Local Transport Plan and Bus Strategy; we will have a stronger negotiating position with public transport providers and there is a greater opportunity to advance sustainability and climate change agendas.

It is expected that by April 1<sup>st</sup> 2020 staff from the three authorities will transfer to WECA to carry out these functions in a new combined team. As the Transport Authority for the region, WECA will take responsibility for delivering the following:

- **Concessionary travel** - administration of the service providing free off-peak bus passes for older people and people with qualifying disabilities.
- **Bus service information** - provision of bus timetable information at bus stops and data to journey planners and apps, including the real-time predictions.
- **Community transport** – funding, advice and support for on-demand local transport services, such as dial-a-ride, community buses and voluntary car schemes.
- **Supported bus services** - procurement and management of bus contracts supported with public money where the service is not commercially viable.
- **metrobus** - management of the metrobus contract and providing service information to metrobus iPoints.
- **Travelwest** - management of the travelwest website, including travel information.

We are working together to ensure that there will be no impact on public services during the transition.

**Additional Information (also supplied by WECA November 2019)**

Below is a more detailed proposed division of responsibilities between WECA and UAs:

Function	WECA Main Activities	UA Main Activities
Concessionary Travel	<p>Overall responsibility for delivery of English National Concessionary Travel Scheme (jointly with NSC)</p> <ul style="list-style-type: none"> <li>• Delivery of scheme-wide non-statutory elements</li> <li>• Policy setting including the non-statutory elements</li> <li>• Management of scheme and reimbursement to operators</li> <li>• Guidance to agents on assessment of eligibility and issue of passes to WECA residents</li> <li>• Data collection and submission to DfT</li> <li>• Fraud checks</li> </ul>	<ul style="list-style-type: none"> <li>• As agents for WECA to process pass applications including assessment of eligibility</li> <li>• Printing and issuing of passes</li> </ul>
Bus Service Information	<ul style="list-style-type: none"> <li>• Real time information system and contract (jointly with NSC)</li> <li>• Managing changes to commercial service registrations</li> <li>• Preparation, printing and posting of paper timetables</li> <li>• Traveline data input</li> <li>• Representation at SWPTI and SWAPTO meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Arrangement of temporary diversions for planned and unplanned road closures, road works and events</li> <li>• Promotion of PT projects and local engagement</li> </ul>
Community Transport	<ul style="list-style-type: none"> <li>• Policy and consistency standards</li> <li>• Advice and guidance to providers</li> <li>• Assessment of applications, award of grant funding and management of service level agreements</li> <li>• Issue of s19 permits</li> </ul>	
Supported Bus Services	<ul style="list-style-type: none"> <li>• Supported bus services contract specification, procurement and management (including for Bristol Park and Ride services)</li> <li>• Bus service registrations</li> <li>• Monitoring of performance of services</li> <li>• Bus punctuality data collection, analysis and submission to DfT</li> </ul>	<ul style="list-style-type: none"> <li>• Negotiation of S106 contributions (in consultation with WECA) and commissioning these services through WECA</li> <li>• Receipt of devolved BSOG on behalf of WECA (subject to discussions with DfT)</li> <li>• Procurement of Home-to-School and SEND transport</li> <li>• Influencing PT input into Capital Programme, Highway DM and Local Plan development</li> </ul>
Metrobus	<ul style="list-style-type: none"> <li>• Customer service</li> <li>• Liaison with operators</li> <li>• Managing the Quality Partnership Scheme</li> </ul>	<ul style="list-style-type: none"> <li>• Initiating further scheme development projects</li> </ul>

Travelwest	<ul style="list-style-type: none"><li>• Operation and management of Travelwest website/platform</li><li>• Development and improvement of the website to reflect new technology</li><li>• Lead on Travelwest working group</li></ul>	<ul style="list-style-type: none"><li>• Prepare and provide content for Travelwest website</li><li>• Represent UA at Travelwest working group</li></ul>
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APPENDIX D

## Transport Authority Integration Project Risk Register

Ref	Risk Description	Key Causes	Key Consequence	Status Open / Closed	Strategic Theme	Risk Category	Risk Owner	Key Mitigations	Direction of travel	Current Risk Level			Monetary Impact of £k	Risk Tolerance			
										Likeliho od	Impact	Risk Rating		Likeliho od	Impact	Risk Rating	Date
TAI01	Performance of functions moving across is affected post-transfer, particularly in the short-term	Insufficient preparation by WECA	Reputational damage to BCC	Open	Well-connected	Reputational	WECA	Monitoring and management at all levels	Reducing	8	4	32	N/A	8	4	32	16/10/2019
TAI02	Performance of other functions within service is affected, particularly in the short-term	Insufficient preparation by BCC	Reputational damage to BCC	Open	Well-connected	Reputational	BCC	Robust 'to be' planning	Reducing	4	6	24	N/A	4	6	24	16/10/2019
TAI03	Loss of staff, either before during or after transfer	Beyond inherent (i.e. residual) risk, poor handling of the change	Damage to functions and services, and by implication damage to BCC/WECA in reputational terms	Open	Well-connected	Staff	BCC & WECA	Careful communications, sensitive handling of issues	Increasing	6	6	36	N/A	6	6	36	16/10/2019
TAI04	Insufficient time for completion of TUPE process, and/or financial agreements (e.g. budget/levy calculations), and/or legal agreements (e.g. novation of contracts), and/or IT arrangements	Potentially-insufficient time having been programmed by WECA (no contingency in original project plan)	Project delays	Open	Well-connected	Project	WECA	Liaison between relevant council teams and WECA	Increasing	8	3	24	N/A	10	3	30	16/10/2019

## Bristol City Council Equality Impact Relevance Check

This tool will identify the equalities relevance of a proposal, and establish whether a full Equality Impact Assessment will be required. Please read the guidance prior to completing this relevance check.



<b>What is the proposal?</b>	
Name of proposal	Transport Authority Integration Project
Please outline the proposal.	<ol style="list-style-type: none"> <li>1. Approval is sought transfer selected transport functions to WECA, for which WECA already has legal responsibility as per the WECA Order.</li> <li>2. It is proposed that Cabinet approves the transfer of staff and resources, and authorises responsibility for related processes (including TUPE) to the Executive Director for Growth and Regeneration.</li> </ol>
What savings will this proposal achieve?	N/A
Name of Lead Officer	Patsy Mellor

<b>Could your proposal impact citizens with protected characteristics?</b> (This includes service users and the wider community)
Please outline where there may be significant opportunities or positive impacts, and for whom.
The proposal will not make any alterations to the services delivered to the public, and as a result will not impact on citizens either positively or negatively.
Please outline where there may be significant negative impacts, and for whom.
As above – no impact

<b>Could your proposal impact staff with protected characteristics?</b> (i.e. reduction in posts, changes to working hours or locations, changes in pay)
Please outline where there may be significant opportunities or positive impacts, and for whom.
None identified
Please outline where there may be negative impacts, and for whom.
Staff will be transferred from BCC to WECA under TUPE regulations which protect the individual's terms and conditions against any changes.
The transfer will alter the working location for transferring staff from the existing offices to another central Bristol WECA office (exact location to be determined).
<b>Page 15</b>
Therefore we do not anticipate significant impact for staff with regards to relocation.

However depending on the personal situation of the staff involved, the exact location and of the new office and the facilities at the new office, the following will require consideration:

- Home location and available travel options
- Staff parking arrangements in accordance with specific exceptional circumstances (e.g. disability)
- Childcare arrangements
- DSE requirements
- Any current reasonable adjustments within the workplace which need to be transferred to the new office.
- Occupational Health review where needed, to ensure that any new or adjusted reasonable adjustments which are required are put in place.

A period of formal staff consultation will be held in January/February 2020 to understand any individual issues in relation to the transfer, and WECA will seek to provide measures which minimise or eliminate the impact. Any existing arrangements related to disability or H&S requirements will be replicated (or equivalent) post-transfer.

The impacts of the TUPE transfer will not be understood in detail until early 2020, however the intention is that all impacts will be mitigated and hence the residual impact should be negligible.

**Is a full Equality Impact Assessment required?**

Does the proposal have the potential to impact on people with protected characteristics in the following ways:

- access to or participation in a service,
- levels of representation in our workforce, or
- reducing quality of life (i.e. health, education, standard of living) ?

Please indicate yes or no. If the answer is yes then a full impact assessment must be carried out. If the answer is no, please provide a justification.

No – We have not identified any significant impact from this proposal.

Service Director sign-off and date:  
Patsy Mellor, Director of Management of Place  
28/10/2019



Equalities Officer sign-off and date:  
Reviewed by Equalities and Community  
Cohesion Team 15/10/2019



## Eco Impact Checklist

<b>Title of report: Transport Authority Integration Project</b>				
<b>Report author: Patsy Mellor</b>				
<b>Anticipated date of key decision 3<sup>rd</sup> December 2019</b>				
<b>Summary of proposals:</b>				
<ol style="list-style-type: none"> <li>Approval is sought transfer selected transport functions to WECA, for which WECA already has legal responsibility as per the WECA Order.</li> <li>It is proposed that Cabinet approves the transfer of staff and resources, and authorises responsibility for related processes (including TUPE) to the Executive Director for Growth and Regeneration.</li> </ol>				
Will the proposal impact on...	Yes/ No	+ive or -ive	If Yes...	
			Briefly describe impact	Briefly describe Mitigation measures
Emission of Climate Changing Gases?	No			
Bristol's resilience to the effects of climate change?	No			
Consumption of non-renewable resources?	No			
Production, recycling or disposal of waste	No			
The appearance of the city?	No			
Pollution to land, water, or air?	No			
Wildlife and habitats?	No			
<b>Consulted with: N/A</b>				
<b>Summary of impacts and Mitigation - <u>to go into the main Cabinet/ Council Report</u></b>				
The significant impacts of this proposal are N/A				
The proposals include the following measures to mitigate the impacts – N/A				
The net effects of the proposals are N/A				
The creation of WECA as the transport authority is expected to have benefits through:				
<ul style="list-style-type: none"> <li>- A strategic approach to transport to support housing delivery, business and economic growth, connected communities and to tackle climate change and air quality</li> <li>- Providing a consistent transport offer across administrative boundaries</li> <li>- Greater opportunities to advance sustainability and climate change agendas</li> <li>- Access to more capital funding</li> </ul>				
All of the areas above should help to improve sustainable transport in the region, having a positive environmental impact.				

WECA has declared a climate emergency so aims of the authority align with Bristol City Council, who have also declared a climate emergency.

**Checklist completed by:**

Name:	Krystian Taylor
Dept.:	Transport
Extension:	07464 531613
Date:	10/10/2019
Verified by Environmental Performance Team	Nicola Hares



## Decision Pathway – Report

**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 21 January 2020

<b>TITLE</b>	<b>2019/20 Period 8 Forecast Outturn Report</b>		
<b>Ward(s)</b>	n/a		
<b>Author:</b> Tian Ze Hao	<b>Job title:</b> Senior Finance Business Partner		
<b>Cabinet lead:</b> Cllr Craig Cheney	<b>Statutory Officer lead:</b> Denise Murray		
<b>Proposal origin:</b> Other			
<b>Decision maker:</b> Cabinet Member			
<b>Decision forum:</b> Cabinet			
<p><b>Purpose of Report:</b> This report provides the update on the Council's financial performance and forecast use of resources for the financial year 2019/20 at Period 8. The Council's budget for 2019/20 was agreed by Council on 26<sup>th</sup> February 2019 and this report focuses on the forecast position against the latest budget.</p> <p>The Council operates Directorate cash limited budgets and Executive Directors are responsible for ensuring that appropriate action is taken to contain both revenue and capital spending within the directorate's overall budget limit. Budget holders forecasting a risk of overspend should in the first instance set out in-service options for mitigation. Where these are considered undeliverable or pressures cannot be contained across the directorate the budget scrutiny process will be triggered and a request may be made for the Executive to consider granting a supplementary estimate redirecting funds from an alternative source.</p> <p>As we are heading into the end of the third quarter, reported risk on overspend will likely to trigger request for supplementary estimates for areas such as Adults, Education and Facility Management. However at this stage mitigations continue to be explored within the service and across the directorate (as demonstrated within Resources) with a range of management actions being explored. This position and proposed mitigations will continue to be closely monitored and reported.</p>			
<b>Evidence Base:</b>			
<p>The Council's overall annual revenue spend for 2019/20 covers a number of areas:</p> <ul style="list-style-type: none"> <li>The General Fund net budget of £376.3m (with a forecast overspend of £6.5m at P8), providing revenue funding for the majority of the Council services.</li> </ul> <p>Ring Fenced Accounts:</p> <ul style="list-style-type: none"> <li>The Housing Revenue Account (HRA) of £160.0m gross spend (£2.1m underspend forecast at P8), is ring-fenced, money received in rent in order to plan and provide services to current and future tenants, and the balanced will be managed through the HRA ring fenced reserves.</li> <li>Dedicated Schools Grant (DSG) is a ring-fenced grant that must be used in support of the schools budget and is managed within the People Directorate. The total DSG budget, including amounts recouped by the Education and Skills Funding Agency for Academies is £357.1m for 2019/20 and this includes accelerated funding of £ 2.407m from 2020/21. The DSG is currently forecasting an £1.0m in year overspend against this approved budget (consists of £0.4m underspend in Early Years and £1.4m overspend in High Needs), this net overspend is proposed to be managed through the ring-fenced reserves.</li> <li>Public Health, a ring-fenced grant of £31.6m (with a forecast variation of £0.1m at P8 to be met from PH reserve), must be spent to support the delivery of the Public Health Outcomes Framework exclusively for all ages and is managed within the People Directorate.</li> </ul>			

Full detail for each of these areas is provided in the main monitoring report, Appendix A.

**Capital Programme:**

- Revised Capital Programme budget of £180.4m (with a forecast underspend of £22.0m in P8) fully funded through the use of external funding, capital receipts and borrowing.

**Recommendations:**

**That Cabinet to approve,**

- Changes to Capital programme budget since P7 (additional £9.5m added in total, please see details listed under Appendix B).
- Further budget alignment of the Capital Programme to the actual forecast, and re-profile the reported underspend of £22m at P8 from 2019/20 to later years.
- Transfer of £0.38m one-off funding from the Mayors savings consultation reserve to the Community budget within Commercialisation and Citizens to offset the impact of savings scheme FP01- Review and reduce spend on service provided by external partners in 2019/20.
- The creation of a specific reserve of £2m for Key Line of Business and System / Project Development from the existing Business Transformation reserve detailed under Section 4 Appendix A, with authority delegated to the Deputy Mayor, Cabinet Member for Finance, Governance and Performance in consultation with the Director of Finance for the allocation of the funds below key decision values to the specific propositions.

**That Cabinet note,**

- A risk of overspend on General fund services of £6.5m for 19/20 representing 1.7% of the approved budget (Appendix A), supplementary estimates requests will be expected to balance the 2019/20 in-year position.
- The full mitigation of the 2019/20 £0.38m Third Party budget savings impacting on the Community budget within Commercialisation and Citizens will be proposed in the annual 2020/21 budget.
- A forecast £2.1m underspend position with regard to the Housing Revenue Account and any underspend at year-end will be carried forward and built into the future programme.
- A forecasted £1.0m overspend for the Dedicated Schools Grant against approved budget.
- A risk of overspend of £0.1m for Public health, which if materialises will be funded from a drawdown from the PH reserve.
- The Sundry Debt position of £20.5m over 90 days as at Period 8, slightly reduced from £20.9m since P7. Individual directorate detail included under Appendix A1-6.

**Corporate Strategy alignment:** This report sets out progress against our budget, part of delivering the financial plan described in the Corporate Strategy 2018-23 (p4) and acting in line with our organisational priority to 'Be responsible financial managers' (p11).

**City Benefits:** Cross priority report that covers whole of Council's business.

**Consultation Details:** n/a

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

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

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

**Finance Business Partner:** Michael Pilcher (Chief Accountant)

**2. Legal Advice:** The report, including the detail in Appendix A&B, will assist the Cabinet to monitor the budget position with a view to meeting the Council's legal obligation to deliver a balanced budget.

<b>Legal Team Leader:</b> Nancy Rollason, Head of Legal Service		
<b>3. Implications on IT:</b> There are no IT implications arising from production of this report.		
<b>IT Team Leader :</b> Simon Oliver, ICT		
<b>4. HR Advice:</b> Expenditure on staffing is monitored on a monthly basis by budget holders. Managers are required to manage expenditure within the agreed staffing budget that has been set for 2019/20.		
<b>HR Partner:</b> Mark Williams, Head of Human Resources		
<b>EDM Sign-off</b>	Denise Murray	13/01/2020
<b>Cabinet Member sign-off</b>	Cllr Cheney	13/01/2020
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	13/01/2020

<b>Appendix A – P6 Revenue Budget Monitoring Report</b>	<b>YES</b>
<b>Appendix B – P6 Capital Budget Monitoring Report</b>	<b>YES</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>NO</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Combined Background papers</b>	<b>NO</b>
<b>Appendix J – Exempt Information</b>	<b>NO</b>
<b>Appendix K – HR advice</b>	<b>NO</b>
<b>Appendix L – ICT</b>	<b>NO</b>

## 1. General Fund

1.1. The Council is currently forecasting a £6.5m overspend on the approved general fund budget (£376.3m) which is an increase of £2.2m since P7. At this point of the financial year, supplementary estimates are expected for any immitigable risks of overspend approaching year-end. The level of reported overspend has also been considered in proposing the 2020/21 annual budget.

1.2. The table below provides a summary of the current 2019/20 forecast position by directorate. Additional service details are provided for each Directorate in individual appendices.

Figure 1: General Fund Forecast Net Expenditure

Approved Budget*	Directorate	Revised Budget	Outturn	Variance	Variance as % of Net Budget
£m		£m	£m	£m	
226.3	People	226.7	232.9	6.2	2.8%
53.9	Resources	53.6	53.7	0.1	0.3%
61.1	Growth and Regeneration	59.9	60.2	0.3	0.5%
<b>341.3</b>	<b>Sub-total</b>	<b>340.1</b>	<b>346.8</b>	<b>6.6</b>	<b>1.9%</b>
35.0	Other Budgets**	36.2	36.1	-0.1	(0.3%)
<b>376.3</b>	<b>Net Expenditure Total</b>	<b>376.3</b>	<b>382.9</b>	<b>6.5</b>	<b>1.7%</b>

\*Other Budgets includes capital financing and borrowing costs, and non-apportioned central overheads.

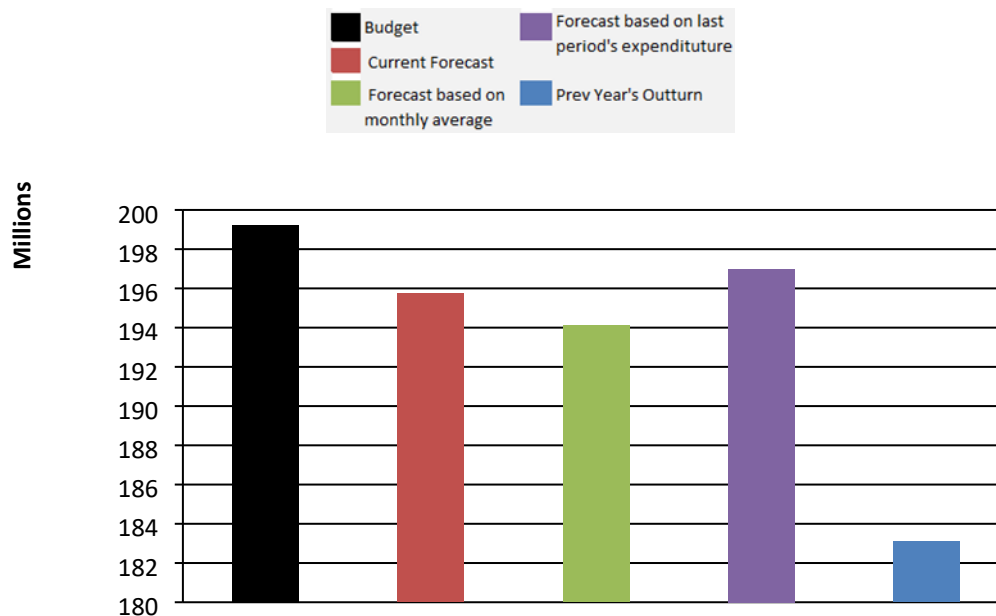
1.3. The increase in the forecast overspend in People from £3.1m in P7 to £6.2m in P8 relates to the increase in forecast overspend on Adult Social Care (increase from £2.4m to £5.5m). As previously reported the service has undertaken a review of the impact of changes in demand and market capacity which hindered the delivery of the £4.3m savings originally planned in 2019/20 and concluded the delay in achieving these savings. Please see Appendix A1 for further detail. A supplement estimate will be required in 2019/20 to balance the in-year position. In addition, a separate report will be taken to Cabinet before March proposing to re-profile the original savings target over 2020/21 and 2021/22.

1.4. The reported overspend on Education improvement budget remains at £0.6m, principally relating to Home to School Transport. This recurrent issue was addressed by a temporary supplementary estimate in 2018/19, and it will likely to trigger a further supplementary estimate in 2019/20. The principal reason for the increase is an increase in demand; the current trajectory indicates a 16% increase from last year in eligible children numbers. Other contribution pressures include increases in the cost of Service Level Agreements and increased costs of the new Transport Framework.

1.5. The forecast overspend in Resources Directorate has reduced from £1.5m in P7 to £0.1m in P8 through implementing a range of mitigations across the Directorate, e.g. reducing non-essential expenditure; drawing down earmarked reserves and reviewing income forecasts. Gross pressures remain within Facilities Management (£1.5m) due to challenges in delivering savings along with risks to achieving income targets; these are offset through the above mentioned mitigations across-divisions within the Resources Directorate (see Appendix A2 for further detail).

1.6. Figure 2 below illustrates the difference between the budget holders' forecasts on employees spend and the extrapolated positions. It shows that the current forecast falls in between the monthly averages and extrapolation based on the last period. As we are heading into the end of the third quarter, forecast accuracy is expected to improve.

Figure 2: Employee cost run-rate comparison to management forecast



## 2. Ring-Fenced Accounts

### Housing Revenue Account

- 2.1. The HRA is reporting a higher underspend (£2.1m) against the approved budget comparing to P7 (£1.7m). This relates to the recruitment and retention issues in the Construction industry generally, and the service is seeking to fill vacancies and over programme works where possible in order to ensure maximum deliverability of the planned programme. Any underspend at year-end will be carried forward and built into the future programme.

### Dedicated Schools Grant

- 2.1. The High Needs budget includes transfers from other blocks of £2.566m and the accelerated funding of £2.407m from 2020/21, giving a total budget of £58.904m. This block is forecasting an overspend of £1.377m, which has improved by £0.3m since last month reflecting a reduction in the projected cost of Out of Area Placements. The ESFA have announced that funding for this block will increase in 2020/21 and Schools Forum will be asked to support any movement between blocks required to ensure enough funding is available to meet demand.
- 2.2. Early years DSG income is based on actual take up of places and measured at four census points during the year. The first two of these are available and the forecast is based on these participation levels, along with an estimate of future levels, giving an underspend of £0.416m. As actual levels are notified, both the income and forecast will vary during the year.

### Public Health

- 2.3. Public Health is forecasting to deliver a balance budget in 2019/20 which remains consistent with P7. The total grant receipt of £31.6m included a 2.5% reduction (£0.9m) this year. There is a risk that the agreed 2019/20 budget may be overspent to a value of £0.102m (£0.127m P6) and steps are being taken to reduce this amount where practical.

## 3. Savings Programme

- 3.1. The savings / efficiency programme agreed by Council in 2018 included savings totalling £11.7m for 2019/20. In addition, £6.1m of savings were carried forward from 2018/19 to 2019/20 which still requires recurrent delivery and mitigation in 2019/20. Therefore the total savings delivery target for 2019/20 is £17.8m.

- 3.2. At P8 £5.1m of £17.8m savings are reported to be at risk where further work / mitigating actions may be required in order to deliver of which £4.3m relates to the Adult Social Care Better Lives Programme and the remainder relates to Facilities Management and Third Party efficiencies.
- 3.3. The Adult Social Care Better Lives Programme review has concluded that the full saving of £4.3m is to be reported as at risk for P8 (previously £2m) and this is detailed in Appendix A1.

Figure 3: Summary of Delivery of Savings by Directorate

Directorate	2019/20 Savings £m	2019/20 Savings reported as safe	2019/20 Savings reported as at risk	
		£m	£m	%
People	8.98	4.60	4.39	49%
Resources & Cross-Cutting	4.39	3.71	0.69	16%
Growth and Regeneration	4.41	4.38	0.03	1%
<b>Total</b>	<b>17.79</b>	<b>12.69</b>	<b>5.11</b>	<b>29%</b>

#### 4. Movement of Earmarked Reserves

- 4.1. This report proposes to allocate £0.38m from the Mayors Savings Consultation Reserve as a one off transfer to the Community budget within Commercialisation and Citizens to offset the crosscutting savings on FP01- Review and reduce spend on service provided by external partners which was agreed in 2018/19 and if delivered may have an adverse impact on community engagement; and separate out £2.0m funding from the Business Transformation Reserve for the specific purpose of investing in the Council's Key Line of Business and Systems / Project developments.

REF	Reserve Name	Closing Balance 31.03.2019	Movement	New Balance
BX151	Mayors Risk (saving consultation reserve)	(0.609)	0.380	(0.229)
BX084	Business Transformation Reserve	(3.347)	2.000	(1.347)
NEW	Key Line of Business Transformation Reserve	0.000	(2.000)	(2.000)

- 4.2. Examples of projects under this new theme include Revenue & Benefit systems (separate report on the agenda at this meeting), HR and Payroll systems, Risk Management Systems, Print & Mail systems and DBS systems. Please note that delegated authority individual projects draw-down will be subject to separate cabinet approvals if constitute key decisions and authority is sought for delegation to the Deputy Mayor, Cabinet Member for Finance, Governance and Performance in consultation with the Director of Finance for the allocation of the funds below key decision values to the specific propositions.



**Period 8 Budget Monitoring - Summary**

2019/20 - Full Year				
Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	
£000s				

**People**

Adult Social Care	148,718	148,912	154,447	5,535
Children and Families Services	62,439	62,699	62,752	54
Educational Improvement	11,915	11,814	12,463	649
Public Health - General Fund	3,237	3,237	3,237	0
<b>Total People</b>	<b>226,309</b>	<b>226,662</b>	<b>232,899</b>	<b>6,238</b>

**Resources**

Digital Transformation	11,528	11,668	11,468	(200)
Legal and Democratic Services	6,898	6,808	6,607	(201)
Finance	11,500	11,591	11,601	10
HR, Workplace & Organisational Design	10,568	10,364	9,806	(558)
Policy, Strategy & Partnerships	2,939	3,037	2,881	(156)
Commercialisation & Citizens	10,446	10,101	11,347	1,246
<b>Total Resources</b>	<b>53,879</b>	<b>53,569</b>	<b>53,710</b>	<b>141</b>

**Growth & Regeneration**

Housing & Landlord Services	11,649	11,602	11,325	(277)
Development of Place	1,277	1,287	1,181	(105)
Economy of Place	2,678	3,410	4,308	899
Management of Place	45,476	43,584	43,340	(244)
<b>Total Growth &amp; Regeneration</b>	<b>61,080</b>	<b>59,883</b>	<b>60,154</b>	<b>273</b>

**SERVICE NET EXPENDITURE**

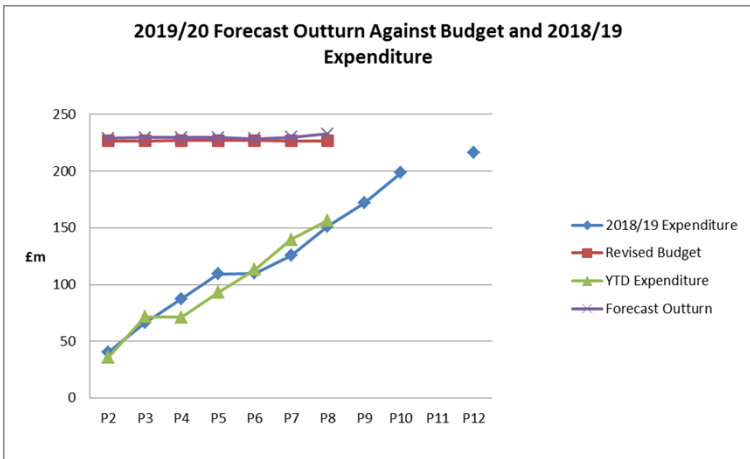
	<b>341,268</b>	<b>340,114</b>	<b>346,763</b>	<b>6,652</b>
Levies	857	857	860	3
Corporate Expenditure	34,174	34,925	34,810	(115)
Capital Financing	0	405	405	0
Corporate Revenue Funding	(376,299)	(376,299)	(376,299)	0
RELEASED FROM RESERVES	0	0	0	0
<b>TOTAL REVENUE NET EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>6,540</b>	<b>6,540</b>

a: 2019/20 Summary Headlines

Revised Budget P8 <b>£226.7m</b>	Forecast Outturn <b>£232.9m</b>	Outturn Variance <b>£6.2m overspend</b>
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b: Budget Monitor

1. Overall Position and Move

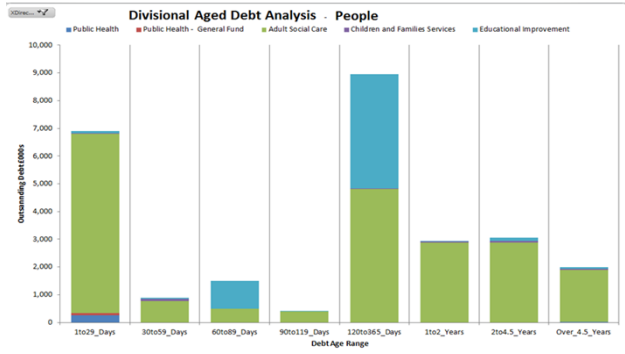


Forecast Outturn Variance 2019/20											
£000											
Revised budget	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
£226.7m	2.3	2.8	2.8	2.7	2.8	3.1	6.2				
	▲	▲	▲	▼	▲	▲	▲				

2. Revenue Position by Division

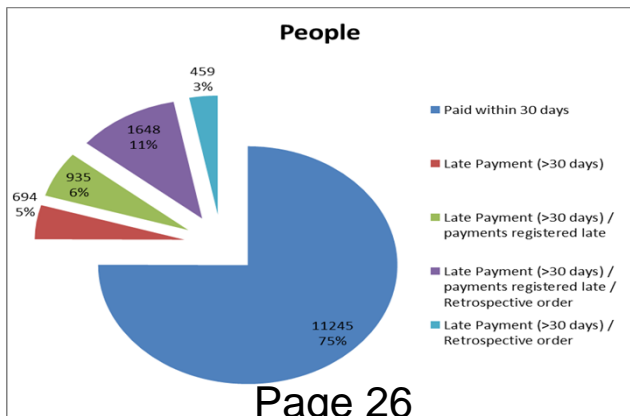
Revenue Position by Division	2019/20 - Full Year			
	Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance
£000s				
Adult Social Care	148.7	148.9	154.4	5.5
Children and Family Services	62.4	62.7	62.8	0.1
Educational Improvement	11.9	11.8	12.5	0.6
Public Health - General Fund	3.2	3.2	3.2	0.0
<b>Total</b>	<b>226.3</b>	<b>226.7</b>	<b>232.9</b>	<b>6.2</b>

3. Aged Debt Analysis



4. Payment Statistics

Division	Amount Paid (£)	Number of invoices paid	Average days to pay	Late Payment (>30 days)	Invoices paid without order	Retrospective order
<b>1 - People</b>						
14 Adult Social Care	5,183,597	4,052	34	832 21%	30 1%	656 16%
15 Children and Families Services	19,372,722	6,540	40	2,012 31%	14 0%	2,598 40%
16 Educational Improvement	25,805,060	2,191	29	300 14%	16 1%	300 14%
1Y Capital - People	7,523,357	197	38	55 28%	0 0%	39 20%
34 Public Health	13,087,229	1,693	47	469 28%	0 0%	324 19%
36 Public Health - General Fund	8,814,368	308	34	68 22%	0 0%	50 16%
<b>1 - People Total</b>	<b>79,786,332</b>	<b>14,981</b>	<b>37</b>	<b>3,736 25%</b>	<b>60 0%</b>	<b>3,967 26%</b>



## 5. Key Messages

### 5.1 Adult Social Care

Outturn 2018/19 £'000s	Financial Year 2018/19	Revised Budget 2019/20 £'000s	2019/20 Forecast @ P08 £'000s	Forecast Variance @P08 £'000s	Change in forecast Variance £'000s
72,705	Older Adults 65+	65,681	73,630	7,949	-316
66,054	Working Age Adults 18 - 64	63,533	69,473	5,940	-217
8,954	Preparing for Adulthood 0 - 25	8,228	9,700	1,472	50
2,487	Social Care Support	1,877	-1,835	-3,712	19
30,118	Staffing & other costs	34,981	31,558	-3,423	35
-29,542	Income	-25,389	-31,811	-6,422	-193
	iBCF Inflation Provision		-640	-640	-640
	Saving Target not Delivered		4,300	4,300	4,300
<b>150,776</b>	<b>Totals per budget report</b>	<b>148,911</b>	<b>154,375</b>	<b>5,463</b>	<b>3,038</b>

**Note:** The forecast on Older Adults 65+ has been reduced by £0.372m which forms part of the Saving Target written down as part of the P4 forecast. To avoid confusion this has now been added back to the Saving Target not Delivered which is shown separately in the table above.

The current forecast outturn at P8 (November 2019) for Adult Social Care on a current net budget of £149.0m is £150.4m an overspend of £1.5m (1%).

As previously reported the service was undertaking a critical review of the risk to delivery of the savings target of £4.3m. The review concluded that the saving will not be achieved in this financial year primarily due to:

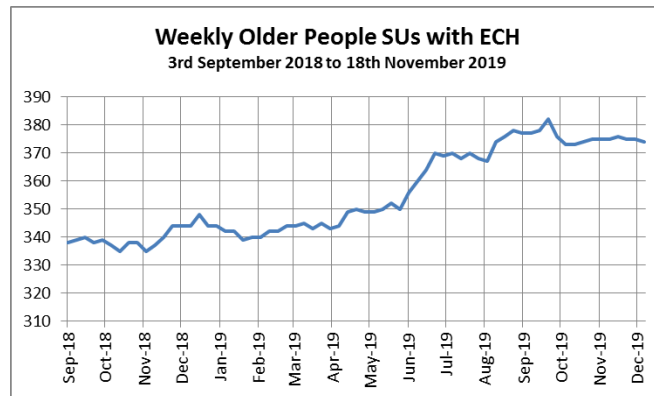
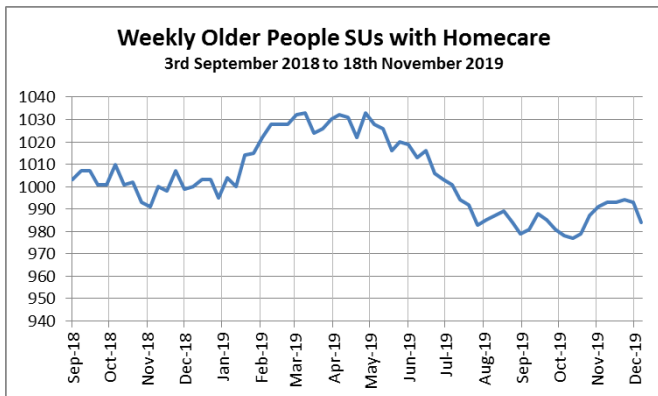
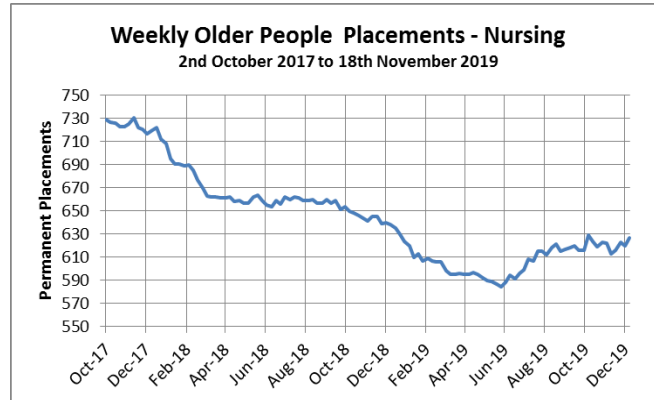
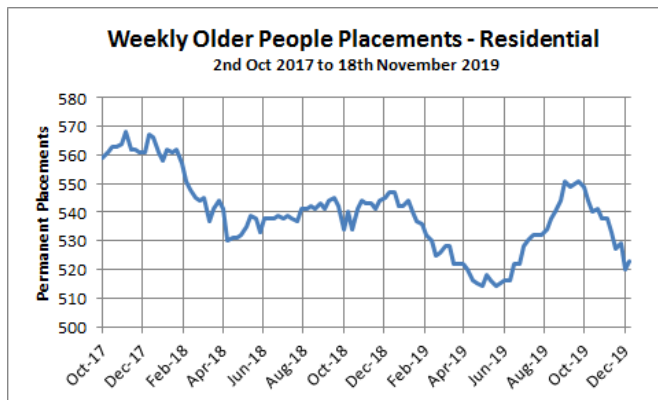
- Pressures from hospital discharges throughout the summer at unprecedented levels
- Lack of Home Care supply (severe workforce challenges)

To address this in the short term the service has had to revert to placements in higher cost Nursing and Residential Care.

The forecast overspend has been revised to £5.463m to include the effect of the saving target not being delivered in this year.

The key movements between the period 7 and period 8 forecasts include:

- The originally planned Savings of £4.3m will not be achieved in 2019/20 due to demand pressures and lack of workforce supplies in the market.
- The revision to the Adult Social Care Budget through the transfer of Careline (Piper) service which currently shows a net forecast Income of £87k. It is understood however that there is a high risk that the service will not achieve the £0.150m Income target and as a consequence will possibly suffer an underspend. This is currently under review with Housing.
- Addition of £640k of one-off iBCF funds provided as part of the arrangements to mitigate the in-year demand and cost pressures
- Earmark part of the underspend on the Home First service (£479k) to recruit additional Care Staff through the CCG provider in order that the service meets its commitment to free up hospital beds. This commitment of £130-£200k is not reflected in the Forecast.
- In addition to the introduction of the iBCF funds the service shows a further reduction in the underspend of £250k which is primarily due to an increased forecast on Direct Payments clawback.
- Support for Older Adults Forecast has remained stable in the month. Looking at placements for November there is a downward trend for residential and nursing. By contrast placements for Home Care and Extra Care Housing are showing a downward trend. There are risks that due to winter pressures that the demand on care home placements will increase if homecare supply remains at current levels. The following graphs set out the up to date position on placements for Older Adults.



## 5.2 Public Health - General Fund

The current forecast at P7 for Public Health is Forecasting a break even position on a gross budget before Income £3.237m.

## 5.3 Children and Family Services

At this stage in the year, the service is forecasting an overspend of £53k, which is almost the same as P7. At present the placements forecast (as per the table below) is indicating a budget pressure of £0.268m, this pressure is offset by forecast underspends of £0.215m elsewhere in the service.

Within the budget for 2019/20 there were savings targets of £1.6m, and current forecasts indicate that these will be met, following service changes arising from Strengthening Families Programme. These include assumptions about costs of out-of-authority placements being replaced with the introduction of 2 and 3 bed homes.

The major pressures in the service arise from the following areas;

1. delays in opening Bristol's first new CH as the BCC arranged contractor entered liquidation without completing refurbishment work. This means a delay in opening and children moving in until after the Christmas period.
2. An increase of children in care to 644 from a low of 614 in May and June of this year. This includes an increase in teenage entrants largely due to a recent upturn in UASC presentations, criminal remand linked to SYV and CCE.
3. Extended use of Agency as SW England delays registration of NQSWs
4. Agency support costs / placement costs for children moved from St Christophers.

Significant pressure also remains from increased numbers entering care inc court ordered criminal remand..

## 5.4 Educational Improvement

The main budget issue continues to be Home-School Transport. There have been underlying budget pressures in this service for some time; during 2018/19, they were offset by the temporary supplementary estimate. For 2019/20 budget setting, some inflationary provision (£0.3m) and some unallocated funding (£0.3m) has helped limit the pressure, but demand and cost pressures remain with a £0.6m overspend forecast. There has been a 13% increase in children eligible through SEN code so far this year. Numbers are predicted to increase by a further 20,

representing a 16% increase on last year. Other pressures include the cost of Service Level Agreements and costs arising from the new Transport Framework.

Placement Category		Financials				
Placement Category	Cost Centre name	AVERAGE APR TO NOV:	ANNUAL BUDGET £000	ANNUAL FORECAST £000	FORECAST VARIATION £000	ACTUAL AVERAGE WEEKLY COST
Bristol Residential	Inhouse Supported Accom - Looked after (Pre 18)	5	84	213	128	137
	Inhouse Supported Accom - (Post 18)	25				
	Childrens Residential Homes	10	3,084	2,506	-578	4,619
<b>Bristol Residential Total</b>		40	3,168	2,719	-449	4,756
Foster Care	In house Foster care - Looked after (Pre 18)	398	6,226	6,031	-195	265
	In house Foster care - (Post 18)	41				
	Independent Fostering Agencies - Looked After (Pre 18)	158	5,522	5,776	253	621
	Independent Fostering Agencies -(Post 18)	21				
	Adoption - Looked after (pre 18)	51	482	389	-93	144
	Adoption - (Post 18)	1				
<b>Foster Care Total</b>		669	12,230	12,196	-35	1,030
Non-Bristol Residential	Out of Authority	29	5,032	5,223	192	3,525
	Parent & Baby Unit	5	505	340	-165	1,274
	ESA - Looked after (Pre 18)	10	1,137	1,042	-94	1,604
	ESA- (Post 18)	2				
<b>Non-Bristol Residential Total</b>		46	6,673	6,605	-67	6,403
<b>Other</b>	Secure Unit	0	151	74	-76	
<b>Other Total</b>		0	151	74	-76	
Permanency	SGO/RO/CAO - (Pre 18)	536	4,121	5,016	895	180
	RO/SGO/CAO (Post 18)	2				
<b>Permanency Total</b>		537	4,121	5,016	895	180
<b>Grand Total of all placements</b>	<b>Grand Total</b>	<b>1,293</b>	<b>26,343</b>	<b>26,611</b>	<b>268</b>	
<b>Total for Teams and Other Services</b>			<b>36,356</b>	<b>36,141</b>	<b>-215</b>	
<b>Childrens Totals</b>			<b>62,699</b>	<b>62,752</b>	<b>53</b>	

## c: Risks and Opportunities

### 6. Savings Delivery RAG Status

**19/20 People Directorate Savings Target (£'000s):**

**8,980**

	This month			Last month		
	Total value of savings (£'000s)	Value at risk (£'000s)	Proportion at risk	Total value of savings (£'000s)	Value at risk (£'000s)	Proportion at risk
No - savings are at risk	5,747	4,385	76%	5,747	2,085	36%
Yes - savings are safe	1,433	0	0%	1,933	0	0%
SAVING CLOSED - CONFIRMED AS 'SECURED & DELIVERED'	1,800	0	0%	1,300	0	0%
NO RAG PROVIDED	0	0	n/a	0	0	n/a
<b>Grand Total</b>	<b>8,980</b>	<b>4,385</b>	<b>49%</b>	<b>8,980</b>	<b>2,085</b>	<b>23%</b>
n/a - represents one off savings or mitigations in previous year	-3,206	0	0%	-3,206	0	0%
Accelerated efficiencies (balancing line)	0	0	n/a	0	0	n/a
WRITTEN OFF	0	0	n/a	0	0	n/a
<b>Grand Total</b>	<b>5,774</b>	<b>4,385</b>	<b>76%</b>	<b>5,774</b>	<b>2,085</b>	<b>36%</b>

Top 5 largest savings at risk in (ordered by size of saving at risk)		
ID	Name of Proposal	Value at Risk in 19/20 (£'000)
FP33	Introduce Better Lives Programme (Improving outcomes for adults in Bristol) (incl. partial 18/19 rollover)	£ 4,300
FP18-2	*17/18 rollover* More efficient home to school travel	£ 45
BE7-2	*18/19 Rollover* Organisational redesign including the council's senior management structures (Mitigation for Education Post)	£ 40

Mitigated savings from previous years' that remain 'due' for delivery this year (£'000)		
Amount due from previous year(s):	£	3,334
Amount reported at risk:	£	85

#### Key Changes since last month:

1. FP40-C \*18/19 rollover\* Public Health contract review and recommissioning (£500k) has been marked as 'secured and delivered' this period, increasing the overall amount of 'closed' savings to £1.8m.

2. People Directorate now have a total of only 5 savings remaining open in 19/20, of which 3 are reporting savings at risk (shown above right), and the remaining 2 are reporting GREEN /safe.

3. There has been a change to the total value of savings reporting at risk for 19/20 - £4.3m in relation to non achievement of savings in the Better Lives Programme.

#### Key messages/Comments:

1. FP33 Better Lives . Despite a number of efforts it has not been possible to make inroads into the savings target. Activity in the NHS has dominated social care over the last few months and the anticipated reduction in residential and nursing home beds has been compromised by having to deal with the unprecedented amount of pressures in the NHS. A revised transformation programme is being planned to take more actions to reduce demand and stabilise the market that is currently imbalanced. The system remains under considerable strain with both Trusts on Opel 4 alert status through almost the entire month.

2. FP18-2: \*17/18 rollover\* More efficient home to school travel - Although the reduced target of £45k continues to report as at risk, the Logical Transport project is in progress with likely savings attached associated with the restructure of the service.

**d: Capital**

<b>Approved Budget</b>	<b>Revised Budget</b>	<b>Expenditure to Date</b>	<b>Forecast Outturn</b>	<b>Outturn Variance</b>
<b>£25.8m</b>	<b>£23.3m</b>	<b>£8.5m</b>	<b>£22m</b>	<b>(£1.3m)</b>
		37% of Budget	95% of budget	

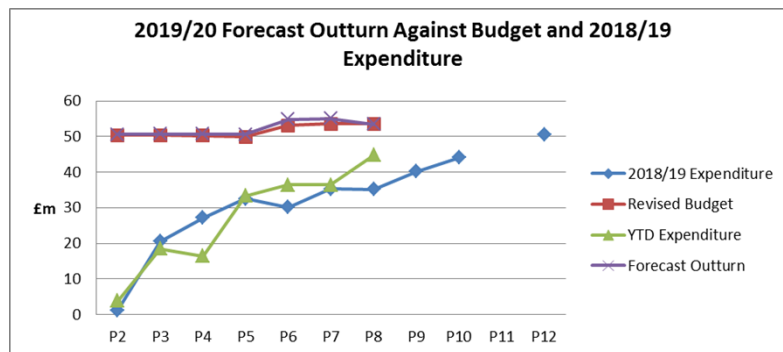
1. Within the Better Lives at Home funding there are delays in progressing the development of Sea Mills and acquiring properties. As a result the funding available in 2019/20 will be reprofiled into 2020/21.

a: 2019/20 Summary Headlines

	Revised Budget	Forecast Outturn	Outturn Variance
P8	<b>£53.6m</b>	<b>£53.7m</b>	<b>£0.1m overspend</b>

b: Budget Monitor

1. Overall Position and Movement

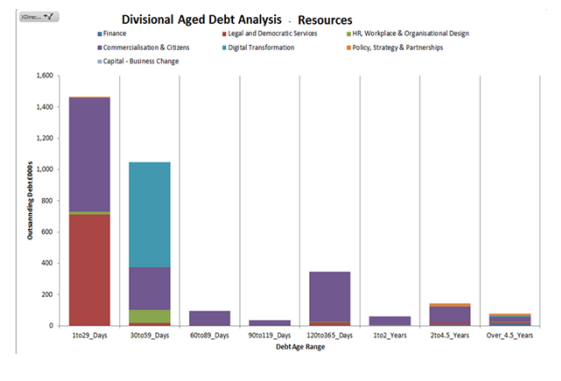


Forecast Outturn Variance 2019/20											
	£000										
Revised budget	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
53.6	0.2	0.3	0.5	0.7	1.7	1.5	0.1				
	▲	▲	▲	▲	▲	▼	▼				

2. Revenue Position by Division

Revenue Position by Division	2019/20 - Full Year			
	Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance
	£000s			
Digital Transformation	11.5	11.7	11.5	(0.2)
Legal and Democratic Services	6.9	6.8	6.6	(0.2)
Finance	11.5	11.6	11.6	0.0
HR, Workplace & Organisational Design	10.6	10.4	9.8	(0.6)
Policy, Strategy and Partnerships	2.9	3.0	2.9	(0.2)
Commercialisation and Citizens	10.4	10.1	11.3	1.2
<b>Total</b>	<b>53.9</b>	<b>53.6</b>	<b>53.7</b>	<b>0.1</b>

3. Aged Debt Analysis



Key Messages:

The forecast outturn has improved by £1.4m in the month from a previous £1.5m overspend to a £0.1m overspend. This improvement is due to the following directorate mitigations –

- Digital Transformation - IT Transformation Programme funded by Capital Receipts (as approved by Cabinet 3/7/19) to absorb eligible expenditure enabling the release of core budget.
- Legal and Democratic Services releasing £0.3m from the Electoral Services Election budget not required for 2019 or 2020 elections.
- HR, Workplace and Organisational Design now forecasting a £0.1m reduction in request for Learning and Development funding for 2019/20.
- Policy, Strategy and Partnerships identifying £0.2m spend attributed to BREXIT preparedness and rechargeable to the BREXIT funding budget.
- Within Commercialisation and Citizens, the TWS service is forecasting an increasing in its income of £0.3m.
- Transfer of £0.38m one-off funding from the Mayors savings consultation reserve to reduce the 2019/20 impact of saving scheme FP01- Review and reduce spend on service provided by external partners on the Community budget within Commercialisation and Citizens and note full mitigation proposed in the annual 2020/21 budget.





## 6. Revenue Risks and Opportunities

Division	Risk or Opportunity	which may impact on costs	Risk/(Opportunity) £	Likelihood (%)	Net Risk/ (Opportunity) £
Finance	Risk	Risk & Insurance - prior year costs	114,000	100%	114,000
Finance	Opportunity	Risk & Insurance - bottom line underspends or Risk and Insurance reserve	(114,000)	100%	(114,000)
Finance	Risk	Volatility with level of overpayments Recovered against budget - to be reviewed and built in to forecast for P8	48,000	100%	48,000
Finance	Opportunity	Exploring savings options within Revenues to mitigate pressure.	(48,000)	100%	(48,000)
Finance	Risk	Annual LA errors for 18/19 going above the lower or upper threshold following external audit review. Will be known by Jan	500,000	60%	300,000
Finance	Opportunity	Reduction in Subsidy income received, relating to the LA Error going above the lower or upper threshold for the previous financial year will be met from earmarked reserves.	(500,000)	60%	(300,000)
Finance	Risk	Annual LA errors going above the upper threshold	260,000	50%	130,000
Finance	Opportunity	Reduction in Subsidy income received, relating to the LA Error going above the upper threshold will be met from earmarked reserves.	(260,000)	50%	(130,000)
Commercialisation and Citizens	Risk	Facilities Management - historic savings targets in forecast to be delivered with no detailed plan at present.	850,000	100%	850,000
All	Risk	Non recovery of internal trading income - Over £1m still forecast but not recharged, action needs to be taken to bring in the income		-	-
<b>Total Risk/(Opportunity)</b>					<b>850,000</b>

## 7. Capital

<b>Approved Budget</b>	<b>Revised Budget</b>	<b>Expenditure to Date</b>	<b>Forecast Outturn</b>	<b>Outturn Variance</b>
<b>£17.7m</b>	<b>£18.5m</b>	<b>£6.7m</b>	<b>£16.1m</b>	<b>£2.4m under</b>
		36% of budget	87% of budget	

### Capital Budget Monitor Report for period 201908 - Summary by Programme

Report date 13/12/2019 12:28:09

#### Gross expenditure by Programme

Ref	Scheme	Current Year (FY2019) - Period 8				Performance to budget	
		Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
<b>Resources</b>							
NH08	Omni Channel Contact Centre (ICT System development).	205	(44)	0	(205)	-21%	0%
PL21	Building Practice Service - Essential H&S	3,414	1,387	3,504	90	41%	103%
PL27	Vehicle Fleet Replacement Programme	2,391	1,797	2,391	0	75%	100%
PL36	Investment in Markets infrastructure & buildings	250	10	90	(160)	4%	36%
RE01	ICT Refresh Programme	2,736	95	1,620	(1,116)	3%	59%
RE02	ICT Development - HR/Finance	1,623	796	1,317	(306)	49%	81%
RE03	ITTP – IT Transformation Programme	7,124	2,576	6,399	(725)	36%	90%
RE04	Bristol Workplace Programme	0	4	0	0		
RE05	Mobile Working for Social Care (Adults & Children)	781	104	781	0	13%	100%
<b>Total Resources</b>		<b>18,524</b>	<b>6,724</b>	<b>16,102</b>	<b>(2,421)</b>	<b>36%</b>	<b>87%</b>

#### Key Messages

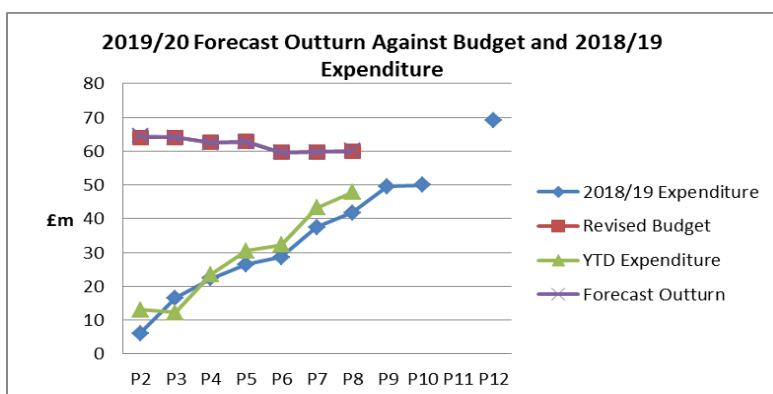
The ICT capital programme represents £12.5m of Resources' total Capital Budget. Against this £10.1m, 81% spend, is now forecast. This is due to the ICT refresh programme (which includes the roll out of new laptops) being re-profiled from 19/20 to 20/21. In addition, the IT Transformation Programme has revised its forecast at P8 following a recent milestone review. Some programme milestones have been brought forward whilst some have been delayed around the financial year end (March/April). These movements have resulted in a net reduction in forecast 19/20 spend.

**a: 2019/20 Summary Headlines**

	Revised Budget	Forecast Outturn	Outturn Variance
P8	<b>£59.9m</b>	<b>£60.2m</b>	<b>£0.3m overspend</b>

**b: Budget Monitor**

**1. Overall Position and Movement**



**2. Revenue Position by Division**

Revenue Position by Division	2019/20 - Full Year			
	Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance
£000s				
Housing and Landlord Services	11.6	11.6	11.3	(0.3)
Development of Place	1.3	1.3	1.2	(0.1)
Economy of Place	2.7	3.4	4.3	0.9
Management of Place	45.5	43.6	43.3	(0.2)
<b>Total</b>	<b>61.1</b>	<b>59.9</b>	<b>60.2</b>	<b>0.3</b>

**Forecast Outturn Variance 2019/20**

	£000										
Revised budget	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
59.9	0.0	0.0	(0.1)	(0.1)	(0.0)	(0.1)	0.3				
	▼	▼	▼	▼	▲	▼	▲				

**Key Messages:**

The G&R revenue budget is currently reporting a £0.3m overspend as at Period 8.

**Housing & Landlord Services** - £0.3m underspend forecast due to additional costs being able to be capitalised.

**Development of Place** – £0.1m underspend forecast due slippage in Strategic Planning spend & Housing Delivery salary savings

**Economy of Place** – £0.9m overspend forecast due to one-off compensation payments (£0.6m) / Bottleyard trading shortfall (£0.1m) / Enterprising West of England project funding shortfall (£0.1m)

**Management of Place** – £0.2m underspend forecast due to various minor income improvements, contractor penalties and potential transfers from reserves.

**Ongoing deep dive into service area spend to date has highlighted the following:**

- The EDM introduced a £1.4m vacancy factor (VF) in 19/20 to help balance its funding commitments without directly reducing individual budgets. Q1 & Q2 elements of this VF has been delivered and the directorate is on track to deliver the full £1.4m in 19/20. This is being applied in 2020/21.
- A reasonable percentage of non-staffing expenditure is yet to be committed/spent. Given the short month of December and slow start in January, it is unlikely that majority of these budgets will be committed before the end of the financial year. The Directorate aims to use any potential underspend to mitigate any know pressures, and is already doing that to an extent with the cost of the boat already highlighted above.

#### 4. Payment Statistics

Division	Amount Paid (£)	Number of invoices paid	Average days to pay	Late Payment (>30 days)	Invoices paid without order	Retrospective order
<b>4 - Growth &amp; Regeneration</b>						
37 Housing & Landlord Services	7,117,733	4,176	22	147 4%	10 0%	136 3%
3Y Capital - Neighbourhoods	3,466,145	399	33	69 17%	1 0%	55 14%
42 Development of Place	1,425,545	477	28	53 11%	1 0%	29 6%
46 Economy of Place	7,285,149	3,873	39	827 21%	46 1%	625 16%
47 Management of Place	56,655,675	6,457	32	1,104 17%	30 0%	967 15%
4Y Capital - Place	34,002,884	1,303	36	253 19%	1 0%	138 11%
<b>4 -Growth &amp; RegenerationT</b>	<b>109,953,131</b>	<b>16,685</b>	<b>31</b>	<b>2,453 15%</b>	<b>89 1%</b>	<b>1,950 12%</b>

#### 5. Savings Delivery RAG Status

19/20 G&R Directorate Savings Target (£'000s):						4,414		
	This month			Last month			Top 5 largest savings at risk in (ordered by size of)	
	Total value of savings (£'000s)	Value at risk (£'000s)	Proportion at risk	Total value of savings (£'000s)	Value at risk (£'000s)	Proportion at risk	ID	Name of Proposal
No - savings are at risk	32	32	100%	412	412	100%	IN26-2	18/19 ROLLOVER - Increase office rental capacity at Filwood Green Business Park
Yes - savings are safe	3,537	0	0%	3,157	250	8%		
SAVING CLOSED - CONFIRMED AS 'SECURED & DELIVERED'	845	0	0%	845	0	0%		
NO RAG PROVIDED	0	0	n/a	0	0	n/a		
<b>Grand Total</b>	<b>4,414</b>	<b>32</b>	<b>1%</b>	<b>4,414</b>	<b>662</b>	<b>15%</b>		
n/a - represents one off savings or mitigations in previous year	-533	0	0%	-533	0	0%		
Accelerated efficiencies (balancing line)	0	0	n/a	0%	0%	n/a		
WRITTEN OFF	0	0	n/a	0	0	n/a		
<b>Grand Total</b>	<b>3,881</b>	<b>32</b>	<b>1%</b>	<b>3,881</b>	<b>662</b>	<b>17%</b>		
							<b>Mitigated savings from previous years* that remain 'due' for delivery this year (£'000)</b>	
							Amount due from previous year(s):	£ 322
							Amount reported at risk:	£ 22

**Key Changes since last month:**

1. Although there is no change to the £0.4m savings reported as RED RAG, the actual amount reporting at risk has **reduced** from £0.6m to £0.4m following confirmation that the Waste element of the FP02-Parks saving (£250k) can be mitigated in 19/20 on one off basis (waste surplus refund). The associated Change Request has now been approved at DE, and therefore the £250k saving has now rolled into 20/21 and appears in the updated 20/21 target.

**Key messages/ Comments:**

1. In recent months, one of the largest 19/20 savings at risk has been the 380k shortfall to 'FP01 - Third Party Payments'. The budget (and saving) have been moved to Resources (but currently still appears in the G&R dashboard). Since last month mitigations for the full 380k have been confirmed across G&R and Resources, although note these are one-off only and will not deliver on a recurring basis. Delivery Executive have now approved the change request to reflect the one-off mitigations which will appear in P9 reporting across G&R and Resources.. Consideration should be given to how the 380k can be delivered from 20/21 onwards.

2. Following DE on 10/09/2019 there was an agreement that if Filwood Green Business Park couldn't deliver the 32k ongoing, then requirement for Property to mitigate and identify alternative method to cover, using change request to formalise the change. Requirement for Property to submit this for approval.

3. As we approach the new year, requirement to prioritise effort on closing down savings that have been delivered via the 'secured and delivered' process - there are a number of savings that have been reporting green for many months, and therefore expectation is some of these should now be able to be closed.

#### c: Risks and Opportunities

##### GROWTH & REGENERATION DIRECTORATE RISKS & OPPORTUNITIES - PERIOD 8

Division Name	Service Name	Revenue or Capital	Description	Risk / Opportunity £'000s
Management of Place	Bristol Impact Fund	Revenue	<b>TPP savings applied to grants</b> which cannot be made due to ongoing commitment to fund voluntary sector services. There is potentially a further £50k pressure if Public Health taper their contribution to BIF.	250
Economy of Place	Strategic City Transport	Revenue	River Avon Project BCC staff costs – reserves are forecast to be used up to cover increased project costs i.e. consultant work as result of senior management projects changes and alignment with BTQ and Western Harbour development aspirations and undertake associated hydraulic modelling and economic assessment	50
				<b>300</b>

This represents the net position after allowing for drawdowns from reserves some of which is subject to cabinet approval. In the event that these are not approved or mitigated via underspends elsewhere in the directorate, they will add to the already forecast overspend.

Revised Budget	Expenditure to Date	Forecast Outturn	Forecast Variance
<b>£67.1m</b>	<b>£35.1m</b> 52% of budget	<b>£55.8m</b> 83% of budget	<b>£11.3m Underspend</b>
<b>2018/19 Comparator</b>			
<b>£82.6m</b>	<b>£34.9m</b>	<b>£78.2m</b>	<b>(£4.5m) underspend</b>

### Key Messages

The year to date spend is £35.1m of budget (52% delivery) against a revised budget of £67.1m. This is similar to the level of spend last year. £3.8m was the actual spend for P8 (down £1.3m on P7) while the average spend for the year to date has been £4.4m per month. The adjusted forecast for the year is £55.8m and reflects an £11.3m underspend which is mainly from anticipated slippage in line with previous patterns. This now reflects a realistic level of delivery for the rest of 2019/20 and Senior officers continue to explore new procurement routes to improve overall delivery of the Councils Capital programme.

Below are the Top 20 schemes by name. They represent 94% of the G&R capital programme and represent the largest proportion of slippage. The P8 forecast will be used to reset the revised budget, and the directorates performance/delivery will now be measured against this revised target.

Top 20 Schemes		Current Year (FY2019) - Period 8				Performance to budget	
Ref	Scheme	Budget	Expenditure to Date	Revised Forecast	Variance	Expenditure to date	Forecast
£000s						%	
<b>Growth &amp; Regeneration</b>							
PL30	Housing Strategy and Commissioning	13,267	5,638	8,733	(4,534)	42%	66%
PL24	Colston Hall	9,292	6,703	10,292	1,000	72%	111%
PL05	Sustainable Transport	7,796	3,092	4,530	(3,266)	40%	58%
PL10	Highways & Traffic Infrastructure - General	5,040	4,402	7,128	2,088	87%	141%
PL18A	Energy Services – Bristol Heat Networks expansion	4,544	1,303	2,544	(2,000)	29%	56%
PL04	Strategic Transport	4,537	3,303	4,199	(338)	73%	93%
NH07	Private Housing	3,267	1,953	2,579	(688)	60%	79%
GR03	Economy Development - ASEA 2 Flood Defences	2,588	13	2,588	0	0%	100%
PL18	Energy services - Renewable energy investment scheme	1,850	125	301	(1,549)	7%	16%
NH02	Investment in parks and green spaces	1,618	746	1,346	(272)	46%	83%
PL11A	Cattle Market Road site re-development	1,591	1,060	1,491	(100)	67%	94%
PL09A	Highways infrastructure - Chocolate Path	1,272	505	726	(546)	40%	57%
PL09	Highways infrastructure - bridge investment	1,071	250	295	(776)	23%	28%
PL02	Passenger Transport	1,018	510	985	(33)	50%	97%
PL06	Portway Park & Ride Rail Platform	885	0	885	0	0%	100%
GR06	Innovation & Sustainability - OPCR 2	819	1,263	819	0	154%	100%
NH06A	Bristol Operations Centre - Phase 2	764	288	564	(200)	38%	74%
PL08	Highways & Drainage Enhancements	665	(15)	165	(500)	-2%	25%
GR01	Strategic Property – Temple Meads Development	644	1,444	1,898	1,254	224%	295%
NH04	Third Household Waste Recycling and Re-use Centre	604	84	304	(300)	14%	50%
		<b>63,133</b>	<b>32,666</b>	<b>52,372</b>	<b>(10,761)</b>		
		<b>94%</b>	<b>93%</b>				
<b>Others</b>							
<b>Other schemes</b>		3,946	2,449	3,472	(474)	62%	88%
<b>Total Core Capital Expenditure</b>		<b>67,079</b>	<b>35,115</b>	<b>55,844</b>	<b>(11,235)</b>	<b>52%</b>	<b>83%</b>

**a: 2019/20 Summary Headlines**

	<b>Revised Budget</b>	<b>Forecast Outturn</b>	<b>Outturn Variance</b>
P7	£0m	(£1.7m)	(£1.7m)
<b>P8</b>	<b>£0m</b>	<b>(£2.1m)</b>	<b>(£2.1m)</b>

**b: Budget Monitor**

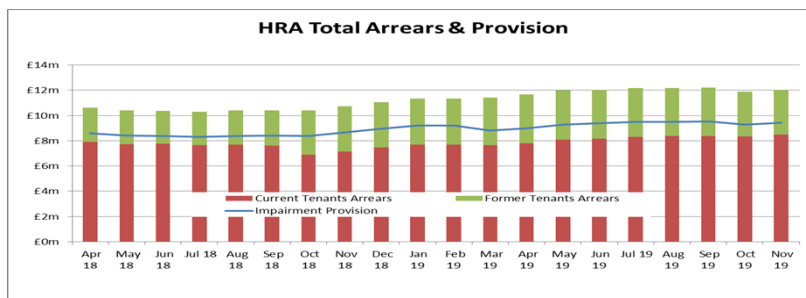
**1. Overall Position and Movement**

Forecast Outturn Variance 2019/20 £m											
Revised Budget	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
£0m	(2.4)	(0.2)	0.0	0.0	(1.4)	(1.7)	(2.1)				
	▼	▼	▼	▼	▼	▼	▼				

**2. Revenue Position – Income and Expenditure**

Revenue Position by Category	2019/20 Revised Budget £m	Forecast Outturn P8 £m	Forecast Variance P8 £m	Forecast Movement P7 to P8 £m
Income	(122.7)	(121.6)	1.1	(0.5)
Repairs and maintenance	31.7	30.1	(1.6)	0.1
Supervision and Management	30.0	28.8	(1.2)	0.1
Special Services (Rechargeable)	9.2	8.7	(0.5)	(0.2)
Rents, Rates, Taxes and other charges	0.8	0.7	(0.1)	0.0
Depreciation, Revenue funded capital, Interest payable and bad debt provision	51.0	51.1	0.1	0.0
<b>(Surplus)/Deficit on HRA</b>	<b>0.0</b>	<b>(2.1)</b>	<b>(2.1)</b>	<b>(0.5)</b>

**3. Debt Position**



Following implementation of the Civica system, there will be a focus on reducing the level of bad debt during 2019/20, with a review of all debts over five years old. We have an action plan to reduce arrears overall by prioritising rent payments, improving performance and by reviewing our rents policy. Since July the level of arrears has stabilised and we have started to see a reduction in arrears of £126k. This has reversed the previous trend which has seen arrears rise by £1.5m in the last year.

**4. Key Messages**

- The forecast outturn underspend is anticipated to be transferred to the HRA ring-fenced reserve at the year-end, subject to the appropriate approval.
- There are recruitment and retention issues in the Construction industry generally, and the service is seeking to fill vacancies in order to ensure maximum delivery of the planned programme. If there continues to be a significant level of vacancies this may contribute to a surplus position at the year end as there is no turnover provision within the budget. The service will look to use consultants and other frameworks to deliver if necessary to mitigate against this.
- In order to maximise delivery of the HRA Housing Investment Programme during 2019/20, the service will overprogramme, reduce contingencies and seek to avoid delays in procurement processes where possible. However, during the year the service has had to lose two major contractors due to their failure to provide which has had an impact on the delivery of relets and the movement in forecast from P7.

### c: Risks and Opportunities

Risk	Key Causes	Key Consequence	Key Mitigations
<b>Implementation of Universal Credit</b>	Risk deferred as roll out delayed by Government.		
<b>Impact of Grenfell enquiry outcomes</b>	Additional works as a result of Grenfell enquiry outcomes, or the outcomes of independent fire safety checks on clad blocks; public /political pressure to install sprinklers.	This could cost up to £25m if a complete programme is required.	Need to retain flexibility in capital programme to meet outcomes of Grenfell enquiry that does not result in disruption to the rest of the programme.
<b>Zero Carbon Target</b>		May be required to retro fit and ensure compliance for new builds.	City Leap may enable innovative solutions and funding to be identified.
<b>Employees</b>	Due to current market conditions it is difficult to fill vacancies.	If vacancies are not filled then this may impact on the delivery of the programme and result in further underspend against salary budgets.	The service will use consultants and frameworks to maintain delivery of works.
<b>Paint Programme and Electrical Works</b>	Some tenders are greater than originally estimated and additional costs are forecast.	There is a potential overspend of £0.5m for 2019/20.	It is anticipated that this will be offset by underspends in other areas.

### d: Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
<b>£51.8m</b>	<b>£51.1m</b>	<b>£25.9m</b>	<b>£49.5m</b>	<b>£(1.6m)</b>
P7 2018/19 figures	Budget £47.1m	51% of budget Expenditure £18.3m 43%	97% of revised budget Outturn £39.2m	

Gross expenditure by Programme		Current Year (FY2019)				Scheme Total for Current Timeframe (FY2019 : FY2023)				Change from previous forecast
Ref	Scheme	Budget	Budget Manager Forecast	Variance based on budget manager forecast		Budget	Forecast	Variance		
		£000s	£000s	£000s	%	£000s	£000s	£000s	%	
HRA1	Planned Programme - Major Projects	9,407	9,558	151	2%	241,660	241,811	151	0%	↗
HRA2	New Build and Land Enabling	21,850	22,164	314	1%	21,850	22,164	314	1%	→
HRA3	Building Maintenance and Improvements	19,823	17,762	(2,060)	-10%	19,823	17,882	(1,940)	-10%	↘
<b>Total Housing Revenue Account</b>		<b>51,080</b>	<b>49,484</b>	<b>(1,596)</b>	<b>-3%</b>	<b>283,333</b>	<b>281,857</b>	<b>(1,476)</b>	<b>-1%</b>	

#### Key messages:

The HRA has a 30 year business plan and any planned capital works which are delayed, such as those due to the failure of two major contractors late in 2018/19, will still be required to be delivered in later years.

The service successfully mitigated the collapse of a kitchen contractor by arranging a contract with Mispac in order to minimise delay in the planned programme.

Following the termination of the Void North Contract with Jeff Way Group, we have now secured (contracts due to be signed before Christmas) the services of CLC Group who are due to mobilise a new contract from early January 2020.

**SUMMARY HEADLINES**

**1. Overall Position and Movement**

<b>Revised Budget</b>	<b>Forecast Outturn</b>	<b>Outturn Variance</b>	<b>Transfer from reserves</b>
<b>£0m</b>	<b>£0m</b>	<b>£0m</b>	<b>£1.0m</b>

**2. Revenue Position by Division**

Summary DSG position 2019/20 Period 08 (all figures in £000s)

	<b>DSG funding/budget 2019/20</b>	<b>Forecast outturn Period 08 2019/20</b>	<b>Forecast Variance</b>	<b>Forecast outturn Period 07 2019/20</b>	<b>Movement in Forecast P06 to P07</b>
Schools Block	259,445	259,445	0	259,445	0
De-delegation	0	0	0	0	0
Schools Central Block	2,329	2,329	0	2,329	0
Early Years	36,461	36,045	(416)	35,839	206
High Needs Block	58,904	60,281	1,377	60,586	(305)
<b>Total</b>	<b>357,139</b>	<b>358,100</b>	<b>961</b>	<b>358,199</b>	<b>(99)</b>

*(NB Budgeted spend includes funding for academies, Free Schools and Colleges which is recouped by the Education and Skills Funding Agency from the Dedicated Schools Grant before the Local Authority receives it).*

At this stage of the year, the only variances are in Early Years (-£0.416m) and High Needs (+£1,377k).

**3. Latest Financial Position**

The approved budget for 2019/20 included use of funding for High Needs in advance (from 2020/21). The forecast position against the latest known DSG funding and the approved additional budget is an overall overpend of £961k.

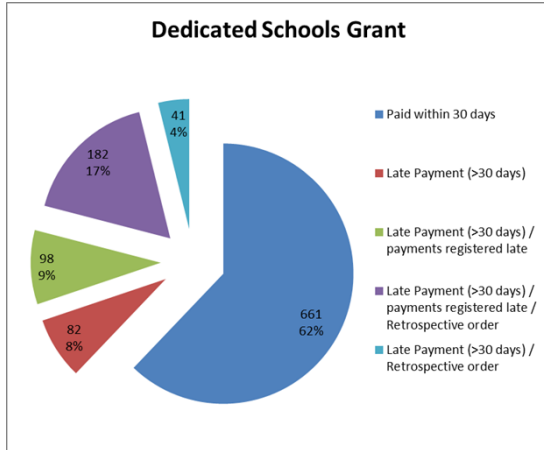
The Early Years DSG income is based on 5/12ths of the January 2019 census and 7/12ths of the January 2020 census. Expenditure is based on 4 census positions through the year, the first two of these January 2019 and May 2019 are known and the forecast is based on these participation levels. Additionally a 19% reduction in participation for 2 Year Olds has been forecast, which is being pursued by Early Years team, reducing funding by £415k (as 7/12ths is derived from the January 2020 census), along with a reduction in expenditure of £719k (as this is across the whole financial year).

The High Needs budget approvals for 2019/20 included transfers of £2.566m from other areas of the DSG and £2.407m more funding drawn in advance from 2020/21. Both of these actions boosted the original HNB allocation by £4.973m. In P8 an additional £1,682k was added to the forecast reflecting increased pressures from Out of Area Placements and the cost of Alternative Provision. This forecast has been reduced by £305k giving a total overspend of £1.377k after examining in detail the Out of Area placements and reducing where appropriate. There are DSG reserves available to cover this forecast overspend but these have been built up across the funding blocks so Schools Forum will need to agree movements between blocks at year end. This position is expected to continue into next financial year so we will need to explore opportunities to transfer funding from other blocks within the DSG budget to best meet our need.



#### 4. Payment Statistics

Division	Amount Paid (£)	Number of invoices paid	Average days to pay	Late Payment (>30 days)	Invoices paid without order	Retrospective order
<b>7 - Dedicated Schools Grant</b>						
17 Dedicated Schools Grant	7,014,018	1,064	42	403 38%	9 1%	307 29%
<b>7 -Dedicated Schools Grant</b>	<b>7,014,018</b>	<b>1,064</b>	<b>42</b>	<b>403 38%</b>	<b>9 1%</b>	<b>307 29%</b>



**a: 2019/20 Summary Headlines**

<b>P08</b>	<b>Revised Budget £0m</b>	<b>Forecast Outturn £0m</b>	<b>Outturn Variance £0m</b>	<b>Reserve Drawdown £0.102m</b>
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**b: Budget Monitor**

- Public Health (PH) spend is within the Grant of £31.628m awarded for 2019/20. This will be achieved by the planned use of a small drawdown of £0.102m from the Public Health reserve
- While the PH grant has been reduced by 2.6% in this financial year Public Health England has announced that there will be a 1% plus inflation increase next year, 2020/21.
- This reverses the policy of continued reduction in the amount of grant awarded over the last five years and will significantly contribute to easing the pressure on the service and enabling greater focus on investment in developing the service
- The service has successfully addressed the £1.8m cost pressure on the budget by a combination of releasing savings through restructure and decommissioning this has allowed the one-off reserve drawdown from the Public Health reserve to be reduced
- The Forecast for Period 8 shows a further reduction in the one-off drawdown from £0.127m to £0.102m. This is due to a break in transferring the IDVAS service from the current provider, University Hospitals Bristol to Next Link.
- The next phase of the PH Commissioning investment plan will be funded from a combination of the increase in grant for 2020/21 together with further efficiency savings identified through the review of current services.
- The investment will focus on developing Commissioning strategies and plans for the key services highlighted in the consultation review including Domestic Abuse, Sexual Health and support to vulnerable Children.

## 1. Capital Programme

1.1. The following table below (Figure 1) sets out the forecast Capital Outturn position for 2019/20 by Directorate, with further detail provided in Directorate appendices and a full programme summary at the end of this report.

Figure 1 - Capital Indicative Forecast Outturn position for 2019/20 by Directorate

Approved Budget	Previous Period Reported Budget	Directorate	Revised Budget	Actual Spend to date	Budget Spend to date %	Forecast Outturn	Variance
£m	£m		£m	£m		£m	£m
25.8	23.3	People	23.3	8.5	37%	22.0	(1.3)
17.7	18.4	Resources	18.5	6.7	36%	16.1	(2.4)
130.4	67.1	Growth and Regeneration	67.1	35.1	52%	55.8	(11.3)
<b>173.9</b>	<b>108.8</b>	<b>Sub-total</b>	<b>108.9</b>	<b>50.3</b>	<b>46%</b>	<b>93.9</b>	<b>(15.0)</b>
10.7	7.5	Corporate	5.4	0.0	0%	0.0	(5.4)
51.8	51.1	Housing Revenue Account	51.1	25.9	51%	49.5	(1.6)
<b>236.4</b>	<b>167.4</b>	<b>Total Capital Programme</b>	<b>165.4</b>	<b>76.2</b>	<b>46%</b>	<b>143.4</b>	<b>(22.0)</b>
	3.5	Commercial Investments	15.0	8.7	58%	15.0	0.0
<b>236.4</b>	<b>170.9</b>	<b>Total Capital &amp; Investments</b>	<b>180.4</b>	<b>84.9</b>	<b>47%</b>	<b>158.4</b>	<b>(22.0)</b>

1.2. The table above has been separated to detail our Commercial Investments. These are primarily in relation to our investments with our wholly owned companies, City Funds LP, Bristol Credit Union, and the Avon Mutual Regional Community bank.

1.3. The 2019/20 programme has been reviewed in line with our delivery capacity for capital projects in year with £22m of schemes re-profiled into future years in-line with the anticipated delivery timetable. Approval is sought to formally re-profile these budgets in line with forecast spend.

1.4. Underspending areas relate to schemes deferring expenditure to future years. The main areas being;

- £5m - Housing Delivery (PL30) of proposed site development re-profile budgets to meet the change in funding options.
- £5m – Corporate Contingency (CP03) re-profiled to future periods.
- £4m – Energy Services (PL18 & PL18A). Delivery slippage, re-profiled to future periods

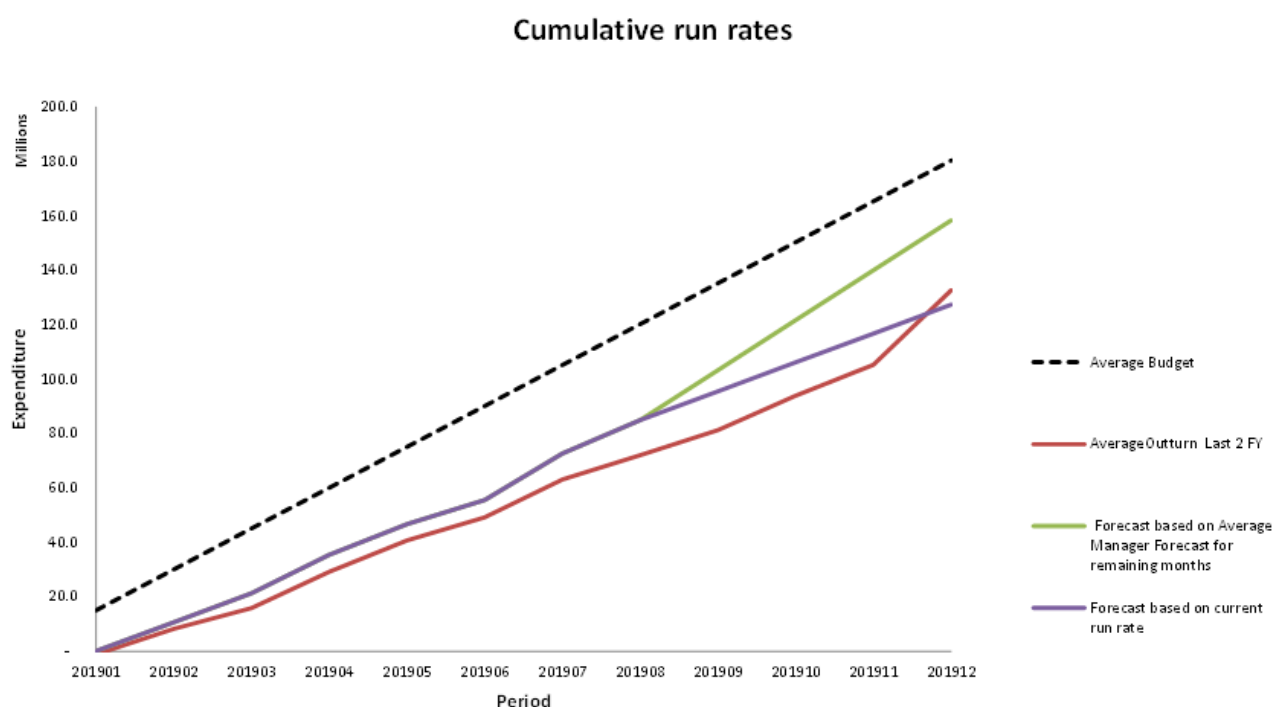
1.5. The current forecast projects an in-year, £22m underspend (12%) on the revised capital programme budget of £180m.

1.6. The current forecast assumes that the average monthly spend for the remainder of the year will be circa 1 ½ times as much as the current run-rate.

Given the level of spend to date (£85m) as indicated in (Figure 1) and the current run rate table along with making comparisons with previous years expenditure (Figure 2) the outturn is projected to be region of £150m based on current and previous spend trends. This is comparable with the current forecast of £158m.

1.7. Recommend the Capital Programme budget is aligned to the Period 8 forecasted position of £158m, removing the budgeted underspend of £22m from 2019/20 to later years .

Figure 2 – Period 8 Capital Forecast and Run-Rate Comparison



1.8. To note the 2019/20 budget has increased by £9.5m from Period 7 to the revised Period 8 budget of £180.4m. The following table at (Figure 3) below, details these budget changes.

Figure 3 – Summary of Period 8 budget change requests

Prog ref	Directorate	Service	Reported Decision	Change Requested	Change Request Description	2019/20 Impact £000's
CP01	Commercial Investments	Corporate	Cabinet 4th Dec 2018	New Funding: Reserves	Loan to Bristol Waste Company	11.2
CP01	Commercial Investments	Corporate	Cabinet 2nd July 2019	New Funding: Reserves	Investment in Avon Mutual Regional Community Bank	0.2
CP03	Corporate	Corporate	Cabinet 3rd Dec 2019	Vire budget from Corporate Contingency and re-profile to later years of NH04 Hartcliffe HRRC project	Hartcliffe HRRC project requested £3m additional funding to deliver scheme (funded from £2m Contingency & £1m Waste Co), total budget envelope increased to £6m	(2.0)
PL21	Resources	Facilities Management - H&S Buildings	Programme Delegated Authority	Reprofile of Budget from 20/21 into 19/20	Budget b/fwd from building contingency held in 20/21 to fund urgent work on City Hall Generator to be delivered in 19/20	0.1
<b>Totals</b>						<b>9.5</b>

## Gross Capital Expenditure by Programme

Ref	Scheme	2019/20 Current Financial Year - Period 8				Performance to budget	
		Revised Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
		£000s				%	
<b>People</b>							
PE01	School Organisation/ Children's Services Capital Programme	14,924	6,456	14,849	(75)	43%	99%
PE03	Schools Devolved Capital Programme	1,900	1,382	1,900	0	73%	100%
PE04	Non Schools Capital Programme	279	88	279	0	31%	100%
PE05	Children & Families - Aids and Adaptations	170	17	170	0	10%	100%
PE06	Children Social Care Services	745	92	745	0	12%	100%
PE06B	Adult Social Care – Better Lives at Home Programme	4,962	339	3,727	(1,235)	7%	75%
PE08	Care Management/Care Services	228	137	228	0	60%	100%
PE10	Sports Capital Investment	120	4	120	0	4%	100%
<b>Total People</b>		<b>23,329</b>	<b>8,515</b>	<b>22,018</b>	<b>(1,310)</b>	<b>37%</b>	<b>94%</b>
<b>Resources</b>							
NH08	Omni Channel Contact Centre (ICT System development).	205	(44)	0	(205)	-21%	0%
PL21	Building Practice Service - Essential H&S	3,414	1,387	3,504	90	41%	103%
PL27	Vehicle Fleet Replacement Programme	2,391	1,797	2,391	0	75%	100%
PL36	Investment in Markets infrastructure & buildings	250	10	90	(160)	4%	36%
RE01	ICT Refresh Programme	2,736	95	1,620	(1,116)	3%	59%
RE02	ICT Development - HR/Finance	1,623	796	1,317	(306)	49%	81%
RE03	ITTP – IT Transformation Programme	7,124	2,580	6,399	(725)	36%	90%
RE05	Mobile Working for Social Care (Adults & Children)	781	104	781	0	13%	100%
<b>Total Resources</b>		<b>18,524</b>	<b>6,724</b>	<b>16,102</b>	<b>(2,421)</b>	<b>36%</b>	<b>87%</b>
<b>Growth &amp; Regeneration</b>							
GR01	Strategic Property – Temple Meads Development	644	1,444	1,898	1,254	224%	295%
GR03	Economy Development - ASEA 2 Flood Defences	2,588	13	2,588	0	0%	100%
GR06	Innovation & Sustainability - OPCR 2	819	1,263	819	0	154%	100%
NH01	Libraries for the Future	303	4	73	(231)	1%	24%
NH02	Investment in parks and green spaces	1,618	746	1,346	(272)	46%	83%
NH03	Cemeteries & Crematoria - Pending Business Case Development	120	10	100	(20)	9%	83%
NH04	Third Household Waste Recycling and Re-use Centre	604	84	304	(300)	14%	50%
NH06	Bristol Operations Centre - Phase 1	380	109	280	(100)	29%	74%
NH06A	Bristol Operations Centre - Phase 2	764	288	564	(200)	38%	74%
NH07	Private Housing	3,267	1,953	2,579	(688)	60%	79%
PL01	Metrobus	(411)	306	592	1,003	-74%	-144%
PL02	Passenger Transport	1,018	510	985	(33)	50%	97%
PL03	Residents Parking Schemes	103	57	103	0	55%	100%
PL04	Strategic Transport	4,537	3,303	4,199	(338)	73%	93%
PL05	Sustainable Transport	7,796	3,092	4,530	(3,266)	40%	58%
PL06	Portway Park & Ride Rail Platform	885	0	885	0	0%	100%
PL08	Highways & Drainage Enhancements	665	(15)	165	(500)	-2%	25%
PL09	Highways infrastructure - bridge investment	1,071	250	295	(776)	23%	28%
PL09A	Highways infrastructure - Chocolate Path	1,272	505	726	(546)	40%	57%
PL10	Highways & Traffic Infrastructure - General	5,040	4,402	7,128	2,088	87%	141%
PL10B	Highways & Traffic - Street Lighting	346	60	146	(200)	17%	42%
PL10C	Transport Parking Services	250	0	50	(200)	0%	20%
PL11A	Cattle Market Road site re-development	1,591	1,101	1,491	(100)	69%	94%
PL13	Filwood Green Business Park	158	0	58	(100)	0%	37%
PL14	Bristol Legible City Scheme	194	70	194	0	36%	100%
PL15	Environmental Improvements Programme	173	62	173	0	36%	100%
PL16	Economy Development - ASEA 1 Flood Defences	41	1	41	0	4%	100%
PL17	Resilience Fund (£1m of the £10m Port Sale)	512	120	312	(200)	23%	61%
PL18	Energy services - Renewable energy investment scheme	1,850	125	301	(1,549)	7%	16%
PL18A	Energy Services – Bristol Heat Networks expansion	4,544	1,303	2,544	(2,000)	29%	56%
PL18B	Energy Services - School Efficiencies	439	324	439	0	74%	100%
PL18D	Energy Services - EU Replicate Grant	461	1,006	504	43	218%	109%
PL20	Strategic Property	335	42	141	(194)	13%	42%
PL22	Strategic Property - Investment in existing waste facilities	8	8	8	0	100%	100%
PL23	Strategic Property - Temple St	400	166	195	(205)	41%	49%
PL24	Colston Hall	9,292	6,703	10,292	1,000	72%	111%
PL28	Bottleyard Studios	134	63	63	(70)	47%	47%
PL30	Housing Strategy and Commissioning	13,267	5,638	8,708	(4,559)	42%	66%
<b>Total Growth &amp; Regeneration</b>		<b>67,079</b>	<b>35,115</b>	<b>55,819</b>	<b>(11,260)</b>	<b>52%</b>	<b>83%</b>
<b>Corporate Funding &amp; Expenditure</b>							
CP03	Corporate Contingencies	5,423	0	0	(5,423)	0%	0%
<b>Total Corporate Funding &amp; Expenditure</b>		<b>5,423</b>	<b>0</b>	<b>0</b>	<b>(5,423)</b>	<b>0%</b>	<b>0%</b>
<b>Total Capital Expenditure</b>		<b>114,354</b>	<b>50,355</b>	<b>93,940</b>	<b>(20,415)</b>	<b>44%</b>	<b>82%</b>

## Gross Capital Expenditure by Programme

Ref		Scheme		2019/20 Current Financial Year - Period 8				Performance to budget	
				Revised Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
				£000s				%	
<b>Housing Revenue Account</b>									
HRA1	Planned Programme - Major Projects			9,407	4,644	9,558	151	49%	102%
HRA2	New Build and Land Enabling			21,850	12,440	22,164	314	57%	101%
HRA3	Building Maintenance and Improvements			19,823	8,793	17,762	(2,060)	44%	90%
<b>Total Housing Revenue Account</b>				<b>51,080</b>	<b>25,877</b>	<b>49,484</b>	<b>(1,596)</b>	<b>51%</b>	<b>97%</b>
<b>Commercial Investments</b>									
PL30A	Housing Programme delivered through Housing Company			1,024	534	1,024	0	52%	100%
ZZ01	Commercial Investments - Funding			13,940	8,185	13,940	0	59%	100%
<b>Total Commercial Investments</b>				<b>14,964</b>	<b>8,718</b>	<b>14,964</b>	<b>0</b>	<b>58%</b>	<b>100%</b>
<b>Total Capital Expenditure (inc HRA &amp; Commercial Investments)</b>				<b>180,398</b>	<b>84,950</b>	<b>158,388</b>	<b>(22,010)</b>	<b>47%</b>	<b>88%</b>

## 1. MAYOR'S BUDGET RECOMMENDATIONS TO COUNCIL

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The approval of Mayor's budget proposals to Council in respect of 2020/21 as set out in this report, subject to any amendments agreed at the meeting:

### To note:

- a) The report from the Scrutiny Budget Task and Finish Group.
- b) The budget consultation process that was followed and feedback as outlined in Section 17 and Appendix 6.
- c) That the consultation feedback and equality impact assessments have been taken into consideration and has informed the final budget proposals.
- d) The comments of the Chief Finance Officer (s151 Officer) on the robustness of the Budget and adequacy of reserves as set out in Section 15.

### To agree:

- e) The Bristol City Council levels of Council Tax increase of 3.99%; which includes 2% precept to support Adult Social Care and noting the precepts of the Police and Crime Commissioner for Avon and Somerset and the Avon Fire Authority.
- f) The Council's General Fund net revenue budget for the year 2020/21 as £395.7 million and expenditure allocations as set out in Appendix 1; subject to any budget amendments properly notified to and approved by the Council in line with the Constitution.
- g) The temporary movement in general reserves of up to £6.1 million (31%) to mitigate the forecasted year end emergent pressures in the People directorate as outlined in Section 5.
- h) Agree the Council's capital budget (including the HRA) for the years 2020/21 - 2024/25, totalling £966.1 million as set out in paragraph 13 and detailed in Appendix 2.
- i) The proposed total Schools budget of £374.2 million for 2020/21 as set out in paragraph 9, which will be funded by the Dedicated Schools Grant.
- j) The proposed Treasury Management Strategy for 2020/21 in Appendix 4, incorporating the Minimum Revenue Provision policy and the prudential indicators and limits.
- k) The calculations for determining the Council Tax requirement for the year 2020/21 as outlined in Section 8 and in accordance with the Local Government Finance Act 1992.
- l) To approve the Strategy for the Flexible use of Capital Receipts as set out in Appendix 5.

### Delegation of authority

- m) The delegation of authority to the Director of Finance after consultation with the Deputy Mayor, Cabinet Member for Finance, Governance and Performance and the Mayor, to make any necessary technical adjustments or adjustments to the figures upon receipt of the final Local Government Finance Settlement, West of England Combined Authority Budget and Department for Education funding clarifications; with transfers to and or from reserves as appropriate.

## 2. LIST OF APPENDICES

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This report should be read alongside a series of appendices:

- Appendix 1 – Detailed Budget Summary by Directorate
- Appendix 2 – Capital Programme 2020/21 – 2024/25
- Appendix 3 – Budget Risk Matrix
- Appendix 4 – Treasury Management Strategy
- Appendix 5 – Flexible Use of Capital Receipts Strategy
- Appendix 6 – Budget Consultation Report
- Appendix 7 – Equalities Impact Relevance Check

## 3. EXECUTIVE SUMMARY

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3.1. The council has a legal responsibility to set an annual balanced budget (Local Government Finance Act 1992) which sets out how our financial resources are to be allocated and utilised. The Government's recent spending round, announced in September 2019, committed additional funding to key public services including Education and Adult Social Care. It also enabled councils to remain in the 100% business rates retention pilot and generate more funding from local taxation via social care precept for a further year. The increase represents an important and welcome recognition of some of the major funding pressures being faced by local government.

3.2. We have been successful in managing our finances and not only setting an annual balanced budget but taking a medium-term approach, so we can invest in the areas that really matter, seek to protect the most vulnerable during these uncertain times and to invest in our city, in order to build confidence in the future.

3.3. The Council's proposed budget for 2020/21 should be seen in the context of the Corporate Strategy and Medium Term Financial Plan (MTFP) and represents a further step on the road through financial recovery to financial sustainability. It establishes a solid and resilient financial base to meet the future challenges that could result from the uncertain financial, social, economic and environmental climate.

3.4. The approved General Fund revenue budget for 2020/21 totals £395.7 million, a net increase of £17.4 million from 2019/20. This is made up of £26.0 million of investment in services offset by a tail of £8.7 million of savings and efficiencies previously agreed (2018/19). The ring-fenced budgets for Public Health is an indicative £32.5 million (increase of £0.9 million from 2019/20) and Dedicated Schools Grant £374.2 million (increase of £19.0 million from 2019/20) and Housing Revenue Account £122.8 million (a decrease of £3.7 million from 2019/20). ***Due to the complexity of these budgets, to aide public transparency the latter two of which are subject to separate reports on the agenda for this meeting and will be combined for full Council.***

3.5. In addition to the above the Council continues to progress the delivery of an ambitious rolling capital programme over the period from 2020/21 to 2024/25, which has a gross value of £966.0 million (including the HRA) and is fully funded through the use of external funding, capital receipts and borrowing.

3.6. To finance the general fund budgets outlined above it is proposed that the Council's element of the Council Tax for 2020/21 is increased by 3.99%. This takes into account the



Adult Social Care Precept of 2% and would enable a position to be achieved of a balanced budget for 2020/21.with no additional new savings.

#### 4. COUNCIL STRATEGY & FINANCIAL PLANNING

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4.1. The One City Plan sets out an ambitious vision and actions for the future of Bristol to 2050. It is a collaborative approach to reach a shared vision for Bristol and aims to use the collective power of Bristol's key organisations to make a bigger impact, by supporting partners, organisations and citizens to help solve key challenges, such as driving economic growth for everyone.

4.2. The Corporate Strategy 2018 – 2023 remains the Council's main strategic document and sets out our contribution to the city as part of the One City Plan. It outlines our vision and values and informs everything we do, how we plan for the future and how we will demonstrate progress in delivering those priorities.

4.3. In achieving this vision we have based our activities around four themes:

- Empowering and Caring
- Fair and Inclusive
- Well Connected
- Wellbeing

4.4. Our key commitments aligned to each theme are outlined in the Corporate Strategy and the full document can be accessed via the hyperlink below.

<https://www.bristol.gov.uk/policies-plans-strategies/corporate-strategy>

4.5. The Policy and Budget Framework provides the structure and process for budget decision making and the MTFP is a key financial planning document, covering a rolling five year period refreshed annually. It sets out the Council's strategic approach to the management of its finances and provides a financial framework within which delivery of the Council's priorities can be progressed.

4.6. The MTFP approved by Full Council on 17th December 2019 <https://www.bristol.gov.uk/council-spending-performance/council-budgets> outlined in broad terms, the specific service and funding issues over the period and how the Council will, within its financial constraints, fund its priorities and ensure financial sustainability and resilience can be achieved.

4.7. With the Spending Review now expected in 2020 and local government financial reforms of the system of business rates retention (100% to 75%) and fair funding review aimed at designing a new system for allocating funding between councils via a fair methodology, equalised as appropriate and set new funding baselines for every authority from 2021/22 this presents a significant risk to future funding.

4.8. The MTFP indicated that with sufficient planning for the uncertain financial climate in which we operate, the revised approach of de-risking the financial plan to ensure that government one-off, incentive or growth funding, that may be at risk in the future has been removed out of the base budget and funding for known on-going core services are aligned to on-going sustainable funding sources, the achievement of all historically agreed budget reductions, efficiencies and income generation proposals, targeted funding to support areas of need and setting council tax at levels assumed each year a balanced position could be achieved over the planning period.

4.9. The budget has been prepared giving full consideration to these strategic documents, ensuring that each year's budget is considered within the context of the Council's ongoing sustainability over the entirety of the planning period. This has been done using best estimates from available data and based on the provisional Local Government Finance Settlement for 2020/21 announced by government on 20th December 2019.

4.10. Outlined below are the variations noted in the provisional settlement from the original MTFP assumptions.

<b>MTFP Changes</b>	<b>20/21</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Council Tax Base	0.306	0.251	0.181	0.098	-0.001
Other	0.005	0.003	-0.002	-0.004	0.003
One-off New Home Bonus	0.247	0	0	0	0
One-off Business Rates	0.401	0	0	0	0
<b>Total Change</b>	<b>0.959</b>	<b>0.254</b>	<b>0.179</b>	<b>0.094</b>	<b>0.002</b>

4.11. The above has been reflected in the budget and consideration of the Council's budget requirement and annual budget proposed in this report and will be used strategically to fund one off and emerging pressures, transformation / innovation or our planned invest to reduce revenue programmes.

4.12. Throughout the process of setting the budget, the Council has been very mindful of the impact of changes or reductions on residents and the Equalities Impact Assessments (EQIAs) are included in this and other associated reports. Decision makers will need to take these into account when considering this and other budget related reports.

## 5. REVENUE BUDGET POSITION FOR 2019/20

5.1. This report is concerned mainly with the budget estimates for 2020/21 however, it is important to consider the current year financial performance and therefore the starting point for formulating these budgets is the latest 2019/20 (P8) forecast outturn.

5.2. The current forecast of the year end revenue position, based on actual expenditure at the end of November 2019 is an estimated overspends of £6.5 million general fund (1.7% of the budget). This is predominately attributed to Adult Social Care, increase in service demand, market costs pressures and as a result non delivery of savings, Education Home to School Transport – the volume of routes and complexity of needs continues to increase. £2.1million underspend for HRA (1.3%), £1.0 million overspend for DSG (0.3%) and a balanced position for Public Heath grant.

5.3. It is expected that mitigations will continue to be explored across services within the directorates for activity to be contained within the delegated cash limits. However the scale, nature and timing of the emergent pressures within Adult Social Care and lack of opportunities for mitigation across the People directorate it is unlikely that these pressures can be contained.

5.4. One-off additional grant funding of £8.2 million has been allocated to Social Care to relieve emerging pressures and therefore it is proposed that the principle of adopting a council wide approach and holding funds in abeyance by spending reductions elsewhere across directorates not be applied in this instance.

5.5. The planning assumptions in the budget are therefore that the resulting year end overspends within the People directorate of up to £6.1 million (up to 31% of the general reserve) attributed to the current pressures evident within Adult Social Care and Home to School Transport could be met by a temporary year end movement from general reserves in 2019/20; followed by a reinstatement of the general reserve in 2020/21.

5.6. In line with approvals for supplementary estimates that require a draw down from general reserves which result in a deviation from the Council's agreed minimum reserve level, full Council's approval is sought for a temporary movement in general reserves of up to £6.1 million to mitigate the forecasted year end emergent pressures in the People directorate.

Approved Budget £m		Revised Budget £m	Forecast Outturn £m	Variance £m
226.3	People	226.7	232.9	6.2
53.9	Resources	53.6	53.7	0.1
61.1	Growth and Regeneration	59.9	60.2	0.3
<b>341.3</b>	<b>Sub-total</b>	<b>340.1</b>	<b>346.8</b>	<b>6.6</b>
35.0	Corporate Expenditure	36.2	36.1	-0.1
<b>376.3</b>	<b>Total</b>	<b>376.3</b>	<b>382.9</b>	<b>6.5</b>

5.7. Due to various decisions and slippage in capital projects, the original budget of £236.4 million for 2019/20 is set to decrease to a forecast spend of £158.4m (67%). Budgets are due to be re-profiled during the year to reflect the updated spend profile.

Approved Budget £m		Revised Budget Proposed £m	Movement £m	% Change
25.8	People	22.0	(3.8)	(15%)
17.7	Resources	16.1	(1.6)	(9%)
130.4	Growth and Regeneration	55.8	(74.6)	(57%)
<b>173.9</b>	<b>Sub-total</b>	<b>93.9</b>	<b>(80.0)</b>	<b>(46%)</b>
10.7	Corporate Expenditure	0.0	(10.7)	(100%)
51.8	HRA	49.5	(2.3)	(4%)
0.0	Commercial Investments	15.0	15.0	n/a
<b>236.4</b>	<b>Total</b>	<b>158.4</b>	<b>(78.0)</b>	<b>(33%)</b>

5.8. Further details of the forecast year end position can be found in the Period 8 2019/210 Financial Monitoring Report presented to Cabinet 21<sup>st</sup> January 2020.

## 6. GENERAL FUND REVENUE BUDGET 2020/21

6.1. The General fund base budgets are by far the most significant element of the Council's budget, they are the mainstream budgets for services and are monitored monthly and reported to the Corporate Leadership Board, the Mayor and Cabinet. An incremental approach has been adopted and whilst not the most efficient mechanism, it is one that is easy to understand, apply consistently and enable the changes applied to the current year budgets, to be transparent.

6.2. The proposed revenue budget for 2020/21 totals £395.7million, a net increase of £17.4 million from 2019/20. This is made up of £26 million of investment in services offset by £8.7million of previously agreed savings and efficiencies. These investments are detailed in further sections below and historically agreed savings applicable to 2020/21 budget are outlined in the directorate budget analysis.

6.3. The table below provides a summary of the proposed General Fund Revenue budget for the 5 year MTFP period comparing to the approved 2019/21 budget.

19/20 £m		20/21 £m	21/22 £m	22/23 £m	23/24 £m	24/25 £m
228.3	People	221.005	224.122	227.785	232.964	238.144
53.9	Resources	52.877	55.025	56.948	58.971	60.994
61.1	Growth and Regeneration	59.098	61.348	64.239	66.166	68.093
35.024	Corporate Expenditure Include One-off funding*	62.727	48.179	45.587	43.519	43.008
<b>378.324</b>	<b>Total Funding</b>	<b>395.707</b>	<b>388.674</b>	<b>394.559</b>	<b>401.620</b>	<b>410.239</b>
214.786	Council Tax	226.055	230.934	236.214	241.948	247.767
134.170	Business Rates (NNDR)	136.711	134.275	136.955	139.692	142.492
1.540	Business Rates Levy rebate	0.000	0.000	0.000	0.000	0.000
6.943	New Homes Bonus	6.387	3.485	1.410	0.000	0.000
19.985	Social Care Grant	28.190	19.980	19.980	19.980	19.980
0.900	Collection Fund Surplus/(Deficit)	-1.636	0.000	0.000	0.000	0.000
<b>378.324</b>	<b>Total Funding</b>	<b>395.707</b>	<b>388.674</b>	<b>394.559</b>	<b>401.620</b>	<b>410.239</b>
<b>0</b>	<b>Budget Surplus/(Deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

\*Pay Inflation is currently held under corporate budget and will be allocated out to directorates' budgets in due course

6.4. The following specific changes and key assumptions have been made in the development of the 2020/21 budget.

- Total Council Tax increase of 3.99% (including 2% Adult Social Care Precept)
- Increase of £2.5m in the amount of business rates income receivable, due mainly to a 1.6% inflationary increase in the multiplier set by the government. Section 31 grant will continue to be received by us due to government decisions to limit inflationary increases in the business rates multiplier in previous years.
- Pay award of up to 2.7% for 2020/21, note final pay award has not yet been agreed with trade unions, this is held centrally pending final decision.

- Centrally held general inflationary provision for supplies and services budgets, e.g. essential utilities such as gas, electricity and water, external insurance premiums and business rates payable by us.
- General inflationary increase for fees and charges budgets.
- Specific inflationary increases in Private Finance Initiative (PFI) unitary charges based on contractual terms and conditions. Specific inflationary increases as set out in other (non-PFI) long-term contracts.
- Unallocated general reserve will be retained at between 5%- 6% of the net revenue budget.

6.5. Table below summaries the year on year baseline expenditure movement:

<b>General Fund Baseline Budget</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Pay Award & Increments	(4.765)	(4.973)	(5.181)	(5.472)	(5.472)
Contract Inflation Net of Income Inflation	(4.603)	(4.754)	(4.941)	(3.785)	(3.784)
Capital Financing	(7.500)	(0.027)	0.588	(0.214)	0.637
Previously Approved Savings	8.652	3.100	0.724	0	0
Other Previously Approved Adjustments	(0.033)	(0.886)	(1.150)	0	0
Members Allowance	(0.140)	0	0	0	0
Adult Social Care	(2.500)	0.500	2.000	0	0
Waste Contract Inflation & Payment Mechanism Pressure	(1.000)	0	0	1.000	0
Safer City - Youth Violence	0.000	(0.030)	0	0	0
Land Charges- Legislative changes	0.000	(0.290)	0	0	0
Climate Change / Air Quality - Delivery Capacity	(0.150)	(0.150)	0	0	0
Health & Safety - Resources in Services	(0.100)	0	0	0	0
Pressures attributed to savings not deliverable	(0.380)	0	0	0	0
<b>Baseline Budget Movement</b>	<b>(12.519)</b>	<b>(7.510)</b>	<b>(7.960)</b>	<b>(8.471)</b>	<b>(8.619)</b>

6.6. It is important that the Council continues to plan ahead and it is clear that the growth of our local tax base is providing real additional resource that will assist with managing increases in service demand, and any further reductions in government funding.

6.7. Whilst council tax capping rules remain in place, for 2020/21 the referendum threshold set by central government was maintained at 4% for Bristol, which includes 2% relating to the Adult Social Care precept. Where council tax is set below the referendum threshold the council tax yield will be permanently reduced with no opportunity to make up that baseline income loss in future years, without the costly exercise of a referendum.

6.8. During this period of continued uncertainty, we are conscious of the impact of council tax increases on Bristol residents. Given the growth in demand for our services and the absence of any new permanent funding being made available by government, the Council is required to take action to ensure the sustainability of Social Care therefore proposes a social care precept of 2%. The proposal within the report is that for 2020/21 budget should be

predicated on the basis of a proposed increase of 3.99% (£8.7m) in the amount of Council Tax income receivable, split between:

- General Council Tax increase of 1.99% (i.e. £4.3m)
- Social Care precept of 2.0% (i.e. £4.3m)
- In addition to the above, Growth in the size of the Council Tax base (i.e. £2.4m)

6.9. The Council has continued to provide a local Council Tax reduction scheme that supports working age people on a similar basis to those who previously received 100% Council Tax benefit prior to this being abolished in 2013; and is one of a handful of English councils to do so. Pensioners are protected from any changes under the prescribed national scheme. The overall scheme is estimated to cost in the region of £39.5 million in 2020/21.

6.10. Part of the budget process each year looks at unavoidable pressures on services that will have an on-going financial impact, some of which are outside of the control of the service itself and cannot be immediately addressed by savings/efficiencies. Examples of these would be legislative changes.

6.11. There are other areas where the current budget is not adequate for the level of demand within the service, loss of grants or reduction in income is anticipated. Whilst these can be addressed it may not be possible to mitigate these changes immediately due to the need for an improvement programme which seeks to improve outcomes and deliver a sustainable long term strategy.

6.12. The budget outline above incorporates £18 million of one off or incentive funding and £1 million of redirected earmarked reserves. The MTFP principles is that one-off funding is utilised for one-off commitments and the table below summarises the proposed use of available one-off funding to support one off pressures in the budget.

<b>General Fund One-off Budget</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>5 Year Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Forecast One-off Funding	18.030	3.490	1.400	0.000	0.000	<b>22.920</b>
Redirection from Reserves	1.145					<b>1.145</b>
<b>Total One-off Budget</b>	<b>19.175</b>	<b>3.490</b>	<b>1.400</b>	<b>0.000</b>	<b>0.000</b>	<b>24.065</b>
<b>One-off Pressures:</b>						
2019/20 Pressures (P8)- Adult Social Care	(5.500)					<b>(5.500)</b>
2019/20 Pressures (P8) - Home to School Transport	(0.600)					<b>(0.600)</b>
<b>Total 19/20 Pressures</b>	<b>(6.100)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(6.100)</b>
<b>One-off funding Available</b>	<b>13.075</b>	<b>3.490</b>	<b>1.400</b>	<b>0.000</b>	<b>0.000</b>	<b>17.965</b>

\*Items highlighted in Grey is 2019/20 overspend paid back to General Reserves in 2020/21

6.13. Table below illustrate the new pressures funded from one-off funding:

<b>General Fund One-off Budget</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>5 Year Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>One-off funding Available</b>	<b>13.075</b>	<b>3.490</b>	<b>1.400</b>	<b>0.000</b>	<b>0.000</b>	<b>17.965</b>
Facility Management part year pressures 2020-21	(1.000)					(1.000)
Developing Property Strategy/ Asset Management Plan	(0.500)	(0.500)	(0.500)			(1.500)
Children and Young people - Serious violence	0.000	(1.500)				(1.500)
Adult Social Care innovation fund	(2.100)	(0.600)				(2.700)
Climate Change Reserve	(3.000)					(3.000)
Resilience Reserve	(3.000)					(3.000)
Risk Reserve 2020/21 Pressure	(0.397)	0.010				(0.387)
<b>Amount Held in Reserves</b>	<b>(9.997)</b>	<b>(2.590)</b>	<b>(0.500)</b>	<b>0.000</b>	<b>0.000</b>	<b>(13.087)</b>
Transformation Projects (e.g. City Leap)	(1.500)					(1.500)
GF - Special Education Needs & Disability (SEND)	(0.500)	(0.500)	(0.500)	0.000	0.000	(1.500)
PMO Delivery Capacity	(0.400)	(0.400)	(0.400)			(1.200)
Bear Pit (not contained in 19/20 spend)	(0.350)					(0.350)
Project Management - Regeneration Projects	(0.250)					(0.250)
Economic strategy	(0.078)					(0.078)
<b>Amount Allocated to Services</b>	<b>(3.078)</b>	<b>(0.900)</b>	<b>(0.900)</b>	<b>0.000</b>	<b>0.000</b>	<b>(4.878)</b>
<b>Total New Pressures</b>	<b>(13.075)</b>	<b>(3.490)</b>	<b>(1.400)</b>	<b>0.000</b>	<b>0.000</b>	<b>(17.965)</b>
<b>One-off Budget Position</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

\*Items highlighted in Grey are initially held in Reserves subject to further detail for draw down

## **People**

### **Adults**

6.14. Local authorities have a legal duty to commission care services for any adults who meet the requirement of the centrally set needs and means tests. The actual annual spend for Adult Social Care has increased from £138 million in 2017/18 (beginning of the five year rolling MTFP) to a forecast outturn of £154.4 for 2019/20 despite any efficiencies they might have made.

6.15. There are various drivers resulting in financial pressures a flavour of which is captured below:

- Rising demand for care among working-age adults - better health care has improved the life expectancy of people with some physical and learning disabilities, meaning more working-age adults are now in need of social care. These adults are also less likely than older adults to have financial assets and therefore qualify them to receive publicly funded care.
- The pressures on the NHS are well reported and impacting significantly on Adult Social Care with alleviating measures, in terms of reducing avoidable entries to hospitals, ensuring patients are not delayed and can get out of hospital quicker, home care, reablement, home adaptations and care in residential and nursing homes – which is more intensive and expensive.
- Both of the above factors have increased demand for placements across the region, and cost pressures due to lack of capacity in the market for delivering services.

6.16. Though adult social care is delivered and mainly funded locally, decisions by central government strongly shape how much money local authorities have to do this – as well as what they are obliged to spend it on. This makes adult social care a national as well as a local responsibility.

6.17. These increasing costs are threatening to overwhelm the Council's ability to manage its finances and it is not clear whether public funding for adult social care will increase. The government committed to “ensure that adult social care funding is such that it does not impose any additional pressures on the NHS over the coming five years” in the NHS long-term plan, but there is no clear timetable for social care reform and the 2019 spending round only confirmed grants for social care in 2020/21.

6.18. Whilst we recognise the need for wider change at a national level to make the social care system fair and sustainable in the future, tackling our immediate social care challenges will require decisive action and appropriate funding to help enable the transition to an approach based on a higher level of early intervention and prevention. This is why we are proposing a 2% Social care precept in 2020/21 (£4.3 million and prioritising additional expenditure of £8.2 million (£2.7million to be held in reserve subject to agreement of Cabinet of full detailed business case) in Adult Social care at a time of financial challenges and uncertainties.

### **Children's Social Care**

6.19. The Children's Social Care service has experienced escalating levels of serious youth violence and extra-familial risk, including gang affiliation, criminal exploitation and abuse. This alongside a growing child population and improved intelligence and awareness of serious violence and complex safeguarding demands, has presented challenges to the



directorate in achieving a balanced budget.

6.20. An earmarked reserve of £0.9 million was allocated in 2019/20 to meet the rising demand attributed to serious youth violence should the additional pressure not be contained within the grant funding received. In recognition of the increasing trend a further £1.5 million has been earmarked from the one off grant funding.

### **Education**

6.21. The Education service is reporting an in-year pressure of £0.6m relating to Home to School Transport for children who have special education needs. This is likely to result in a supplementary estimate.

6.22. Following the finding of a CQC inspection in 2019, the Education service has developed an action plan and sought approval for funding to address some of the concerns reported, which includes improvement of the Education, Health and Care Plan (EHCP) statutory processes and implement new diagnostic pathway for Autism Spectrum Disorder (ASD) assessment to impact on assessment times and offer clarity to parents and carers. The result of these improvements may also impact on SEND demand under DSG and Schools' budget which needs to be closely monitored and proactively managed throughout financial year 2020/21.

6.23. In addition to the £1.6 million funding approved by Cabinet in July 2019 to support resource plan for the SEND function, this budget is proposing a further £1.5 million from the one-off incentive funding to complement the £1.3 million funding identified from within the DSG in 2020/21 to support the improvement programme. Please note the DfE is consulting on the restriction to the use of general fund to support DSG deficit in the future.

### **Growth and Regeneration**

6.24. The directorate has a number of key priorities which this budget is designed to support. They are as follows:

- Sustainable and inclusive economic growth
- Housing and regeneration
- Preventing homelessness
- Ensuring that air quality standards are met across the city

6.25. In addition to the above, waste management investment is predominantly attributed to a change in accounting treatment for the annual growth funding, which from the establishment of Bristol Waste Company, was first funded from the one-off earmarked reserves, and now added to the base budget. This growth is predominantly attributed to increasing demand resulting from increasing population, number of dwellings and the amount of waste that needs to be collected and disposed of across the city.

6.26. The capital programme contains some significant schemes in the pipeline attributed to Growth and Regeneration functional areas and these are outlined in more detail in later sections – Capital Programme.

### **Resources**

6.27. The Directorate contains the Council's key professional support services which support the strategic direction of the Council and provide essential support to Members and managers to improve outcomes and deliver change. The Directorate, beyond its core, statutory and regulatory duties, also serves some of the most vulnerable in the city.

6.28. During 2019/20 the responsibility for the Facility Management Services was transferred under Resource from G&R. At P8 Facility Management is reporting a forecast pressure of £1.6 million, £1.5 million of which has been mitigated as one-off actions by others services in Resources. This pressure mainly relates to costs in maintaining the

Council's operational assets and internal services. The Directorate is exploring various options to find recurrent mitigations for this overspend.

### Corporate Expenditure Accounts

6.29. Central accounts hold a variety of corporate budgets which do not relate directly to individual services, as well as council-wide budgets which largely for timing reasons are not allocated to individual services. Generally, these council-wide budgets will be allocated to services in year, once their impact is known. Corporate budgets include the Council's capital financing costs and associated entries relating to the complexities of the capital accounting requirements. In addition, in accordance with accounting requirements, central accounts include those costs which are defined as the Corporate and Democratic Core and Levies.

	2020/21 £m
Capital Financing	24.227
Corporate and Democratic Core and Levies*	6.543
One off funding held prior to transfer	18.030
Other including Contract Inflation and pay awards	13.929
<b>Total</b>	<b>62.727</b>

*\*This excludes the WECA levies*

### Savings

6.30. At its meeting on 20 February Full Council approved £76.4m of pipeline saving activity. Savings proposals totalling £0.380m attributed to commissioning efficiencies on services provided by external partners could not be achieved without a reduction in community engagement activity and as such this has been reduced; utilising the Mayors risk consultation reserve in 2019/20 and base budget adjustment within the 2020/21 annual budget.

	Original Saving* £m	Delivered £m	Removed £m	Residual Saving £m
FP01 - Review and reduce spend on services provided by external partners	5.000	2.620	0.380	2.000
<b>Total</b>	<b>5.000</b>	<b>2.620</b>	<b>0.380</b>	<b>2.000</b>

*\*As outlined in savings agreed by Full Council February 2018*

6.31. The profile of the £12.4 million residual tail of the savings efficiency programme is outlined in the table below and £8.7 million was built within the MTFP for 2020/21. Meanwhile as outlined in the 2019/20 annual budget there were no new savings requirements in the proposed 2020/21 budget or over the further four forecast years of the MTFP.

	20/21 £m	21/22 £m	22/23 £m	23/24 £m	24/25 £m
<b>Savings as agreed by Full Council</b>	12.612	7.100	4.774	-	-
Crosscutting savings offset against inflationary pressures (delivered)	(3.960)	(4.000)	(4.050)	-	-
<b>Total</b>	<b>8.652</b>	<b>3.100</b>	<b>0.724</b>	-	-

## Long Term Investments / Shareholdings

6.32. The Council has a range of long term investments and shareholdings some of which are wholly owned or to which it has a material interest. A set of business plans for these entity are presented to Cabinet 21st January 2020 (earlier on this agenda).

6.33. As at 31 December 2019, the Council had approved investment of £62.4 million in long term investments and shareholdings in the wholly owned Council subsidiaries as outlined in the Capital Strategy <https://www.bristol.gov.uk/council-spending-performance/council-budgets> with £54 million invested as at this date. In addition to the above we have earmarked £4 million in the development of Bristol City Leap and this report makes provision for a further £1.5 million to the end of the procurement process.

6.34. In relation to the wholly owned companies these are complex businesses and when entering into long term investments such as these it is important to assess the market conditions and acknowledge that the industry is ever-changing and as such will always be subject to external influences, volatility and risks.

6.35. As a public sector body we should only intervene when there is a failure or gap in the market and when intervention will lead to an improvement or greater efficiency. Where taxpayers' money or assets are involved in delivering the ambition, the Council must also ensure that Value for Money (VfM) is secured. A VfM assessment extends beyond consideration of a financial case but also need to take into account the economic case and social value.

6.36. Business plans are being refreshed / developed for their annual submission to Cabinet for consideration. The plans will need to be agile and refreshed to reflect the changing market conditions and operating models required to be sustainable. These businesses will be able to deliver services whilst at the same time accessing a wider market, in order to generate income from additional customers and it is anticipated that from this investment the Council will eventually benefit from the generation of profits. Following the pay-back period, the profits can be used as appropriate to support the Council's revenue budget position or deliver key priorities.

6.37. Governance, monitoring and quality performance parameters are to be agreed by the Shareholder and regularly reported to the Shareholder Group / Cabinet. To ensure the Council's investment is protected, commercial information that could impact on an individual company value will be managed sensitively. As a public authority it will be necessary to consider the sensitivity of the information being requested at the time of the request and the nature of any harm that would be caused prior to disclosure.

## 7. COLLECTION FUND SURPLUS / DEFICIT

7.1. Bristol City Council is required by statute, to maintain a Collection Fund separate

from the General Fund of the Council. Income from council tax and business rates are fixed at the start of each financial year. Any variations from this are realised through the Collection Fund and are distributed in subsequent years. Following changes to council tax discounts and exemptions and localisation of business rates, there is now significantly greater volatility and risk in relation to collection fund income.

7.2. As previously reported to the Council on 14 January 2020, overall there is an estimated deficit on the Collection Fund for the year ending 31 March 2020 of £1.636 million.

## 8. COUNCIL TAX 2020/21

8.1. The referendum threshold for increasing the council tax has remained at 4% which include 2% Social Care Precept and core council tax increase of 2%. The precept will need to be identified separately and the s151 Officer will be expected to notify the Secretary of State of the amount intended to be raised and verify that the funding has been used for adult social care.

### Calculation of the Council's Tax Base

8.2. On 14th January 2020 Full Council is to approve the Bristol City Council's tax base for the year 2020/21 as 128,566. This represents an increase of some 1.2% on the previous year's tax base (126,999).

### Council Tax by Band

8.3. It is recommended that the following amounts be submitted for agreement by Full Council for the year 2020/21:

- £226,055,751 being the sum to be met from Council tax in 2020/21 for services provision 214,732,458 in 2019/20.

Bristol City Council's share of the council tax for the year 2020/21 for the services it provides for each category of dwelling shown as follows:-

	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£	£	£	£	£	£	£	£
2020/21 Council Tax	1,172.19	1,367.55	1,562.92	1,758.28	2,149.02	2,539.75	2,930.47	3,516.57
2019/20 Council Tax	1,127.21	1,315.08	1,502.95	1,690.82	2,066.56	2,442.30	2,818.03	3,381.64
Percentage Increase	3.99%	3.99%	3.99%	3.99%	3.99%	3.99%	3.99%	3.99%
Annual Increase	44.98	52.47	59.97	67.46	82.46	97.45	112.44	134.93

## 9. DEDICATED SCHOOLS GRANT

9.1. The Dedicated Schools Grant is being considered as a separate report on this agenda and as such only a summary is incorporated within the report for Cabinet. Schools Forum considered the proposals on the use and distribution of the available funding at its meeting on 15th January 2020 and will feedback any final comments to be presented at the Cabinet meeting by the Cabinet Member for Education.

9.2. The Dedicated Schools Grant for 2020/21, advised by the Education and Skills Funding Agency is as follows taking into account the increase in minimum funding per pupil and following the National Funding Formula (NFF). The funding is then primarily generated by pupil numbers from the October census. The October 2019 census had 36,150 primary pupils, a decrease of 67 (0.18%) from October 2018, with secondary pupil numbers increasing by 798 (4.34%) to 19,180. Funding per pupil has also increased (by 3.94%), resulting in an overall increase in the DSG funding of £19.039m to £374.190m.

9.3. The table below provides a high level description for each block and shows the annual changes in funding.

DSG Blocks	Purpose	2019/20	2020/21	Increase	Increase
		DSG	DSG		
		£m	£m	%	£m
Schools Block	For distribution through the mainstream formula for mainstream maintained schools and academies , and for growth in schools	261.45	273.86	5%	12.41
Central Services Block	For Local Authority core functions, admissions and historic commitments	2.90	2.72	-6%	(0.18)
High Needs Block	Funding for pupils with special educational needs in mainstream, special and out-borough schools, for pupils in alternative provision and local authority or commissioned services for high needs pupils.	53.93	60.67	13%	6.74
Early Years	Funding for distribution to Early Years settings for 2, 3 and 4 year old early years provision, with some provision for central oversight and co-ordination.	36.88	36.94	0%	0.06
<b>Total Funding Received</b>		<b>355.16</b>	<b>374.19</b>	<b>5%</b>	<b>19.03</b>
<b>DGS Advance funding</b>		<b>2.41</b>	<b>0.00</b>		<b>(2.41)</b>
<b>Budget Position</b>		<b>357.6</b>	<b>374.2</b>		<b>16.6</b>

9.4. In order to fund the High Needs Budget in 2019/20, £2.4m of High Needs DSG funding was brought forward in advance from 2020/21 to cover the 2019/20 in-year shortfall. This is permissible under the DSG regulations, but did not address the underlying shortfall in the High Needs DSG, in fact the reported overspend on high needs was £1.4m higher that had to be covered by using carried forward DSG balances, see table below:

<i>DGS Balances</i>	<i>Balance Brought-Forward</i>	<i>DSG Allocation 2019/20</i>	<i>Forecast Outturn Period 08 2019/20</i>	<i>In-year variance</i>	<i>Forecast Carry-forward Period 08 2019/20</i>
Schools Block	0.000	(259.445)	(259.445)	0.000	0.000
De-delegation	0.414	0.000	0.000	0.000	0.414
Schools Central Block	0.000	(2.329)	(2.329)	0.000	0.000
Early Years	1.115	(36.461)	(36.045)	0.416	1.531
High Needs Block	0.433	(58.904)	(60.281)	(1.377)	(0.944)
Grant Funding	0.000	354.732	354.732	0.000	0.000
DGS Advance funding from 2020/21 *	0.000	2.407	2.407	0.000	0.000
<b>Surplus /(Deficit)</b>	<b>1.962</b>	<b>0.000</b>	<b>(0.961)</b>	<b>(0.961)</b>	<b>1.001</b>

9.5. In order to insure the a balance DSG position for 2020/21, a number of transfers between the blocks are proposed under this reporting, please note that these transfer between blocks remains below 0.5% threshold, any amount beyond which would require Secretary of State Approval.

9.6. Meanwhile a high needs transformation programme has begun, with four constituent projects: top-up funding; alternative provision; hospital education; and support services. These are focussed on how best to improve outcomes for children and young people, but may result in lower spend over time, if investment is made in activities most likely to promote such outcomes.

<i>DSG Blocks</i>	<i>DSG Settlement 2020/21</i>	<i>Movement between blocks</i>	<i>Final DSG allocations 2020/21</i>
	<i>£m</i>	<i>£m</i>	<i>£m</i>
Schools block	£273.86	(£1.37)	£272.49
Central Services Block	£2.72	(£0.33)	£2.39
High Needs Block	£60.67	£1.70	£62.38
Early Years	£36.94		£36.94
<b>Total</b>	<b>£374.19</b>	<b>£0.00</b>	<b>£374.19</b>

## 10. PUBLIC HEALTH GRANT

10.1. The annual Public Health grant is currently provided to the local authority by the Department of Health and Social care. The grant meets the cost of Public Health services and functions which transferred to the local authority under the terms of the 2012 Health and Social Care Act.

10.2. The SR19 included a 'real-terms increase to the ring fenced PH Grant budget. However, there has been no confirmation of the final settlement for 2020/21. It is expected

that additional obligations would accompany any increase, and that these may well exceed the overall grant total. If the anticipated uplifts are forthcoming the Bristol estimate the budget for 2020/21 to be c. £32.5m (in comparison to £31.6m 2019/20).

10.3. Additional obligations are likely to include costs of PREP prescribing for HIV, the cost of Agenda for Change uplifts for all nursing staff in commissioning services; and mandate tobacco control. The cost is currently unquantified but may exceed the anticipated uplift.

10.4. The future of Public Health beyond 2020/21 is more uncertain and will be subject to the government's fair funding review and may include moving from a grant to a baseline formula with attached conditions.

10.5. See table below for details of the indicative Public Health 2020/21 budget:

<b>Public Health Budget</b>	<b>2019/20 Budget</b>	<b>2019/20 Forecast</b>	<b>2020/21 Indicative</b>
	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>
Public Health Grant	31.6	31.6	32.5
Other Income	4.7	4.6	4.7
Use of Reserve	0.8	0.1	0.3
<b>Total Funding</b>	<b>37.1</b>	<b>36.4</b>	<b>37.5</b>
Salaries	-2.8	-2.5	-2.7
Running Costs & Overheads	-1.2	-1.2	-1.3
Internal Commissioned Services	-5.9	-5.9	-5.3
External Commissioned Services	-27.2	-26.7	-27.3
Proposals in Development	0.0	0.0	-0.9
Gross Cost	-37.1	-36.4	-37.5
<b>Net Spend</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

10.6. Public Health Commissioned Services and Programmes include:

- Substance Misuse
- Sexual Health
- Public Health Nursing
- Smoking Cessation and Tobacco Control
- Mandated Health Checks
- National Child Measurement Programme
- Sport and Leisure Services
- Thrive Bristol (Mental and Emotional Wellbeing)
- Alive Bristol (Healthy Weight)

10.7. The Public Health Grant also funds:

- The Bristol City Council Community Development Team
- A contribution to the Bristol Impact Fund
- A contribution to Children's Centres

## 11. HOUSING REVENUE ACCOUNT

11.1. Housing Revenue Account (HRA) is a ring-fenced self-financing account, where the Council retains all rental income but must finance all capital and revenue costs associated with its existing and new housing stock. The Council has a duty to agree a balanced HRA

budget for the next financial year, as well as a sustainable long term business plan, which takes account of capital investment needs in its stock and the revenue costs of managing and maintaining it. Although the account is ring-fenced, which means there can be no cross-subsidy between the revenue cost of services provided through the General Fund and the HRA, there are many services provided to both and paid for through recharges.

11.2. In a separate report on 21 January 2020 (earlier on this agenda), the Mayor is asked to recommend to Full Council the 2020/21 HRA budget in line with the recent government policy changes. A refreshed HRA 30 year business plan will be brought back to Cabinet in summer 2020, aligned with the timing of the annual MTFP refresh.

11.3. There have been a number of changes to government policy which have impacted on HRA planning assumptions.

11.4. The lifting of the HRA borrowing cap which means local authorities are now able to leverage the financial strength of the HRA to raise additional financing, in line with the Prudential Code.

11.5. From 2020 a new national Rent Policy and Rent Standard are effective for assessing rents for social housing, which also provide guidance on rent changes. The new Standard allows social landlords to:

- Increase rents by CPI +1% (subject to a rent cap)
- Utilise 5% flexibility for formula rents on general needs and 10% flexibility on formula rents for supported housing when re-letting to a new tenant

11.6. It is proposed that the Council freeze rents for existing tenants for one year from April 2020 and to have the option to utilise the 5% flexibility on relets which reflect the investments made in bringing these properties to an improved quality standard whilst still being lower than comparative benchmarks.

11.7. The Council has an ambitious development programme and the budget proposal assumes that £18.4m of the current HRA reserves (£86.5m) will be utilised in 2020/21 in order to fund the programme.

## 12. WEST OF ENGLAND COMBINED AUTHORITY (WECA)

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12.1. Subject to Cabinet approval for the transfer of selected transport functions, there will be a transfer of the budget for staff and resources of £1.46m (subject to final analysis and formal consultation with affected staff). The Budget for new services transferring into the WECA Levy totals £1.46m and is currently part of the sustainable transport budget. The budget will be transferred to a corporate levy budget and removed from the Management of Place budget. BCC's existing WECA levy is budgeted at £8 million, of which £45k relates to potential staffing costs arising as a result of the transfer to WECA.

12.2. The Budget for the WECA and Mayoral budget will be set on 31 January 2020 by the WECA Committee – following the receipt of the details, the changes from 2019/20 to 2020/21 will be incorporated into the Council's budget.

## 13. CAPITAL PROGRAMME

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13.1. The Council plays a key role in investing in the infrastructure of the city and its communities; providing facilities for local people to use as well as stimulating investment to support growth in housing and business premises that provide jobs and opportunities. Our longer term capital programme aspirations are significant, however we recognise that these investments are essential if we are to deliver revenue savings and transform our capacity to meet future needs.



13.2. The Council's capital strategy which was approved in December is aligned to the financing principles set out in the MTFP, ensuring that the development of all prospective schemes is based on clear evidence base and whole-life costing with where appropriate, anticipated pay-back of the investment. The capital strategy is reviewed annually and particularly in line with the development of an asset management strategy, which will outline the approach to capital investment, ensuring that it is affordable, sustainable and prudent as well as aligned to the Council's corporate priorities. It will support the provision of the right blend of investment in key priority areas to do the following:

- *undertake mandatory duties keeping the public safe and maintain its investment,*
- *invest for inclusive economic growth;*
- *invest to save by reducing costs that would be borne by the revenue account or generating external income.*

13.3. The Council has an ambitious capital programme over the next five years. A significant proportion of this programme is aligned to large infrastructure investments that will support long term regeneration across the city, such as programme of new housing building and developing the Temple Quarter area. This is balanced against areas which will support improvements in on-going Council services such as investing in infrastructure to support delivery of Social Care and Education services.

13.4. The Capital Programme as over the next five years at a gross budget of £966 million is fully funded through the use of external funding, capital receipts and borrowing where appropriate. A number of the schemes are earmarked only with business cases pending approval. Should approval not be forthcoming, these funds may be redirected to ensure maximum available capital investment is targeted to works that begin to address the ambition to make Bristol a more equal, aspirational and resilient city, where everyone can share in its success. Further details on the refreshed rolling capital programme are contained in Appendix 2.

13.5. Capital and revenue expenditure cannot be considered in isolation of each other. The capital strategy set a principal to contain the annual revenue expenditure to finance capital investment at 10% of the annual net revenue budget.

13.6. High levels of capital investment means the Council will incur a higher level of fixed annual costs for the foreseeable future and impacts upon revenue resources available to fund day-to-day services. Any new proposals go through defined prioritisation criteria as set out in the strategy to ensure it remains within an affordable envelope. This has involved broadly ranking any new pressures as priority 1 or priority 2 and the outcome of that exercise is reflected in the programme that is now recommended to the Council. Improved governance arrangements for the development and management of capital projects will be introduced to ensure greater assurance of delivery.

13.7. The Council has significant capital investment requirements in its HRA Housing stock, which includes regular planned maintenance and refurbishments to existing assets as well as programmes to deliver new housing stock. In October 2018 the Government lifted the HRA borrowing cap meaning Councils were able to increase borrowing within the HRA. The current capital programme for the HRA includes a previously approved £43m of borrowing to support the programme of new build housing. The 30 year HRA business plan is currently being reviewed which will include reviewing the level of planned borrowing.

13.8. The Council must ensure sufficient funding is available to meet the requirements of the agreed projects within its Treasury Management Strategy, which is reviewed annually and updated to reflect projects as they are refined or become ready for delivery. The draft Treasury Management Strategy is set out as Appendix 4 to this report.

13.9. The table below summarises our current capital spending plans for the next five years that total £966 million. The detailed draft programme and its financing are set out in Appendix 2.

19/20 £m		20/21 £m	21/22 £m	22/23 £m	23/24 £m	24/25 £m
22.0	People	32.3	14.6	0.1	0.0	0.0
56.9	Growth & Regeneration	163.3	104.6	61.6	67.1	45.8
16.0	Resources	14.3	7.6	5.3	4.0	0.0
0.0	Corporate	1.5	1.5	3.4	4.4	7.0
0.1	Pending Schemes	0.6	12.4	23.8	25.4	11.4
49.5	Housing Revenue Account	79.7	63.0	76.7	76.3	58.3
<b>144.4</b>	<b>Total</b>	<b>291.9</b>	<b>203.8</b>	<b>170.8</b>	<b>177.2</b>	<b>122.4</b>
	<i>Financed by:</i>					
(34.5)	Prudential Borrowing	(71.6)	(43.9)	(24.1)	(25.7)	(7.2)
(41.1)	Grant	(90.0)	(38.9)	(30.4)	(33.4)	(16.9)
(1.4)	Developer Contributions	(9.1)	(12.6)	(10.1)	(8.5)	(6.5)
(15.1)	Capital Receipts (GF)	(25.2)	(28.8)	(20.5)	(24.1)	(19.4)
(0.3)	Revenue/Reserves (GF)	(2.2)	(1.5)	(0.3)	0.0	0.0
(2.5)	Economic Development Fund	(14.0)	(15.2)	(8.8)	(9.3)	(14.2)
(49.5)	Housing Revenue Account	(79.7)	(63.0)	(76.7)	(76.3)	(58.3)
<b>(144.4)</b>	<b>Total</b>	<b>(291.9)</b>	<b>(203.8)</b>	<b>(170.8)</b>	<b>(177.3)</b>	<b>(122.4)</b>

## 14. TREASURY MANAGEMENT STRATEGY

14.1. The Council's Treasury Management Strategy, Minimum Revenue Provision Policy, Investment Strategy and Prudential Indicators are set out in Appendix 4.

## 15. RISK MANAGEMENT AND FINANCIAL ASSURANCE STATEMENT

15.1. Section 25 of the Local Government Act 2003 requires that when a local authority is making its budget calculations, the Chief Finance Officer of the authority must report to the Council on the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves.

15.2. In considering the robustness of any estimates, the following criteria need to be considered:

- Is performance against the current year's budget on track and where variances are evident, ongoing and unavoidable, are they appropriately reflected in the plans?
- Are arrangements for monitoring and reporting performance against the savings plans robust?
  - The reasonableness of the underlying budget assumptions.
  - The alignment of resources with the Council's service and organisational priorities.
  - A review of the major risks associated with the budget.
  - The availability of un-earmarked reserves to meet unforeseen cost pressures.
  - Have realistic income targets been set and 'at risk' external funding been identified?
  - Has a reasonable estimate of cost pressures been made?
  - Are arrangements for monitoring and reporting performance against the budget robust?

- Is there a reasonable contingency available to cover the financial risks faced by the Council?
- Is there a reasonable level of reserves which could be used to mitigate any issues arising and are they reducing as the risks decrease?
- The strength of the financial management function and reporting arrangements.
- Has there been quality of engagement with colleagues and councillors in the process to develop and construct the budget?

15.3. Responses to the above are outlined in section 15.11 below.

15.4. This section of the report advises of any significant risks identified in the budget process and sets out the range of measures and provisions put in place to mitigate these risks. There will always be risks inherent in the budget process. It is important that these are identified, mitigated and managed effectively.

- The Corporate Risk Register (CRR) is a live document which seeks to provide assurance to senior management and Members that the Council's main risks have been identified and that arrangements are in place to manage those risks within agreed tolerance. Appendix 3 – Budget Risk Matrix contains a summary of selected key strategic risks, causes, impact, mitigating actions and provides an indicative assessment of how the risks identified in the CRR could be managed should they be realised during this medium term.

15.5. The collection of council tax and the generation of business rate yields are two key risks which need to be closely monitored.

- Council tax collection rates and level of arrears will be subject to regular reviews.
- Provisions for the impact of business rates appeals have been reviewed for sufficiency and activity in this regard will be proactively monitored.
- Business rates income continues to be a significant risk, however as in the case of council tax, any losses greater than those assumed in setting the budget will materialise through a collection fund and will not impact in the current year.

15.6. Parent Company Guarantees are in place that underwrites our subsidiary trading activity and these could present significant risks. As the value grows, mitigating actions are being considered which de-risk the activity and the details where relevant will be outlined within the Business Plan of the subsidiary. An assessment is also undertaken of the sufficiency of the Council's earmarked and general reserves and the Council's ability to mitigate this risk should the need arise. Regular reports are provided to enable the Council to actively monitor the position during the course of the year and take the necessary action to reduce activity or increase the provision.

15.7. The Council's financial controls are set out in the Council's financial regulations and scheme of delegations. The Council has a well-established framework for financial reporting at Executive Director Meetings, Corporate Leadership Board, Statutory Policy Board (Member representation), Scrutiny Commissions and Cabinet with a separate dashboard for each directorate. Where unavoidable pressures are identified that cannot be mitigated, collective ownership is taken and where appropriate, funds are held in abeyance, subject to mitigations or a supplementary estimate being agreed to minimise significant variations to net approved budgets.

15.8. The Council must ensure reserves and balances are retained at an appropriate level in order to provide an adequate buffer for any series of one-off pressures – or to provide sufficient time to identify on-going mitigations in a systematic way. Based on the results of the risk assessments undertaken, an adequate level of reserves is as follows:

- General Fund un-earmarked reserve of £20.0million and a financial risk resilience reserve totalling £7.4m as at 1 April 2020, which when combined represent 6.9% of the 2020/21 net revenue budget.
- Other earmarked reserves totalling £60.3 million as at 1 April 2020 (excluding, HRA and school balances), which in an emergency can be utilised on a short-term temporary basis, provided the funding is replaced in the following year.

15.9. In the context of the above, the Chief Finance Officer considers the proposed budget for 2020/21 as robust and that the level of reserves are adequate, given a clear understanding by members and senior management of the following:

- Directors and other budget holders should accept their budget responsibilities and subsequent accountability.
- The level of reserves is in line with the risk matrix but their enhancement will be a prime consideration for the use of any fortuitous in-year saving.
- Risk based budget monitoring and scrutiny arrangements are in place and include arrangements for the identification of remedial action.
- Budget risks are identified and recorded at the earliest opportunity and will be subject to focused control and management.
- To prevent the realising of operational earmarked reserves, directorates are required to have in place a clear plan for the drawdown of the reserves in line with the profile.
- Effective governance arrangements at a service and corporate level, to monitor the overall delivery of the 2020-21 budget plus regular finance monitoring reports to Cabinet and Scrutiny Commissions.
- There is a clear understanding of the duties of the Council’s statutory finance officer and that the service implications of them being exercised are fully understood.

15.10. Risks and opportunities are outlined in depth within the MTFP and key risks summarised below:

- Local government funding – 2021/22 potential risk of material variation resulting from the 2020 Spending Review, Fair funding equalisation, and Business rates reforms including the future of the 100% business rates retention pilot. The significant uncertainty in the future funding available means that we need to ensure the Council is resilient to any future financial shocks that may impact the Council.

15.11. Table – Assessment of robustness of any estimates

Area	Y/N	Response
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Is performance against the current year's budget on track and where variances are evident, ongoing and unavoidable, are they appropriately reflected in the plans?	Y	Management action plans are presented to Budget Scrutiny / CLB containing propositions to manage, include in transformation or request a contingency.
Are arrangements for monitoring and reporting performance against the savings plans robust?	Y	Monthly Budget Monitoring, including Savings tracker. Governance via EDM, CLB, Delivery Executive, Cabinet and commissioning scrutiny.
The reasonableness of the underlying budget assumptions	Y	Allocations for propositions which do not have a source or clear methodology are held in abeyance subject to the production of a business case with detailed options and financial analysis.
The alignment of resources with the Council's service and organisational priorities	Y	Integrated budget and service planning exercise is undertaken for 2020/21 budget with alignment to the corporate strategy and MTFP.
A review of the major risks associated with the budget	Y	Corporate and other risk have been reviewed, likelihood and impact assessed.
The availability of un-earmarked reserves to meet unforeseen cost pressures	Y	Unallocated general reserve in line with policy 5-6% net revenue budget; however should this be exceeded as a short term emergency measure longer term earmarked reserve could be utilised.
Have realistic income targets been set and 'at risk' external funding been identified?	Y	The income aspects of the overall budget are calculated based on previous and current trends, known influences and identified risks and external funding changes are built into the medium term financial modelling and incorporated in the calculation of the budget gap.
Has a reasonable estimate of demand cost pressures been made?	Y	
Have one-off cost pressures been identified?	Y	Risks and pressures are identified, provisions made where evidence and or mitigating opportunities explored.
Has a reasonable estimate of future income been made?	Y	Yes for income streams material to the councils financial position. E.g. Business Rates.
Are arrangements for monitoring and reporting performance against the budget and savings plans robust?	Y / N	Arrangements for revenue are robust. The governance and monitoring of the delivery of the schemes in the capital programme are at early stages and still need to be embedded.

Is there a reasonable contingency available to cover the financial risks faced by the council?	Y	Risk reserves are outlined in section 14 and a small element remains of contingencies set aside for non-delivery of savings across the life of the MTFP
Is there a reasonable level of reserves, which could be used to mitigate any issues arising and are they reducing as the risks decrease?	Y	The adequacy of the level of reserves is fully assessed and set annually, and it is reviewed periodically throughout the course of the year to check appropriate direction or release where no longer required.
The strength of the financial management function and reporting arrangements?	Y	A risk based approach is taken to the alignment of staff to projects and programmes in order to optimise the skills available and where necessary additional skills / capability is commissioned.
Has there been a degree and quality of engagement with colleagues and councillors in the process to develop and construct the budget?	Y	There has been widespread and practical engagement throughout the budget development and construction process with senior colleagues, Executive Councillors and Scrutiny MTFP task and Budget Task and finish group.

## 16. RESERVES AND BALANCES

16.1. The Council holds a number of reserves as part of its approach to maintaining a sound financial position and to demonstrate that there are no material uncertainties about the Council as a going concern. The requirement for financial reserves is linked to legislation such as Local Government Act 1992, which requires Councils to “have regard” to the level of reserves needed to meet future expenditure when calculating a budget.

16.2. The application and use of reserves supports the achievement of service delivery and improvements and can support any in year service budgetary pressures or budget pressures arising from central government’s ongoing funding reductions. The Council’s reserves policy is described below and reflects the guidance previously provided by the Audit Commission, in respect of the appropriate level of general reserves.

16.3. Additionally, some specific earmarked reserves are set aside to manage timing differences between the receipt of income and expenditure being incurred, in accordance with accounting rules.

### General Reserve

16.4. The purpose of the Council’s General Reserve will be to cover emergency events only such as unforeseen financial liabilities or natural disasters and support one-off and limited on-going revenue spending. It will be maintained at a minimum level of between 5% and 6% of the council’s net revenue budget.

16.5. The balance of the General Fund Reserve at 1 April 2020 is anticipated to be £20m (5%) This will be reviewed annually and maintained at this level for 2020/21.

### Earmarked Reserves

16.6. The purpose of the Council’s earmarked reserves is to meet identified spending commitments. These reserves will only be used for the purpose for which they were created and will be reviewed periodically but as a minimum annually.

16.7. The opening balance in earmarked reserves on 1 April 2019 was £81.2 million. During the year 2019/20 there was a planned contribution of £8.9m approved by Full Council under 2019/20 budget setting, (mainly from clawback of MRP overprovision from previous years).

16.8. Cabinet at P4 approved the reallocation and redirection of £6.8m of reserves to a list of Mayoral priorities in 2019/20. This was achieved by redirecting £3.2m general reserves (from 18/19 one-off revenue surplus) and reallocating £3.6m of earmarked reserves to those areas. Table below also includes the additional movements since P4 as result of OED on Period Friendly Budget (£0.025m) and presentational re-categorisation of licencing reserve from Service Reserve to Ring-fenced reserve due to its ring fenced nature (£0.260m).

16.9. The estimated forecast drawdown of reserves is £31.8m leaving a forecast closing balance at 31 March 2020 of £81.6m.

<b>Reserve Type</b>	<b>Opening Balance 01.04.2019</b>	<b>Previously Approved Movement</b>	<b>Revised Opening Balance 19/20 at P4</b>	<b>Proposed Reprioritisa tion in this Budget</b>	<b>Estimated Draw Down 19/20</b>	<b>Closing Balance at 31.03.2020</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Capital Investment	(14.230)	(9.450)	(23.680)		9.225	(14.455)
Risk	0.000	(6.193)	(6.193)	(1.178)		(7.372)
Service	(17.419)	(1.605)	(19.024)	0.805	10.375	(7.843)
Statutory/Ring-Fenced	(14.825)	(0.260)	(15.085)		0.400	(14.685)
Business Transformation	(4.362)	1.015	(3.347)		0.920	(2.427)
Financing	(11.735)	1.421	(10.314)		0.500	(9.814)
Risk Management	(16.859)	2.901	(13.958)		3.610	(10.348)
Legal	(0.750)	0.000	(0.750)		0.250	(0.500)
Consultation reserve	(1.000)	0.051	(0.949)	0.340	0.380	(0.229)
<b>Earmarked Reserve Total</b>	<b>(81.179)</b>	<b>(12.120)</b>	<b>(93.299)</b>	<b>(0.033)</b>	<b>25.660</b>	<b>(67.672)</b>
<b>General Reserves</b>	<b>(23.258)</b>	<b>3.225</b>	<b>(20.033)</b>	<b>0.033</b>	<b>6.100</b>	<b>(13.900)</b>
<b>Total Reserves</b>	<b>(104.437)</b>	<b>(8.895)</b>	<b>(113.332)</b>	<b>0.000</b>	<b>31.760</b>	<b>(81.572)</b>

#### **Reserve type and description**

Capital Investment Reserves	The capital reserve is maintained to provide funding for the Council's capital / commercial investments and growth in Enterprise areas including Energy.
Business Transformation Reserves	Invest to save funds and feasibility funds for transformation programmes
Specific Risk Management Reserves	Risk Reserves Funds set aside to mitigate known risks not otherwise provided for including, contribute to costs of Waste contract, volatility in Housing Benefit Subsidy and uninsured risks.
Statutory/Ring-Fenced Reserves	Amounts required by statute or accounting code of practice to be set aside and ring-fenced for specific purposes, e.g. Public Health Reserve, City Deal

Business Rate Pooling, Stoke Park Dowry.

Financing Reserves	Technical Financial Reserves - Includes PFI sinking fund, grant income carried forward in accordance with accounting regulations, including troubled families grant and resources set aside to match known contract liabilities,
Service Specific Reserves	Amounts set aside to finance specific projects or to meet known expenditure plans, including: - Bristol Futures - to provide new technology to improve public services - Development Fund primarily to fund Docks Asset Survey existing and proposed regeneration schemes - Election reserve for local elections
Legal Reserve	Funds set aside to commission advice and mitigate risks of potential litigation/claims.
Mayors Consultation Reserve	Funds set aside to mitigate risks of delays to delivery of savings as a result of consultation outcomes
General Risk Reserve	Funds set aside to mitigate risks aligning to risk register not specifically quantified

16.10. As set out in accordance with the policy on reserves, all forecasted balances to 31 March 2020 have been reviewed for their continuing need, alignment with council priorities and a risk assessment considering internal and external factors has been undertaken.

16.11. As a result this report proposed to redirect £1.2 million of earmarked reserves, detailed in the table below:



<b>Reserve Name</b>	<b>Redirected Reserve £m</b>	<b>New Reserve £m</b>	<b>Net Movement £m</b>
Business Risk Reserve (19/20 P4 Pressure)		(0.033)	(0.033)
New Funding Holder Reserve 2020/21		(1.145)	(1.145)
<b>Risk Total</b>	<b>0.000</b>	<b>(1.178)</b>	<b>(1.178)</b>
Bear Pit		(0.340)	(0.340)
Business Information Management Systems (BIMS)		(0.068)	(0.068)
Cems & Crems Renewals	0.459		0.459
City Centre Revitalisation		(0.150)	(0.150)
Deferred Payment agreement 1516 revenue grant	0.098		0.098
Development Fund		(0.382)	(0.382)
Economic strategy		(0.078)	(0.078)
Energy Budget	0.106		0.106
Highways Asset Management System	0.020		0.020
Housing Delivery	0.384		0.384
Housing Delivery Service Redesign	0.000		0.000
JSP & Local Plan record		(0.272)	(0.272)
Marketing Budget	0.000		0.000
Neighbourhood Partnerships	0.100		0.100
Parking Renewals a/c	0.041		0.041
Parks	0.325		0.325
Pest control - Gull Work	0.050		0.050
Place - Highways Services Agency Staff Funding	0.020		0.020
Pledges		(0.438)	(0.438)
Project Management		(0.250)	(0.250)
Transport	1.181		1.181
<b>Service Total</b>	<b>2.783</b>	<b>(1.978)</b>	<b>0.805</b>
Business Transformation Reserve	2.000		2.000
Key Line of Business Systems*		(2.000)	(2.000)
<b>Business Transformation Total</b>	<b>2.000</b>	<b>(2.000)</b>	<b>0.000</b>
Future Risk (saving consultation reserve)	0.340		0.340
<b>Consultation reserve Total</b>	<b>0.340</b>	<b>0.000</b>	<b>0.340</b>
<b>Total Earmarked Reserve</b>	<b>5.123</b>	<b>(5.156)</b>	<b>(0.033)</b>
<b>General Reserves</b>	<b>0.033</b>	<b>0.000</b>	<b>0.033</b>

16.12. During 2020/21 there is a planned contribution to reserves of £21.0m. This will be allocated to the areas as outlined below:

Reserve Name	Proposed Transfers in 20/21	Proposed Transfers in 21/22	Proposed Transfers in 22/23
	£m	£m	£m
Capital Investment	(6.000)	(6.000)	(4.076)
Risk / Resilience	(3.252)	0.010	-
Serious violence and Contextual safeguarding	-	(1.500)	-
Docks Dredging	(0.095)	-	-
Adult Social Care Innovation Fund	(2.100)	(0.600)	-
Property Asset Management Plan	(0.500)	(0.500)	(0.500)
Climate Change Reserve	(3.000)	-	-
<b>Sub-Total</b>	<b>(14.947)</b>	<b>(8.590)</b>	<b>(4.576)</b>
<b>General Reserves</b>	<b>(6.100)</b>	<b>0.000</b>	<b>0.000</b>
<b>Total</b>	<b>(21.047)</b>	<b>(8.590)</b>	<b>(4.576)</b>
<b>Financed by:</b>			
One-off Funding 2020/21 Held in Reserves	13.807	2.590	0.500
Draw down Redirected Reserves	1.145	-	-
MRP Claw-back	6.000	6.000	4.076
Service Revenue Contribution	0.095	-	-
<b>Total</b>	<b>21.047</b>	<b>8.590</b>	<b>4.576</b>

16.13. The Council recently declared a climate emergency and the new climate change reserve has been proposed for tackling climate change and the damaging impact of air pollution.

16.14. The levels of General and Earmarked reserves recommended in this report for the financial year 2020/21 are believed to be sufficient to meet all of the Council's obligations, and have been based on a detailed risk assessment. The reserve limits will be reviewed on an annual basis against prevailing risk assessments which consider both internal and external factors.

## 17. CONSULTATION AND SCRUTINY INPUT

### Internal consultation:

17.1. Development of the MTFP and budget has been reviewed and challenged by a Task and Finish Group of the Council's Overview and Scrutiny Management Board from September to November 2019. The Resources Scrutiny commission considered the final budget proposals in meetings scheduled for 24 January 2020 and 6 February 2020.

17.2. Comments received from Overview and Scrutiny Management Board on any individual matter arising will be incorporated in this report for Full Council.

### External consultation:

17.3. The consultation on the Council's 2020/21 budget was open for six weeks from 23 October 2018 until 4 December 2019. The consultation sought views about alternative options for the level of Council Tax increase and Social Care Precept in 2020/21, before decisions on the 2020/21 budget are made by Full Council in February 2020.

17.4. The consultation was widely publicised through media, social media and

communications with the public, including partner organisations, non-domestic rate payers and other stakeholders, a range of formats were available and utilised to boost response and individual responses were received and responses from organisations and individuals via email, suggestion boxes and at events.

17.5. The final report summarising the result is attached at Appendix 6.

17.6. The proposed budget contains propositions for increasing income and reducing costs. These proposals were included in previous consultations over the last three years.

### **Consultation Principles for New Proposals**

17.7. The Mayor and the Cabinet are keen to listen to any ideas for generating efficiencies and increasing income. Where it has been identified that further public consultation is required in relation to a new initiative or specific implementation of an existing proposition the opportunity will be provided to discuss with the city the details of exactly how the proposal could be delivered within the approved cash limits.

17.8. Principles:

- Where specific consultation is still considered necessary, Full Council will set the service cash limit but will not make decisions on operation issues within the service budget.
- Decision (and consultation) in respect of detailed operational proposals are a matter for Cabinet.
- Following Full Council, Cabinet will decide how best to allocate funds within the designated cash limits. When making decisions on specific proposals within budget lines it will take into consideration consultation responses and Equalities Impact Assessments where needed, fully recognising the constraints on any departure from the Council's budget / financial plan.
- Services should ensure consultation is undertaken on defined proposals, giving consultees enough time and information to respond properly and that responses are taken into account. Informal engagement at a formative stage of proposals can also be beneficial.

## **18. OTHER OPTIONS CONSIDERED**

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18.1. Throughout the budget process, large number options are proposed and assessed in terms of opportunities, pressures, income generation, investments and risks. All of which need to be considered in the context of a balanced budget and appropriate level of reserves. This is a complex process with many iterations and possibilities too numerous to present as discrete options. This report presents the final overall package of detailed proposals, which together seek to balance the delivery of our strategic priorities and statutory and regulatory duties.

## **19. PUBLIC SECTOR EQUALITY DUTIES**

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19.1. As part of this decision making process, the Public Sector Equality Duty Decision requires council staff and elected members to consider what will be the impact on people with protected characteristics, whether in the wider city or in our own organisation. We need to understand who will be affected, how will they be affected and where possible, how to minimise unintended negative consequences by planning in mitigations from the start.

19.2. This report sets out the Mayor's budget proposals for Full Council to set the budget. Some proposals will need further development for Cabinet to make a specific decision. The process for this is set out in the section on consultation on new proposals (Para 18.6). For these proposals a relevance check is required and, where it is indicated as needed by the relevance check, a full Equalities Impact Assessment will be undertaken to inform Cabinet when making that decision.

**Proposed Budget 2020/21 - Full Council Summary by Division (General Fund)**

Division	2020/21 Budget - Proposed					Proposed 2020 / 21 Budget £000	
	Base Budget 2020 / 21 £000	Pay & Inflation £000	Virements £000	Growth £000	Savings and Efficiencies £000		
<b>People</b>							
14	Adult Social Care	150,940	(24)	(3,707)	343	(2,000)	145,552
15	Children and Families Services	62,699	0	85	0	(2,400)	60,384
16	Educational Improvement	11,814	0	18	0	0	11,831
34	Public Health	0	0	0	0	0	0
36	Public Health - General Fund	3,237	0	1	0	0	3,238
<b>People</b>		<b>228,689</b>	<b>(24)</b>	<b>(3,602)</b>	<b>343</b>	<b>(4,400)</b>	<b>221,005</b>
<b>Resources</b>							
21	Digital Transformation	11,668	0	45	0	(232)	11,481
22	Legal and Democratic Services	6,808	(20)	232	170	0	7,190
24	Finance	11,591	(0)	(300)	0	0	11,290
25	HR, Workplace & Organisational Design	10,364	(4)	(92)	100	0	10,368
28	Policy, Strategy & Partnerships	3,040	0	115	0	0	3,155
38	Commercialisation & Citizens	10,131	(52)	364	380	(1,430)	9,392
<b>Resources</b>		<b>53,602</b>	<b>(76)</b>	<b>364</b>	<b>650</b>	<b>(1,662)</b>	<b>52,877</b>
<b>Growth &amp; Regeneration</b>							
37	Housing & Landlord Services	11,649	(13)	840	0	(300)	12,176
42	Development of Place	1,355	(53)	(138)	150	(90)	1,224
46	Economy of Place	3,013	(298)	598	700	(343)	3,670
47	Management of Place	44,818	(535)	(2,454)	1,160	(959)	42,029
<b>Growth &amp; Regeneration</b>		<b>60,834</b>	<b>(899)</b>	<b>(1,155)</b>	<b>2,010</b>	<b>(1,692)</b>	<b>59,098</b>
<b>Corporate Funding &amp; Expenditure</b>							
X2	Levies	857	0	0	0	0	857
X3	Corporate Expenditure	33,941	1,000	12,605	6,166	7,754	61,465
X4	Capital Financing	405	0	0	0	0	405
X8	Corporate Revenue Funding	(378,327)	0	(8,212)	(9,169)	0	(395,708)
<b>Corporate Funding &amp; Expenditure</b>		<b>(343,125)</b>	<b>1,000</b>	<b>4,393</b>	<b>(3,003)</b>	<b>7,754</b>	<b>(332,981)</b>
<b>General Fund Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>0</b>

**Proposed Budget 2020/21 - Directorate summary with savings**
**Directorate: People**

Summary by Division		2020/21 Budget					
Division		Base Budget 2020/21 £000	Pay & Inflation £000	Virements £000	Growth £000	Savings and Efficiencies £000	Proposed 2020/21 Budget £000
14	Adult Social Care	150,940	(24)	(3,707)	343	(2,000)	145,552
15	Children and Families Services	62,699	0	85	0	(2,400)	60,384
16	Educational Improvement	11,814	0	18	0	0	11,831
34	Public Health	0	0	0	0	0	0
36	Public Health - General Fund	3,237	0	1	0	0	3,238
<b>Total People</b>		<b>228,689</b>	<b>(24)</b>	<b>(3,602)</b>	<b>343</b>	<b>(4,400)</b>	<b>221,005</b>
Summary by CIPFA group (Account Type)		2020/21 Budget					
CIPFA description		Base Budget 2020/21 £000	Pay & Inflation £000	Virements £000	Growth £000	Savings and Efficiencies £000	Proposed 2020/21 Budget £000
1	Employees	78,111	0	(2,552)	0	0	75,559
2	Premises-Related Expenditure	1,013	0	6	0	0	1,019
3	Transport-Related Expenditure	2,141	0	0	0	(66)	2,075
4	Supplies & Services	11,847	0	13	0	0	11,860
5	Third Party Payments	220,129	0	(1,088)	343	(4,334)	215,051
6	Transfer Payments	18,073	0	0	0	0	18,073
7	Support Services	14,994	0	(19)	0	0	14,975
<b>Expenditure</b>		<b>346,308</b>	<b>0</b>	<b>(3,640)</b>	<b>343</b>	<b>(4,400)</b>	<b>338,611</b>
9	Income	(116,091)	(24)	38	0	0	(116,077)
<b>Income</b>		<b>(116,091)</b>	<b>(24)</b>	<b>38</b>	<b>0</b>	<b>0</b>	<b>(116,077)</b>
N	Income & Expenditure outside of Net Cost of Service	(4)	0	0	0	0	(4)
<b>Other items outside of the Net Cost of Service</b>		<b>(4)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(4)</b>
R	Transfer to \ from Reserves	(1,525)	0	0	0	0	(1,525)
<b>Transfer to \ from reserves</b>		<b>(1,525)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,525)</b>
<b>NET Expenditure</b>		<b>228,689</b>	<b>(24)</b>	<b>(3,602)</b>	<b>343</b>	<b>(4,400)</b>	<b>221,005</b>

Savings proposals within People			
Saving Name	Description	Savings £000	Savings Reference
Youth services contracts	As part of the council's work to join up services for children, young people and families, we will be looking to partners to help carry out activity. A targeted youth contract is due to be commissioned by March 2018. This is already expected to involve a £1.2m reduction in funding and is now likely to offer a further £700k worth of savings. The contract is out for commissioning and the council is currently evaluating bids. In addition a support grant of £350k is being offered to an organisation which can manage and distribute smaller grants to community organisations to tackle medium and longer term issues as well as responding to emerging social problems in communities	(205)	FP07
Strengthening Families Programme	To respond to national and local challenges in children's social care, we are embarking on a 3-year programme to improve outcomes for children, young people and families and put us on a sustainable financial footing. The Statement of Intent for the Programme is to make cost savings whilst holding our ambition of improving outcomes, commissioning and delivering quality services and keeping "children and families" at the heart of what we do. There are three angles from which we are approaching the challenge: 1. DEMAND – tackling the number of children, young people and families that need our support and reducing the level of that need; 2. SUPPLY – how we organise our resources and commission in order to respond to that demand and, within that; 3. WORKFORCE – how we organise and support our staff to deliver the most effective and timely response to families. We are currently developing this proposal and if it leads to a potential significant change in services we will carry out public consultation	(2,195)	FP31
Better Lives Programme (Improving outcomes for adults in Bristol)	We'll be looking to deliver a transformation programme to change our adult social care services in order to ensure a more joined up and efficient service for the city. The programme will focus on ensuring people have the right level of care and ensuring residents can maximise their own independence; ensuring commissioning decisions can be better investigated to ensure good investment; and making sure our teams can work more efficiently and effectively with our partners.	(2,000)	FP33
<b>Total savings proposals</b>		<b>(4,400)</b>	

## Proposed Budget 2020/21 - Directorate summary with savings

### Directorate: Resources

Summary by Division		2020/21 Budget					
Division		Base Budget 2020/21 £000	Pay & Inflation £000	Virements £000	Growth £000	Savings and Efficiencies £000	Proposed 2020/21 Budget £000
21	Digital Transformation	11,668	0	45	0	(232)	11,481
22	Legal and Democratic Services	6,808	(20)	232	170	0	7,190
24	Finance	11,591	(0)	(300)	0	0	11,290
25	HR, Workplace & Organisational Design	10,364	(4)	(92)	100	0	10,368
28	Policy, Strategy & Partnerships	3,040	0	115	0	0	3,155
38	Commercialisation & Citizens	10,131	(52)	364	380	(1,430)	9,392
<b>Total Resources</b>		<b>53,602</b>	<b>(76)</b>	<b>364</b>	<b>650</b>	<b>(1,662)</b>	<b>52,877</b>
Summary by CIPFA group (Account Type)		2020/21 Budget					
CIPFA description		Base Budget 2020/21 £000	Pay & Inflation £000	Virements £000	Growth £000	Savings and Efficiencies £000	Proposed 2020/21 Budget £000
1	Employees	62,483	0	40	240	0	62,762
2	Premises-Related Expenditure	2,860	0	1	0	0	2,861
3	Transport-Related Expenditure	2,920	0	3	0	0	2,923
4	Supplies & Services	21,164	0	(648)	30	(163)	20,382
5	Third Party Payments	5,164	0	(245)	0	0	4,919
6	Transfer Payments	135,704	0	0	0	0	135,704
7	Support Services	3,185	0	53	0	0	3,238
8	Depreciation and Impairment Losses	202	0	0	0	0	202
<b>Expenditure</b>		<b>233,681</b>	<b>0</b>	<b>(796)</b>	<b>270</b>	<b>(163)</b>	<b>232,992</b>
9	Income	(179,065)	(76)	1,121	0	0	(178,021)
<b>Income</b>		<b>(179,065)</b>	<b>(76)</b>	<b>1,121</b>	<b>0</b>	<b>0</b>	<b>(178,021)</b>
N	Income & Expenditure outside of Net Cost of Service	(441)	0	33	380	(1,499)	(1,527)
<b>Other items outside of the Net Cost of Service</b>		<b>(441)</b>	<b>0</b>	<b>33</b>	<b>380</b>	<b>(1,499)</b>	<b>(1,527)</b>
R	Transfer to \ from Reserves	(573)	0	7	0	0	(566)
<b>Transfer to \ from reserves</b>		<b>(573)</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>(566)</b>
<b>NET Expenditure</b>		<b>53,602</b>	<b>(76)</b>	<b>364</b>	<b>650</b>	<b>(1,662)</b>	<b>52,877</b>

Savings proposals within Resources			
Saving Name	Description	Savings £000	Savings Reference
Restructure HR, Finance and associated support	Restructure the support teams to combine functions and outline clear responsibilities, objectives and reporting lines; convert temporary posts to permanent posts and stop recruiting to vacant posts. Scaling it to fit the smaller organisation which the council is	(232)	BE1
Review and reduce spend on services provided by external	The council's Neighbourhoods directorate currently spends £88 million on services provided by external partners. This proposal will consider how we can buy these services more efficiently and reduce the overall cost by £4.4 million	(1,220)	FP01
More income from commercial opportunities	Investigating new ways we can increase the council's income through commercial means.	(210)	IN23
<b>Total savings proposals</b>		<b>(1,662)</b>	

**Proposed Budget 2020/21 - Directorate summary with savings**

Directorate: Growth & Regeneration

Summary by Division		2020/21 Budget					
Division		Base Budget 2020/21 £000	Pay & Inflation £000	Virements £000	Growth £000	Savings and Efficiencies £000	Proposed 2020/21 Budget £000
37	Housing & Landlord Services	11,649	(13)	840	0	(300)	12,176
42	Development of Place	1,355	(53)	(138)	150	(90)	1,224
46	Economy of Place	3,013	(298)	598	700	(343)	3,670
47	Management of Place	44,818	(535)	(2,454)	1,160	(959)	42,029
<b>Total Growth &amp; Regeneration</b>		<b>60,834</b>	<b>(899)</b>	<b>(1,155)</b>	<b>2,010</b>	<b>(1,692)</b>	<b>59,098</b>

Summary by CIPFA group (Account Type)		2020/21 Budget					
CIPFA description		Base Budget 2020/21 £000	Pay & Inflation £000	Virements £000	Growth £000	Savings and Efficiencies £000	Proposed 2020/21 Budget £000
1	Employees	59,499	0	1,944	810	0	62,254
2	Premises-Related Expenditure	16,720	0	(307)	0	(80)	16,333
3	Transport-Related Expenditure	5,200	0	9	0	0	5,209
4	Supplies & Services	10,538	0	1,212	0	0	11,749
5	Third Party Payments	86,717	0	(9,961)	1,200	(300)	77,656
6	Transfer Payments	573	0	0	0	(58)	515
7	Support Services	10,200	0	(643)	0	(684)	8,872
8	Depreciation and Impairment Losses	500	0	0	0	0	500
X	Capital Financing Costs	274	0	0	0	0	274
<b>Expenditure</b>		<b>190,219</b>	<b>0</b>	<b>(7,745)</b>	<b>2,010</b>	<b>(1,122)</b>	<b>183,362</b>
9	Income	(130,391)	(899)	9,726	0	(570)	(122,134)
<b>Income</b>		<b>(130,391)</b>	<b>(899)</b>	<b>9,726</b>	<b>0</b>	<b>(570)</b>	<b>(122,134)</b>
N	Income & Expenditure outside of Net Cost of Service	1,749	0	(1,899)	0	0	(150)
<b>Other items outside of the Net Cost of Service</b>		<b>1,749</b>	<b>0</b>	<b>(1,899)</b>	<b>0</b>	<b>0</b>	<b>(150)</b>
R	Transfer to \ from Reserves	(743)	0	(1,237)	0	0	(1,980)
<b>Transfer to \ from reserves</b>		<b>(743)</b>	<b>0</b>	<b>(1,237)</b>	<b>0</b>	<b>0</b>	<b>(1,980)</b>
<b>NET Expenditure</b>		<b>60,834</b>	<b>(899)</b>	<b>(1,155)</b>	<b>2,010</b>	<b>(1,692)</b>	<b>59,098</b>

Savings proposals within Growth & Regeneration

Saving Name	Description	Savings £000	Savings Reference
Improving the performance of the council's Commercial/Investment Property portfolio	Review our commercial property portfolio and where appropriate rationalise and redirect to those that generate better rates of return and/or support wider economic objectives. Also increase income through a programme of rents/lease reviews introducing more commercial arrangements for the use of council commercial assets.	(100)	BE57
Review and reduce spend on services provided by external partners	The council's Neighbourhoods directorate currently spends £88 million on services provided by external partners. This proposal will consider how we can buy these services more efficiently and reduce the overall cost by £4.4 million	(300)	FP01
Gradually reduce funding to DestinationBristol	The council makes an annual £482k contribution to Destination Bristol, which works to attract tourists, visitors and conferences to the city. This proposal will gradually reduce our contribution over five years to allow time to find alternative funding sources.	(58)	FP16
Efficiencies realised by new Operations Centre	Our new state-of-the-art Operations Centre will contain services such as traffic and emergency control. By bringing these together and selling the remaining space to partners we can make savings, increase our income and reap the benefits of closer partnership working.	(35)	IN02
Residents' parking income	When people pay for residents' parking permits this is used to pay back the cost of installing the scheme. Once this money is paid back the income will be used firstly to cover parking services costs with any surplus being used to support transport related initiatives.	(684)	IN03
Establish city centre business rate development team	Establish a team to bring unused city centre buildings back into use thereby increasing business rate contributions.	(80)	IN04
Increase income from museum buildings	We will look at ways to increase income from our cultural assets such as the museum and art gallery and the M Shed, and various events the council runs. This could include re-tendering the café contract, reviewing our exhibitions programme and retail offerings at these venues	(86)	IN05
Increase income generation and efficiency across culture services	Proposals include introducing adult admission fees for Red Lodge and Georgian House Museums; increasing major event income through sponsorship and making the Bristol Film Office and Site Permissions services self-financing. This could be achieved by working to increase the number of events held in the city and productions filmed here. This was the subject of a consultation. A summary of responses is available here <a href="https://www.bristol.gov.uk/en_US/council-spending-performance/corporate-strategy-2018-2023-budget-consultation">https://www.bristol.gov.uk/en_US/council-spending-performance/corporate-strategy-2018-2023-budget-consultation</a>	(19)	IN25
Generating and saving money through energy generation and efficiency	Bristol City Council's Energy Service is committed to making Bristol a carbon neutral city by 2050. The team will manage and support a range of projects such as heat networks, energy efficiency and energy generation available to residents and businesses across the city. Taking a more entrepreneurial approach to these projects, the team will raise an income to fund their activity whilst saving the council money by improving its energy usage.	(240)	IN27
New ways of funding Development Management services	Development Management provides paid for services that generates an income for the council. For the next four financial years the service will raise its income target and pursue more paid for work to cover the costs of existing job roles. Additionally, staffing will be slightly reduced by half a post to ensure the service can be more self-sufficient.	(80)	IN29
Reduce the scope of upgrading the city's advertising and signage	We are currently updating 'wayfinding' signage across the city; distinctive blue displays with maps and directions on them. Plans to extend the system in to new areas have been reduced.	(10)	RS32
<b>Total savings proposals</b>		<b>(1,692)</b>	



## People

2019/20 £000s	Ref	Scheme	Description	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s	Total £000s
<b>Education</b>									
14,849	PE01	School Organisation/ Children's Services Capital Programme	To provide enough suitable school/education places to meet the growing demand. This will involve building new schools and providing new spaces in existing facilities.	24,894	10,003	0	0	0	34,897
1,900	PE03	Schools Devolved Capital Programme	Additional capital investment in school buildings, funded primarily by government grants.	2,019	0	0	0	0	2,019
279	PE04	Non Schools Capital Programme	Investment in Education Management Case System and Employment Engagement Hub.	0	0	0	0	0	0
<b>Children &amp; Families</b>									
170	PE05	Children & Families - Aids and Adaptations	Equipment and adaptations for children with disabilities.	142	113	60	0	0	314
745	PE06	Children Social Care Services	New homes investment for Care Services linking into The Strengthening Families Programme.	1,927	1,035	0	0	0	2,962
<b>Sports Provision – Public Health Division</b>									
120	PE10	Sports Capital Investment	Three identified sports schemes to proceed to delivery - Rugby Pitches, Ardagh Hub and Tennis Courts investment.	450	650	0	0	0	1,100
<b>Care Services</b>									
228	PE08	Care Management/Care Services	Investment in existing and Social Care Infrastructure and Assets.	0	0	0	0	0	0
<b>Better Lives at Home (Adults) Programme</b>									
3,727	PE06B	Adult Social Care – Better Lives at Home Programme	New homes investment for Care Services linking into The Better Lives Programme.	2,913	2,835	0	0	0	5,748
22,019	<b>People Total</b>			32,344	14,636	60	0	0	47,040

## Resources

2019/20 £000s	Ref	Scheme	Description	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s	Total £000s
<b>Information &amp; Communication Technology</b>									
1,620	RE01	ICT Refresh Programme	A programme of investment to replace and upgrade the Council's ICT assets.	3,116	1,500	1,500	1,500	0	7,616
1,317	RE02	ICT Development - HR/Finance	Development of HR/Finance System.	306	0	0	0	0	306
6,399	RE03	ITTP – IT Transformation Programme	Investment that will be required to support ICT infrastructure including a Cloud Hosting solution.	3,993	2,195	1,089	0	0	7,277
781	RE05	Mobile Working for Social Care (Adults & Children)	Investment of ICT equipment to improve agile working of social care teams, part of the transformation programmes.	0	0	0	0	0	0
<b>Facilities Management - Commercialisation</b>									
3,207	PL21	Building Practice Service - Essential H&S	Health & Safety works to maintain the structural fabric and condition of existing Council buildings to meet statutory compliance.	3,646	2,534	2,500	2,500	0	11,180
2,560	PL27	Vehicle Fleet Replacement Programme	Vehicle Fleet replacement programme.	2,100	1,001	0	0	0	3,101
0	PL35	Harbourside Operational Infrastructure	Investment into improving and replacing Harbourside assets including ICT system improvements.	739	146	165	0	0	1,050
90	PL36	Investment in Markets infrastructure & buildings	Investment to improve Markets infrastructure and buildings as part of wider development opportunities.	410	250	0	0	0	660
15,974	<b>Resources Total</b>			14,310	7,626	5,254	4,000	0	31,190

## Growth & Regeneration

2019/20 £000s	Ref	Scheme	Description	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s	Total £000s
<b>Bristol Ops Centre &amp; OPCR</b>									
819	GR06	Innovation & Sustainability - OPCR 2	Open Programmable City Region Project - digital network improvements and job creation.	2,450	0	0	0	0	2,450
280	NH06	Bristol Operations Centre - Phase 1	Specification, procurement and implementation of modern systems (primarily for Telecare, Traffic Systems and CCTV) to replace end of life equipment.	350	0	0	0	0	350
564	NH06A	Bristol Operations Centre - Phase 2	CCTV replacement programme and investment into Smart City ICT solutions.	1,713	0	0	0	0	1,713
<b>Parks and Green Spaces</b>									
1,346	NH02	Investment in parks and green spaces	Improvement of Parks & Green Spaces across the city.	1,772	2,033	630	10	0	4,444
<b>Economy of Place</b>									
1,898	GR01	Strategic Property – Temple Meads Development	Engine Shed 2, Temple Square and Station Approach (Enterprise Zone property acquisitions).	9,027	15,935	6,000	6,000	6,000	42,962
0	GR05	Strategic Property - Hawkfield Site	Hawkfield Business Park development, re-location of Bottleyard studios.	500	2,000	2,000	0	0	4,500
72	NH01	Libraries for the Future	Investment in modernising Bristol's libraries, as part of the libraries for the future project.	553	0	0	0	0	553
304	NH04	Third Household Waste Recycling and Re-use Centre	Building a third Household Waste Recycling Centre at Hartcliffe Way Depot	5,450	1,200	0	0	0	6,650
1,491	PL11A	Cattle Market Road site re-development	Enabling and re-development works at the Cattle Market Road site as part of the wider Temple Meads regeneration.	2,805	0	0	0	0	2,805
158	PL13	Filwood Green Business Park	Development of the business park including new employment space.	0	0	0	0	0	0
2,398	GR03	Economy Development - ASEA Flood Defences	Avonmouth Severnside EA - Flood Defence scheme.	8,200	7,075	2,828	3,333	8,157	29,593
312	PL17	Resilience Fund (£1m of the £10m Port Sale)	Regeneration projects within the Avonmouth and Lawrence Weston ward, focussing on Jobs and Enterprise, Thriving High Streets and Social Impact.	230	0	0	0	0	230
141	PL20	Strategic Property	Investment to maximise opportunities and develop current property asset portfolio in-line with corporate strategic priorities.	498	1,468	0	0	0	1,966
8	PL22	Strategic Property - Investment in existing waste facilities	Health & Safety works on existing waste premises.	1,120	0	0	0	0	1,120
195	PL23	Strategic Property - Temple St	Additional works to Temple Street to facilitate letting out.	334	20	0	0	0	354
10,292	PL24	Colston Hall	Redevelopment of Colston Hall.	21,896	9,790	1,011	3,200	0	35,897

134	PL28	Bottleyard Studios	Investment of essential renewal and improvements.	0	0	0	0	0	0
0	PL32	Western Harbour Design Development	Preparatory design works as part of the emerging Western Harbour regeneration strategy.	480	0	0	0	0	480
0	PL25	Strategic Property - Community Capacity Building	Investment to support local community asset capacity building.	998	1,000	1,000	1,000	0	3,998
0	PL34	Strategic property - Community investment scheme	Development of the Lawrence Weston Community Centre.	0	1,650	1,950	550	0	4,150
<b>Development of Place</b>									
194	PL14	Bristol Legible City Scheme	Delivery of the Legible City Phase 2 which improves a network of a pedestrian wayfinding system across Bristol promoting public health related initiatives.	310	0	0	0	0	310
173	PL15	Environmental Improvements Programme	Public realm environmental improvement schemes, including a variety of small scale funded projects from S106 income.	200	100	100	100	0	500
<b>Transport</b>									
(411)	PL01	Metrobus	Completion of the three Metrobus schemes to improve public transport and reduce congestion.	0	0	0	0	0	0
985	PL02	Passenger Transport	A variety of projects supporting improvements in bus services such as use of hybrid vehicles and smart ticketing.	890	0	0	0	0	890
103	PL03	Residents Parking Schemes	Investment in existing residents parking schemes to improve and update transport and parking infrastructure.	0	0	0	0	0	0
4,199	PL04	Strategic Transport	This covers a range of projects including the Local Enterprise Zone improvements which is LEP funded and Bristol Metro development.	342	0	0	0	0	342
4,530	PL05	Sustainable Transport	Key projects include Cycle Ambition funded projects, Better Bus Area Fund, Go Ultra Low city scheme and Bus Shelter replacement.	8,343	0	0	0	0	8,343
885	PL06	Portway Park & Ride Rail Platform	Develop new platform on Severn Beach rail line between Shirehampton & Avonmouth.	1,340	0	0	0	0	1,340
165	PL08	Highways & Drainage Enhancements	A4/A4174 and Scotland Lane Road enhancement schemes.	500	0	0	0	0	500
295	PL09	Highways infrastructure - bridge investment	Redcliffe Bascule bridge and Plimsoll bridge planned investment.	2,895	0	0	0	0	2,895
1,272	PL09A	Highways infrastructure - Cumberland Road Stabilisation scheme	Planned major works to maintain and improve the Chocolate path.	4,919	2,475	0	0	0	7,394
7,128	PL10	Highways & Traffic Infrastructure	Highways Infrastructure planned maintenance and structural investment.	8,369	7,500	7,500	7,500	7,500	38,369
146	PL10B	Highways & Traffic - Street Lighting	Street Lighting Lamp replacement programme.	546	331	0	0	0	877
50	PL10C	Transport Parking Services	Investment in parking facilities across the City.	1,950	0	0	0	0	1,950
<b>Housing Delivery</b>									
8,708	PL30	Housing Strategy and Commissioning	Housing Delivery Programme designed to accelerate the delivery of new homes, in particular affordable homes through enabling, grant funding and land release.	31,478	17,967	11,458	11,160	0	72,063

1,024	PL30A	Housing Programme delivered through Housing Company	Implement new housing delivery vehicle to accelerate affordable housing provision across the city.	10,000	14,000	12,178	20,000	0	56,178
0	HIF	Housing Infrastructure fund (HIF) match funding	Match funding for projects related to the Council's HIF bid	7,385	10,509	9,914	11,184	20,985	59,977

### Housing & Landlord Services - Private Housing

3,267	NH07	Private Housing	Delivering aids and adaptations for disabled people in private homes, helping them live more independently.	3,110	3,110	3,110	3,110	3,110	15,550
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### Energy - Commercialisation

301	PL18	Energy services - Renewable energy investment scheme	Renewable energy investment schemes including Heat Networks and Solar energy.	2,601	0	0	0	0	2,601
2,544	PL18A	Energy Services – Bristol Heat Networks expansion	Bristol Heat Networks expansion programme.	18,598	4,416	254	0	0	23,268
439	PL18B	Energy Services - School Efficiencies	Schools efficiencies infrastructure improvements.	0	0	0	0	0	0
461	PL18D	Energy Services - EU Replicate Grant	EU replicate grant energy infrastructure pilot schemes.	0	0	0	0	0	0
0	PL19	Energy Services Phase 2 Investment & commercialisation opportunities	Energy Work stream 2 - City Leap, Infrastructure, renewables, heat networks and efficiencies.	1,200	2,001	1,710	0	0	4,911
56,871	<b>Growth &amp; Regeneration Total</b>			163,349	104,579	61,642	67,146	45,752	442,470

### Corporate Expenditure

2019/20 £000s	Ref	Scheme	Description	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s	Total £000s
0	CP03	Corporate Contingencies	Contingency required for major capital projects.	1,500	1,549	3,400	4,400	7,000	17,849
0	<b>Corporate Expenditure Total</b>			1,500	1,549	3,400	4,400	7,000	17,849
94,864	<b>Capital Programme (GF) Total</b>			211,504	128,391	70,356	75,546	52,752	538,550

### Schemes Pending Business Case Development

2019/20 £000s	Ref	Scheme	Description	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s	Total £000s
0	GR07	Areas for Growth & Regeneration	Delivery of regeneration opportunities across the city.	0	3,500	3,500	3,500	3,500	14,000
0	GR08	Bedminster Green Regeneration	Delivery of regeneration of Bedminster Green	0	2,000	2,000	2,000	0	6,000
100	NH03	Cemeteries & Crematoria	Cemeteries and Crematoria service update and expansion.	610	970	1,400	2,920	0	5,900
0	NH05	Sports Provision	Investment into appropriate swimming and other sports facilities is subject to review design and service delivery based around a nil subsidy model.	0	880	200	2,000	550	3,630
0	PE02	Schools Organisation/SEN Investment Programme	Investment in additional SEN provision.	0	5,000	15,000	15,000	7,300	42,300
0	PE06A	Children Social Care Services	Infrastructure investment for Care Services linking into The Strengthening Families transformation programme.	0	0	1,662	0	0	1,662
100	<b>Schemes Pending Business Case Development Total</b>			610	12,350	23,762	25,420	11,350	73,492
94,964	<b>Capital Programme (GF) including Pending Schemes</b>			212,114	140,741	94,118	100,966	64,102	612,041

## Capital Funding - General Fund

2019/20 £000s	Source of Finance	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s	Total £000s
(34,546)	Prudential Borrowing	(71,560)	(43,860)	(24,063)	(25,679)	(7,150)	(172,312)
(2,522)	Economic Development Fund	(13,960)	(15,150)	(8,828)	(9,333)	(14,157)	(61,428)
(27,307)	Grants	(76,690)	(28,009)	(21,131)	(23,660)	(10,410)	(159,900)
(15,103)	Capital Receipts	(25,209)	(28,761)	(20,452)	(24,084)	(19,385)	(117,891)
(1,391)	Developer Contributions	(9,140)	(12,568)	(10,085)	(8,510)	(6,500)	(46,803)
(13,755)	WECA/LEP	(13,314)	(10,906)	(9,305)	(9,700)	(6,500)	(49,725)
(340)	Revenue and Reserves	(2,241)	(1,487)	(254)	0	0	(3,982)
(94,964)	<b>Capital Funding - General Fund Total</b>	(212,114)	(140,741)	(94,118)	(100,966)	(64,102)	(612,041)

## Housing Revenue Account

2019/20 £000s	Ref	Scheme	Description	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s	Total £000s
9,558	HRA1	Planned Programme - Major Projects	Programme includes major refurbishments and external improvements to existing assets.	8,768	16,987	17,433	10,160	8,724	62,072
22,164	HRA2	New Build and Land Enabling	Planned programme to deliver new housing stock.	40,851	19,221	31,240	36,941	20,546	148,799
17,762	HRA3	Building Maintenance and Improvements	Planned and cyclical repairs and maintenance including accessible improvements to existing assets.	24,218	26,832	28,000	29,183	29,022	137,255
0	HRA4	HRA Infrastructure	Investment in HRA Infrastructure such as ICT Systems and Sandy Park	5,900	0	0	0	0	5,900
49,484	<b>Housing Revenue Account Total</b>			79,737	63,040	76,673	76,284	58,292	354,026

## HRA Financing

2019/20 £000s	Source of Finance	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s	Total £000s
(25,630)	HRA Self-Financing (MRR)	(34,873)	(29,680)	(30,616)	(31,706)	(32,806)	(159,681)
0	Prudential Borrowing	0	(4,818)	(15,295)	(22,974)	0	(43,087)
(9,767)	Capital Receipts	(29,620)	(24,472)	(27,562)	(15,353)	(15,917)	(112,924)
(14,087)	Revenue and Reserves	(15,244)	(4,070)	(3,200)	(6,251)	(9,569)	(38,334)
(49,484)	<b>Housing Revenue Account Total</b>	(79,737)	(63,040)	(76,673)	(76,284)	(58,292)	(354,026)



# APPENDIX 4

## Treasury Management Strategy Statement

### 1 BACKGROUND

- 1.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.
- 1.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 1.3 The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.
- 1.4 Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day to day treasury management activities.
- 1.5 The Chartered Institute of Public Finance Accountants (CIPFA) defines treasury management as:

*“The management of the local authority’s borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”*

## Reporting Requirements – Capital Strategy

1.6 The CIPFA revised 2017 Prudential and Treasury Management Codes require, for 2020-21, all local authorities to prepare an additional report, a capital strategy report, which will provide the following:

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of this capital strategy is to ensure that all elected members on the full council understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite. Full Council approved its current Capital Strategy in December 2019.

This capital strategy is reported separately from the Treasury Management Strategy Statement; non-treasury investments will be reported through the former. This ensures the separation of the core treasury function under security, liquidity and yield principles, and the policy and commercialism investments usually driven by expenditure on an asset. The capital strategy will show:

- The corporate governance arrangements for these types of activities;
- Any service objectives relating to the investments;
- The expected income, costs and resulting contribution;
- The debt related to the activity and the associated interest costs;
- The payback period (MRP policy);
- For non-loan type investments, the cost against the current market value;
- The risks associated with each activity.

Where a physical asset is being bought, details of market research, advisers used, (and their monitoring), ongoing costs and investment requirements and any credit information will be disclosed, including the ability to sell the asset and realise the investment cash.

Where the Council has borrowed to fund any non-treasury investment, there will also be an explanation of why borrowing was required and why the MHCLG Investment Guidance and CIPFA Prudential Code have not been adhered to.

If any non-treasury investment sustains a loss during the final accounts and audit process, the strategy and revenue implications will be reported through the same procedure as the capital strategy.

To demonstrate the proportionality between the treasury operations and the non-treasury operation, high-level comparators are shown throughout this report.

## **Reporting Requirements – Treasury Management**

- 1.7 The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.
- I. **A treasury strategy including Prudential and Treasury indicators** (this report) - The first, and most important report covers:
    - the capital plans (including prudential indicators);
    - a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);
    - the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
    - an investment strategy (the parameters on how investments are to be managed).
  - II. **A Mid-year Treasury Management Report** – this will update the Council with the progress of the capital position, amending prudential indicators as necessary, and whether the treasury activity is meeting the strategy or whether any policies require revision.
  - III. **An Annual Treasury Report** – this provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.
- 1.8 The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by both the Audit Committee and Overview and Scrutiny Management Board.

## 2 Treasury Management Strategy for 2020/21

2.1 The Treasury Management Strategy for 2020/21 covers two main areas:

### Capital Issues

- The capital plans and the prudential indicators;
- The minimum revenue provision (MRP) policy.

### Treasury Management Issues

- current and projected treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- policy on the use of external service providers.

2.2 These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, MHCLG MRP Guidance, the CIPFA Treasury Management Code and MHCLG Investment Guidance.

2.3 The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny.

2.4 The training needs of treasury management officers are periodically reviewed.

2.5 The Council uses Link Asset Services, Treasury solutions as its external treasury management advisors. The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

2.6 The Council recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

2.7 The scope of investments within the Council's operations now includes both conventional treasury investments, (the placing of residual cash from the Council's functions), and more commercial type investments, such as investment properties and investment into wholly owned subsidiaries. These commercial type of investments require specialist advice such as from within the Council's experienced property team that may procure further advice as appropriate.

### 3 THE CAPITAL PRUDENTIAL INDICATORS 2020/21 – 2024/25

3.1 The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

#### Capital expenditure

3.2 This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. The table also summarises how the capital expenditure plans are being financed. Any shortfall of resources results in a borrowing need. Members are asked to approve the capital expenditure forecasts:

Capital expenditure £m	2018/19 Actual £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
Non-HRA	81	95	211	128	70	76	53
Non – HRA <sup>*1</sup>	-	-	1	12	24	25	11
HRA	37	49	80	63	77	76	58
Commercial Activities / Non-Financial Investments <sup>*2</sup>	12	14	1	2	2	-	-
<b>Total</b>	<b>130</b>	<b>158</b>	<b>293</b>	<b>205</b>	<b>173</b>	<b>177</b>	<b>122</b>
<b>Financed by:</b>							
Capital receipts	11	27	55	53	49	39	36
Capital grants	44	54	98	52	40	42	23
HRA Self financing	23	25	35	30	31	32	32
Revenue	20	17	19	6	5	6	10
<b>Net financing need for year</b>	<b>32</b>	<b>35</b>	<b>86</b>	<b>64</b>	<b>48</b>	<b>58</b>	<b>21</b>

\*1 Schemes pending subject to business case development

\*2 Commercial activities / non-financial investments relate to areas such as capital expenditure on investments properties, loans to third parties and investment in wholly owned companies etc.

#### The Council's borrowing need (the Capital Financing Requirement)

3.3 The Capital Financing Requirement (CFR) is the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying

borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.

3.4 The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life.

3.5 The CFR includes any long-term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of schemes include a borrowing facility and so the Council is not required to separately borrow for these schemes. The Council currently has £140m of such schemes within the CFR.

3.6 The Council is asked to approve the CFR projections below:

	2018/19 Actual £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
CFR – non housing	458	490	572	625	650	672	680
CFR – PFI/Lease schemes	135	128	121	115	108	101	94
CFR – housing	245	245	245	250	265	288	288
CFR - Commercial Activities / Non-Financial Investments	9	9	9	9	9	9	9
<b>Total CFR</b>	<b>847</b>	<b>872</b>	<b>947</b>	<b>999</b>	<b>1,032</b>	<b>1,070</b>	<b>1,071</b>
<b>Movement in CFR</b>	<b>24</b>	<b>25</b>	<b>75</b>	<b>52</b>	<b>33</b>	<b>38</b>	<b>1</b>

Net financing need for year	32	35	86	64	48	58	21
Less MRP & other financing	(8)	(10)	(11)	(12)	(15)	(20)	(20)
<b>Movement in CFR</b>	<b>24</b>	<b>25</b>	<b>75</b>	<b>52</b>	<b>33</b>	<b>38</b>	<b>1</b>

- 3.7 A key aspect of the regulatory and professional guidance is that members are aware of the size and scope of any commercial activity in relation to the authority's overall financial position. The capital expenditure figures shown in para 3.2 and the details above demonstrate the scope of this activity and, by approving these figures, consider the scale proportionate to the Authority's remaining activity.

**Minimum revenue provision (MRP) policy statement**

- 3.8 The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge, the minimum revenue provision (MRP), although it is allowed to undertake additional voluntary provision (VRP).
- 3.9 The Ministry of Housing, Communities and Local Government (MHCLG) have issued Regulations which require the full Council to approve an MRP Statement in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement:

*For capital expenditure incurred before 1 April 2008 and capital expenditure incurred on or after that date which forms part of its Supported Capital Expenditure - The MRP policy will be based on the pre 2007/08 borrowing and post supported borrowing at 2% fixed so that the whole debt is repaid after 50 years.*

*Note a change in policy approved by Full Council on 13th December 2016 amended the rate that is used to calculate MRP from 4% reducing balance to 2% straight line as this is better aligned to the average lives of the authorities assets and results with the debt being fully repaid. This means that the authority has overprovided during the period 1st April 2008 through to 31st March 2016. The Council has reduced its MRP provision in 2017/18 through to 2019/20 and will reduce its MRP further, over an adequate timeframe (a further 3 years) to recover this overprovision while also ensuring a prudent annual provision is maintained. This additional reduction in MRP will be set aside to reserves to ensure the Council maintains reasonable provision as mitigation for financial risks outlined in the main body of the report. It is estimated that for 2020/21 £6m of this overprovided MRP will be made available to supplement general reserves.*

*From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) the MRP policy will be the Asset life method – MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction);*

*Any loan or investment to an organisation defined as capital expenditure will not attract MRP. The original capital expenditure will be met from the capital receipt on the maturity of the loan/investment.*

*Other methods to provide for debt repayment may occasionally be used in individual cases where this is consistent with the statutory duty to be prudent, as justified by the circumstances of the case, as determined by the Chief Finance Officer.*

*These options provide for a reduction in the borrowing need over approximately the asset's life.*

3.10 There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation.

3.11 Repayments included in annual PFI or finance leases are applied as MRP.

**Affordability prudential indicator**

3.12 The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicator:

3.13 **Ratio of financing costs to net revenue stream.** This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2018/19 Actual %	2019/20 Estimate %	2020/21 Estimate %	2021/22 Estimate %	2022/23 Estimate %	2023/24 Estimate %	2024/25 Estimate %
General Fund	6.14	6.42	6.85	7.81	8.57	9.47	9.63
HRA	8.71	8.62	8.16	7.89	7.78	7.87	7.61

The estimates of financing costs include current commitments and the proposals in this budget report.



## 4 BORROWING

4.1 The capital expenditure plans set out in Section 3 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury/prudential indicators, the current and projected debt positions and the annual investment strategy.

### Current and projected portfolio position

4.2 The Council's treasury portfolio position at 31 March 2018, with forward projections are summarised below. The table shows the actual external debt against the underlying capital borrowing need (the Capital Financing Requirement), highlighting any over or under borrowing.

	2018/19 Actual £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
External Debt 1 April	431	431	461	536	586	621	651
Expected change in debt	-	30	75	50	35	30	25
Other long-term liabilities	140	135	128	121	115	108	101
Expected change in other long-term liabilities	(5)	(7)	(7)	(6)	(7)	(7)	(7)
Debt Administered on behalf of the Unitary authorities	(43)	(41)	(40)	(38)	(37)	(35)	(34)
<b>Actual gross debt 31 March</b>	<b>523</b>	<b>548</b>	<b>617</b>	<b>663</b>	<b>692</b>	<b>717</b>	<b>736</b>
<b>Capital Financing Requirement</b>	<b>847</b>	<b>872</b>	<b>947</b>	<b>999</b>	<b>1,032</b>	<b>1,070</b>	<b>1,071</b>
<b>Under borrowing</b>	<b>(324)</b>	<b>(329)</b>	<b>(330)</b>	<b>(336)</b>	<b>(340)</b>	<b>(353)</b>	<b>(335)</b>

### Gross Debt and the Capital Financing Requirement

4.3 Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2020/21 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures

that borrowing is not undertaken for revenue purposes or speculative purposes.

- 4.4 The Chief Finance Officer reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

### Treasury Indicators: limits to borrowing activity

- 4.5 **The operational boundary.** This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and ability to fund under-borrowing by other cash resources.

	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
Debt	461	536	586	621	651	676
Other long-term liabilities	134	128	121	115	108	101
<b>Total</b>	<b>595</b>	<b>664</b>	<b>707</b>	<b>736</b>	<b>759</b>	<b>777</b>

- 4.6 **The authorised limit for external debt.** A further key prudential indicator represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

- This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
- The Council is asked to approve the following authorised limit:

	2019/20 Approved £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
<b>Total</b>	<b>970</b>	<b>970</b>	<b>1,020</b>	<b>1,050</b>	<b>1,090</b>	<b>1,090</b>

## Prospects for interest rates

4.7 The Council has appointed a treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives their view.

Period	Bank Rate %	PWLB Borrowing Rates % (including certainty rate adjustment)			
		5 year	10 Year	25 year	50 year
Mar 2020	0.75	2.40	2.70	3.30	3.20
Mar 2021	1.00	2.60	2.90	3.60	3.50
Mar 2022	1.00	2.90	3.20	3.90	3.80
Mar 2023	1.25	3.20	3.50	4.10	4.00

- Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. The above forecasts (and MPC decisions) will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year with further details set out in Annex 2. In summary,
- Counterparty risks appear to have eased but market sentiment remains changing and economic forecasts uncertain.
- Investment returns are likely to remain relatively low during 2020/21 but to be on a gently rising trend over the next few years.
- Borrowing interest rates were on a falling trend during the first half of 2019-20 until the Treasury and PWLB announced on the 9<sup>th</sup> of October 2019 a 1% increase across all maturities. This unexpected increase requires the Council to reconsider its treasury management strategy and risk management.

The the gap between longer term borrowing rates and investment rates has materially widened, and in the long term Bank Rate is not expected to rise above 2.5%, it is unlikely that the Council will do any further longer term borrowing in the near future or until such time as the 1% margin is removed.

- The overall longer run trend is for gilt yields and PWLB rates to rise modestly during the medium term.
- The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in the future when authorities may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt;

- There will remain a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new long-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost.

### **Borrowing Strategy**

- 4.8 Based on current cash flow forecasts, it is estimated that the Council will have a net borrowing requirement of £215m over the MTF5 period. The most significant consideration from a treasury management perspective is the timing and duration of that borrowing. Should the financial environment change and borrowing is deemed advantageous the Council will seek to borrow long-term loans below a target rate of 3.00% and short-term to medium term loans below a target rate of 2.50%.
- 4.9 The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement) has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is an issue that needs to be considered.
- 4.10 Against this background and the risks within the economic forecast, caution will be adopted with the 2020/21 treasury operations. The Chief Finance Officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:
- *If it was felt that there was a significant risk of a sharp FALL in long and short term rates (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.*
  - *if it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast, perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.*
- 4.11 Any decisions will be reported to the appropriate decision making body at the next available opportunity.
- Long-term and short term fixed interest rates are expected to rise modestly over the medium term. The Chief Finance Officer, under delegated powers, will take the most appropriate form of borrowing depending on the

prevailing interest rates at the time, taking into account the risks shown in the forecast above.

- The option of postponing borrowing and running down investment balances strategy has been applied partially in 2019/20. This approach will continue until balances are reduced to adequate liquidity requirements unless it was felt that there was a significant risk of a sharp rise in interest rates.
- The Councils borrowing strategy will give consideration to new borrowing in the following ways:
  - The cheapest borrowing will be internal borrowing by running down cash balances and foregoing interest earned at historically low rates. However, in view of the overall forecast for long term borrowing rates to increase over the next few years, consideration will also be given to weighing the short term advantage of internal borrowing against potential long term costs if the opportunity is missed for taking loans at long term rates which will be higher in future years;
  - PWLB loans for up to 10 years where rates are expected to be significantly lower than rates for longer periods. This offers a range of options for new borrowing, which will spread debt maturities away from a concentration in longer dated debt;
  - PWLB loans in excess of 10 years where rates are considered to be low and offer the Council the opportunity to lock into low value long-term finance;
  - Following the decision by the PWLB on 9 October 2019 to increase their rates by 1% consideration will also be given to sourcing funding at cheaper rates from the following:
    - Long term fixed rate market loans at rates significantly below PWLB rates for the equivalent maturity period (where available) and to maintaining an appropriate balance between PWLB and market debt in the debt portfolio;
    - Long term borrowing from the Municipal Bond Agency if available and appropriate and rates are lower than those offered by the Public Works Loan Board (PWLB).
    - Short to medium funding from local authorities and financial institutions at rates lower than the PWLB

4.12 The authority is planning net borrowing of £215m over the period as set out in table 4.2, to finance the expected Prudential Borrowing requirement of £277m as set out in table 3.2 as set out in the Capital programme. The reduced borrowing of £62m primarily reflects the cash set-aside for the repayment of debt, also known as Minimum Revenue Provision (MRP). The most efficient arrangement is for MRP to be used to reduce the new long term debt expected

to be required. This ensures that MRP is utilised and does not accumulate as cash on the balance sheet, and reduces the expected level of debt. Alternatively MRP could be used to repay existing debt, but this would be at considerable cost in the current interest rate environment.

The level of borrowing will ensure the authority will maintain adequate liquidity levels as set out in the strategy.

- 4.13 The Council will seek to undertake temporary borrowing (less than one year) loans to cover day-to-day cashflow requirements as and when required. Such a decision will be based on the availability of and access to cash in deposit accounts and money market funds to cover the cashflow requirement, whilst also considering the most efficient method for the authority.
- 4.14 Temporary borrowing will also be considered when the draw down deadline for a deposit account for same day transfer has passed, thus resulting in borrowing cash from the money markets.
- 4.15 The Chief Finance Officer will be kept informed of the temporary loans outstanding on a monthly basis and reviewed at the regular Treasury Management Group meeting.

#### **Policy on borrowing in advance of need**

- 4.16 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.
- 4.17 Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

#### **Debt rescheduling**

- 4.18 As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).
- 4.19 The reasons for any rescheduling to take place will include:
- the generation of cash savings and / or discounted cash flow savings;
  - helping to fulfil the treasury strategy;
  - enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

4.20 Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

4.21 All rescheduling will be reported to the Council at the earliest meeting following its action.

### **Municipal Bond Agency**

4.22 It is possible that the Municipal Bond Agency will be offering loans to local authorities in the near future. The Agency hopes that the borrowing rates will be lower than those offered by the Public Works Loan Board (PWLB). This Authority may make use of this new source of borrowing as and when appropriate.

## 5 ANNUAL INVESTMENT STRATEGY

### Investment policy

- 5.1 The MHCLG and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals solely with financial investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy, (a separate report).
- 5.2 The Council’s investment policy has regard to the following: -
- MHCLG’s Guidance on Local Government Investments (“the Guidance”)
  - CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 (“the Code”)
  - CIPFA Treasury Management Guidance Notes 2018
- The Council’s investment priorities will be security first, portfolio liquidity second and then yield, (return).
- 5.3 In accordance with the above guidance from the MHCLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.
- 5.4 Ratings will not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such a ‘credit default swaps’ and overlay that information on top of the credit ratings.
- 5.5 Other information sources including the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- 5.6 Investment instruments identified for use in the financial year are listed in Annex 3 under the ‘specified’ and ‘non-specified’ investments categories. Counterparty limits will be as set through the Council’s treasury management practices – schedules.

### Creditworthiness policy

- 5.7 The primary principle governing the Council’s investment criteria is the security of its investments, whilst liquidity and the yield on the investment is also a key consideration. After this main principle, the Council will ensure that:



- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the specified and non-specified investment sections below; and
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

5.8 The Chief Finance Officer will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. These criteria are separate to that which determines which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality which the Council may use, rather than defining what types of investment instruments are to be used.

5.9 The minimum rating criteria uses the lowest common denominator method of selecting counterparties and applying limits. This means that the application of the Council's minimum criteria will apply to the lowest available rating for any institution. For instance, if an institution is rated by two agencies, one meets the Council's criteria, the other does not, the institution will fall outside the lending criteria. Any rating changes, rating watches (notification of a likely change), rating outlooks (notification of a possible longer term change) are considered before making investment decisions.

5.10 The criteria for providing a pool of high quality investment counterparties (both specified and non-specified investments) is:

- **Banks 1** - good credit quality – the Council will only use banks which:
  - i. are UK banks; and/or
  - ii. are non-UK and domiciled in a country which has a minimum sovereign long term rating of AA-

and have, as a minimum, the following Fitch, Moody's and Standard and Poors credit ratings (where rated):

- i. Short term – F1 (or equivalent)
- ii. Long term – A- (or equivalent)

- **Banks 2** – Part nationalised UK banks – Royal Bank of Scotland ring-fenced operations. This bank can be included if they continue to be part nationalised or they meet the ratings in Banks 1 above.

- **Banks 3** – The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time.

- **Bank subsidiary and treasury operation** - the Council will use these where the parent bank has provided an appropriate guarantee or has the necessary ratings outlined above.
- **Building societies** - the Council will use all societies which meet the ratings for banks outlined above.
- **Money market funds (CNAV <sup>Constant Net Asset Value</sup>)** – AAA rated (sterling)
- **Money Market Funds (LVAV <sup>Low Volatility Asset Value</sup>)** – AAA rated (sterling)
- **Money Market Funds (VNAV <sup>Variable Net Asset Value</sup>)** – AAA rated (sterling)
- **Ultra-Short dated Bond Funds with a volatility rating of S1+**
- **UK Government** (including gilts and the DMADF)
- **Local authorities, parish councils etc**
- **Supranational institutions**
- **Council owned subsidiaries.** The Council invests in wholly owned Council subsidiaries. Depending on the nature of the investment this will either be classified as a Service investment or a Treasury investment. Service investments fall outside the scope of the specified/ non specified categories and currently investments of this type are classified as service investments.

A limit of £100m will be applied to the use of non-specified investments

### **Country and sector considerations**

5.11 Due care will be taken to consider the country, group and sector exposure of the Council's investments. The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AA- from Fitch (or equivalent). In addition:

- no more than 25% will be placed with any non-UK country at any time;
- limits in place above will apply to a group of companies;
- sector limits will be monitored regularly for appropriateness.

5.12 **Use of additional information other than credit ratings.** Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision. This additional market information (for example Credit Default Swaps (CDS), negative rating watches/outlooks) will be applied to compare the relative security of differing investment counterparties.

**Time and monetary limits applying to investments.**

5.13 Time and monetary limits applying to investments. The time and monetary limits for institutions on the Council’s counterparty list are as follows (these will cover both specified and non-specified investments):

	<b>Fitch Long term Rating (or equivalent)</b>	<b>Money Limit</b>	<b>Time Limit</b>
Banks 1 - higher quality	AAA	£50m	5 Years
Banks 1 - medium quality	AA-	£20m	3 Years
Banks 1 - lower quality	A-	£10m	1 Year
Banks 2 – part-nationalised	N/A	£10m	1 Year
Limit 3 category – Council’s banker (not meeting Banks 1/2)	-	£100k	Liquid
Other institutions limit*	-	£50m	5 Years
DMADF	UK Sovereign rating	unlimited	1 Year
Local authorities	-	£40m	5years
Money market funds (MMF) (Including CNAV, LVNAV & VNAV)	AAA	£40m	liquid

*\*The Other Institution Limit will be for Gilt and Supranational investments*

The proposed criteria for specified and non-specified investments are shown in Annex 3 for approval.

**UK banks – ring fencing**

5.14 The largest UK banks, (those with more than £25bn of retail / Small and Medium-sized Enterprise (SME) deposits), are required, by UK law, to separate core retail banking services from their investment and international banking activities by 1st January 2019. This is known as “ring-fencing”. Whilst smaller banks with less than £25bn in deposits are exempt, they can choose to opt up. Several banks are very close to the threshold already and so may come into scope in the future regardless.

Ring-fencing is a regulatory initiative created in response to the global financial crisis. It mandates the separation of retail and SME deposits from investment banking, in order to improve the resilience and resolvability of banks by changing their structure. In general, simpler, activities offered from within a ring-fenced bank, (RFB), will be focused on lower risk, day-to-day core transactions, whilst more complex and “riskier” activities are required to be housed in a separate entity, a non-ring-fenced bank, (NRFB). This is intended to ensure that an entity’s core activities are not adversely affected by the acts or omissions of other members of its group.

While the structure of the banks included within this process may have changed, the fundamentals of credit assessment have not. The Council will continue to assess the new-formed entities in the same way that it does others and those with sufficiently high ratings, (and any other metrics considered), will be considered for investment purposes.

5.15 Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required in order to manage the fluctuations of the cash flows, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

- If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable.
- Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

**5.16 Investment return expectations.** On the assumption that the UK and EU agree a Brexit deal including the terms of trade by the end of 2020 or soon after, then Bank Rate is forecast to increase only slowly over the next few years to reach 1% by quarter 1 2023. Bank Rate forecasts for financial year ends (March) are:

- 2019/20 0.75%
- 2020/21 0.75%
- 2021/22 1.00%
- 2022/23 1.00%

Budgeted investment earnings rates for returns on investments placed for periods up to 100 days during each financial year over the medium term are as follows:

- 2019/20 0.75%
- 2020/21 0.75%
- 2021/22 1.00%
- 2022/23 1.25%
- 2023/24 1.50%
- 2024/25 1.75%
- Later years 2.25%

The overall balance of risks to economic growth in the UK is probably to the downside due to the uncertainties of Brexit, as well as a “softening” global economic picture.

The balance of risks to increases in Bank Rate and shorter term PWLB rates are broadly similarly to the downside.

In the event that a Brexit deal is agreed with the EU and approved by Parliament, the balance of risks to economic growth and to increases in Bank Rate is likely to change to the upside.

### **Treasury management limits on activity**

5.17 There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments;
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;

- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

	2020/21	2021/22	2021/22 & Beyond
	<b>Upper</b>	<b>Upper</b>	<b>Upper</b>
Limits on fixed interest rates based on net debt	100%	100%	100%
Limits on variable interest rates based on net debt	40%	40%	40%
<b>Maturity structure of fixed interest rate borrowing 2019/20</b>			
	<b>Lower</b>	<b>Upper</b>	
Under 12 months	0%	30%	
12 months to 2 years	0%	40%	
2 years to 5 years	0%	40%	
5 years to 10 years	0%	50%	
10 years and above	25%	100%	

#### **Investment treasury indicator and limit**

- 5.18 Total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment,

<b>Maximum principal sums invested &gt; 365 days</b>			
£m	2020/21	2021/22	2022/23 & Beyond
Principal sums invested > 364 days	£100m	£100m	£100m

- 5.19 For its cash flow generated balances, the Council will seek to utilise its business reserve instant access and notice accounts, money market funds and short-dated deposits (overnight to 100 days) in order to benefit from the compounding of interest.

#### **Ethical Investment Policy**

- 5.20 The Ethical Investment Policy was approved by Cabinet on the 15<sup>th</sup> December 2011 (updated 2015). The City Council will not knowingly invest in organisations whose activities include practices which directly pose a risk of serious harm to individuals or groups, or whose activities are inconsistent with the mission and values of the City Council.

#### **Investment Risk Benchmarking**

- 5.21 These benchmarks are simple guides to maximum risk, so they may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy to manage

risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the mid-year or Annual Report.

5.22 Security - The Council's maximum security risk benchmark for the current portfolio, when compared to these historic default tables, is:

- 0.00% (AAA rated) to 0.05% (A rated) historic risk of default when compared to the whole portfolio.

Liquidity – in respect of this area the Council seeks to maintain:

- Bank overdraft - £500k.
- Liquid short term deposits of at least £40m available within a rolling three month period.
- Weighted average life benchmark is expected to be a minimum of a day with a maximum of 1 year.

Yield - local measures of yield benchmarks are:

- Investments – internal returns above the 7 day LIBID rate.

And in addition that the security benchmark for each individual year is:

	<b>1 year</b>	<b>2 years</b>	<b>3 years</b>	<b>4 years</b>	<b>5 years</b>
<b>Maximum</b>	<b>0.05%</b>	<b>0.15%</b>	<b>0.28%</b>	<b>0.42%</b>	<b>0.59%</b>

This benchmark is an average risk of default measure, and would not constitute an expectation of loss against a particular investment.

## **Annexes**

Annex 1 - Treasury Management Policy Statement

Annex 2 – Economic Background

Annex 3 – TMP1 Credit and Counterparty risk management

### Treasury Management Policy Statement

1. The Council defines its treasury management activities as follows:

*The management of the Council's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.*

2. The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council, and any financial instruments entered into to manage these risks.
3. The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.
4. The Council's high level policies for borrowing and investments are:
  - The Council's borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken and the type of borrowing should allow the Council transparency and control over its debt
  - The Council's primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Council's investments followed by the yield earned on investments remain important but are secondary considerations.



## Economic Background / Interest Rate forecast

Link Asset Services Interest Rate View														
	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank Rate View	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.25	1.25	1.25	1.25
3 Month LIBID	0.70	0.70	0.70	0.80	0.90	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.30	1.30
6 Month LIBID	0.80	0.80	0.80	0.90	1.00	1.10	1.10	1.20	1.30	1.40	1.50	1.50	1.50	1.50
12 Month LIBID	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.40	1.50	1.60	1.70	1.70	1.70	1.70
5yr PVL B Rate	2.30	2.40	2.40	2.50	2.50	2.60	2.70	2.80	2.90	2.90	3.00	3.10	3.20	3.20
10yr PVL B Rate	2.60	2.70	2.70	2.70	2.80	2.90	3.00	3.10	3.20	3.20	3.30	3.30	3.40	3.50
25yr PVL B Rate	3.20	3.30	3.40	3.40	3.50	3.60	3.70	3.70	3.80	3.90	4.00	4.00	4.10	4.10
50yr PVL B Rate	3.10	3.20	3.30	3.30	3.40	3.50	3.60	3.60	3.70	3.80	3.90	3.90	4.00	4.00

The above interest rate forecasts are based on the assumption of an agreement being reached on Brexit between the UK and the EU. On this basis, while GDP growth is likely to be subdued in 2019 and 2020 due to the uncertainties around Brexit depressing consumer and business confidence, an agreement on the detailed terms of a trade deal is likely to lead to a boost to the rate of growth in subsequent years. This could, in turn, increase inflationary pressures in the economy and so cause the Bank of England to resume a series of gentle increases in Bank Rate. Just how fast, and how far, those increases will occur and rise to, will be data dependent.

The forecasts in this report assume a modest recovery in the rate and timing of stronger growth and in the corresponding response by the Bank in raising rates.

In the event of an orderly non-agreement exit in December 2020, it is likely that the Bank of England would take action to cut Bank Rate from 0.75% in order to help economic growth deal with the adverse effects of this situation. This is also likely to cause short to medium term gilt yields to fall.

If there were a disorderly Brexit, then any cut in Bank Rate would be likely to last for a longer period and also depress short and medium gilt yields correspondingly. Quantitative easing could also be restarted by the Bank of England. It is also possible that the government could act to protect economic growth by implementing fiscal stimulus.

The balance of risks to the UK

- The overall balance of risks to economic growth in the UK is probably even, but dependent on a successful outcome of negotiations on a trade deal.
- The balance of risks to increases in Bank Rate and shorter term PVL B rates are broadly similarly to the downside.

- In the event that a Brexit deal is agreed with the EU and approved by Parliament, the balance of risks to economic growth and to increases in Bank Rate is likely to change to the upside.

One risk that is both an upside and downside risk, is that all central banks are now working in very different economic conditions than before the 2008 financial crash as there has been a major increase in consumer and other debt due to the exceptionally low levels of borrowing rates that have prevailed since 2008. This means that the neutral rate of interest in an economy, (i.e. the rate that is neither expansionary nor deflationary), is difficult to determine definitively in this new environment, although central banks have made statements that they expect it to be much lower than before 2008. Central banks could therefore either “over or under” do increases in central interest rates.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- Brexit – if it were to cause significant economic disruption and a major downturn in the rate of growth.
- Bank of England takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the Eurozone sovereign debt crisis.
- Weak capitalisation of some European banks, particularly Italian banks.
- EU Minority governments. Germany, Spain, Portugal, Netherlands, Belgium, Austria and Finland all have vulnerable minority governments dependent on coalitions which could prove fragile.
- Austria, the Czech Republic, Poland and Hungary now form a strongly anti-immigration bloc within the EU. There has also been rising anti-immigration sentiment in Germany and France.
- In October 2019, the IMF issued a report on the World Economic Outlook which flagged up a synchronised slowdown in world growth. However, it also flagged up that there was potential for a “rerun” of the 2008 financial crisis, centred on the huge debt accumulated by corporations during the decade of low interest rates. This now means that there are corporates who would be unable to cover basic interest costs on some \$19trn of corporate debt in major western economies, if world growth was to dip further than just a minor cooling. This debt is mainly held by the shadow banking sector i.e. pension funds, insurers, hedge funds, asset managers etc., who, when there is \$15trn of corporate and government debt now yielding negative interest rates, have been searching for higher returns in riskier assets. Much of this debt is only marginally above investment grade so any rating downgrade could force some holders into a “fire sale”, which would then depress prices further and so set off a “spiral down”. The IMF’s answer is to suggest imposing higher capital charges on lending to corporates and for central banks to regulate the investment operations of the shadow banking sector. In October 2019, the deputy Governor of the Bank of England also flagged up the dangers of banks and the shadow banking sector lending to corporates, especially highly leveraged corporates, which had risen back up to near pre-2008 levels.

- Geopolitical risks, for example in North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates

- Brexit – if agreement was reached all round that removed all threats of economic and political disruption between the EU and the UK.
- The Bank of England is too slow in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- UK inflation, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

### **Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management**

The CLG issued Investment Guidance in 2018, and this forms the structure of the Council's policy below. These guidelines do not apply to either trust funds or pension funds which operate under a different regulatory regime.

The key intention of the Guidance is to maintain the current requirement for councils to invest prudently, and that priority is given to security and liquidity before yield. In order to facilitate this objective the guidance requires this Council to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. The Council has adopted the Code and will apply its principles to all investment activity. In accordance with the Code, the Chief Finance Officer has produced its treasury management practices (TMPs). This part, TMP 1(1), covering investment counterparty policy requires approval each year.

**Annual investment strategy** - The key requirements of both the Code and the investment guidance are to set an annual investment strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of following:

- The strategy guidelines for choosing and placing investments, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which funds can be committed.
- Specified investments that the Council will use. These are high security (i.e. high credit rating, although this is defined by the Council, and no guidelines are given), and high liquidity investments in sterling and with a maturity of no more than a year.
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

The investment policy proposed for the Council is:

**Strategy guidelines** – The main strategy guidelines are contained in the body of the treasury strategy statement.

**Specified investments** – These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

1. The UK Government (such as the Debt Management Account deposit facility, UK treasury bills or a gilt with less than one year to maturity).
2. Supranational bonds of less than one year's duration.

3. A local authority, housing association, parish council or community council.
4. Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency. For category 4 this covers pooled investment vehicles, such as money market funds, rated AAA by Standard and Poor's, Moody's or Fitch rating agencies.
5. A body that is considered of a high credit quality (such as a bank or building society). For this category this covers bodies with a minimum short term rating of A- (or the equivalent) as rated by Standard and Poor's, Moody's or Fitch rating agencies.

Within these bodies, and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested in these bodies. This criteria is set out below:-

	Fitch Long term Rating (or equivalent)	Money Limit	Time Limit
Banks 1 higher quality	AAA	£50m	5 Years
Banks 1 medium quality	AA-	£20m	3 Years
Banks 1 lower quality	A-	£10m	1 Year
Banks 2 – part nationalised	N/A	£10m	1 Year
Limit 3 category – Council's banker (not meeting Banks 1/2)	-	£100k	Liquid
Other institutions limit*	-	£50m	5 Year
DMADF	AAA	unlimited	5 Years
Local authorities	-	£40m	5 Years
Money market funds (Including CNAV, LVNAV & VNAV)	AAA	£40m	Liquid

\*The Other Institution Limit will be for Gilt and Supranational investments

**Non-specified investments** –are any other type of investment (i.e. not defined as specified above). The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out below. Non specified investments is limited to an overall exposure of £100m and would include any sterling investments with:

	Non Specified Investment Category	Limit (£ or %)
a.	<b>Supranational bonds greater than 1 year to maturity</b> <b>(a) Multilateral development bank bonds</b> - These are bonds defined as an international financial institution having as one of its objects economic development, either generally or in any region of the world (e.g. European Reconstruction and	AAA long term ratings £50m

	<p>Development Bank etc.).</p> <p><b>(b) A financial institution that is guaranteed by the United Kingdom Government</b> (e.g. National Rail)</p> <p>The security of interest and principal on maturity is on a par with the Government and so very secure. These bonds usually provide returns above equivalent gilt edged securities. However the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.</p>	
b.	<p><b>Gilt edged securities</b> with a maturity of greater than one year. These are Government bonds and so provide the highest security of interest and the repayment of principal on maturity. Similar to category (a) above, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.</p>	£50m
c.	<p><b>The Council's own banker</b> if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as is possible.</p>	Minimal
d.	<p>Any <b>bank or building society</b> that has a minimum long term credit rating of A-, for deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).</p>	£40m
e.	<p>Any <b>non rated subsidiary</b> of a credit rated institution included in the specified investment category. These institutions will be included as an investment category subject to:</p> <ul style="list-style-type: none"> <li>• Parent company guarantee</li> <li>• Parent company to be a UK institution.</li> </ul>	£10m
f.	<p><b>Share capital or Loan Capital</b> in a body corporate – The use of these instruments will be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. There is a higher risk of loss with these types of instruments.</p>	£10m
g.	<p><b>Share capital or Loan Capital to Council owned companies</b> – The use of these instruments will be deemed to be capital expenditure, and as such will be an application (spending) of capital resources.</p>	£50m
h.	<p><b>Bond funds</b> – There is a high risk of loss with this type of instrument.</p>	£10m
i.	<p><b>Pooled property funds</b> – The use of these instruments will normally be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. The key exception to this is an investment in the CCLA Local Authorities Property Fund. This Authority will seek guidance</p>	£50m

	on the status of any fund it may consider using  The authority has invested £10m in a Property Fund (Cabinet 03/11/15 & 19/09/17) to support Homelessness in Bristol.	
j.	<b>Property funds managed by a wholly owned Council subsidiary</b> – The use of these instruments will normally be deemed to be capital expenditure, and as such will be an application (spending) of capital resources.	£50m

In respect of category f, and h, these will only be considered after obtaining external advice and subsequent member approval.

### **Council owned companies**

The Council has purchased share capital / provided loans to wholly owned Council subsidiaries amounting £41m at the turn of the calendar year.

These are classified as service investments, rather than treasury management investment's, and are therefore outside the specified / non specified categories.

**The monitoring of investment counterparties** - The credit rating of counterparties will be monitored regularly. The Council receives credit rating information (changes, rating watches and rating outlooks) from Link Asset Services as and when ratings change, and counterparties are checked promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately by the Chief Finance Officer, and if required new counterparties which meet the criteria will be added to the list.

## Purpose

1. This report provides background information with regards the statutory guidance on the flexible use of Capital Receipts and its application within this authority. As part of the finance settlement for 2016/17 the government announced new flexibilities allowing local authorities to use capital receipts received in 2016/17, 2017/18 and 2018/19 to be used to fund transformational expenditure, which can include redundancy costs. This was extended in the 2018/19 as part of the Local Government Finance Settlement for a further three years until 2021/22.
2. The Council, as part of the medium term financial plan assumed a level of £6.3m of capital receipts to be available to support transformational schemes in 2018/19, however the amount required for the financial year ending 31<sup>st</sup> March 2020 been revised to £2.14m. It is estimated that receipts generated will meet this target.
3. The use of capital receipts to fund restructuring costs (up to the value of those capital receipts), rather than applying revenue resources / reserves that would have been previously necessary, allow for these revenue resources to be directed to service areas to facilitate further service re-development and also mitigate the financial pressures of the Authority for the current and ensuing year.

## Background

4. Capital receipts can only be used for specific purposes and these are set out in Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 made under Section 11 of the Local Government Act 2003. The main permitted purpose is to fund capital expenditure, and the use of capital receipts to support revenue expenditure is not permitted by the regulations.
5. The Secretary of State is empowered to issue Directions allowing expenditure incurred by local authorities to be treated as capital expenditure. Where such a direction is made, the specified expenditure can then be funded from capital receipts under the Regulations.
6. The Secretary of State for Communities and Local Government issued guidance in March 2016, giving local authorities greater freedoms with how capital receipts could be utilised. This Direction allows for the following expenditure to be treated as capital;
 

*“expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners.”*
7. In order to take advantage of this freedom, the Council must act in accordance with the Statutory Guidance issued by the Secretary of State. This Guidance requires the Council to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy, with the initial strategy being effective from 1st April 2016 with future Strategies included within future Annual Budget documents and reported as appropriate.
8. There is no prescribed format for the Strategy, but the underlying principle is to support the delivery of more efficient and sustainable services by extending the use of capital receipts to finance costs of efficiency initiatives that deliver significant savings. A list of each project should be incorporated in the strategy along with the expected savings each project is expected to



realise.

### Flexible Use of Capital Receipts Strategy

9. Government has provided a definition of expenditure which qualifies to be funded from capital receipts. This is:

*“Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility.”*

10. The Council intends to use the following use of capital receipts to fund the following transformation project:

Project Description	Actual 2016/17- 2017/19 £m	Estimate 2019/20 £m	Estimate 2020/21 £m	Estimate 2021/22 £m
Costs to support - Organisational Business Change Programmes / Business efficiency programmes.	5.30	2.14	-	-
Resources earmarked for future Business Change / efficiency programmes with future savings to be identified	-	-	1.17	-
<b>Total</b>	<b>5.30</b>	<b>2.14</b>	<b>1.17</b>	<b>-</b>

11. In February 2018 the Council agreed a programme of savings to deliver a balanced budget for the medium term as set out in the table below, there are no additional savings as part of the current proposed budget. The capital receipts outlined in this report supports the project management capacity for that programme and also delivery of specific savings and efficiency programmes within it.

Project Description	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m
Organisation restructures	9.200	9.200	9.200	9.200	9.200	9.200
Business Efficiencies	24.179	24.772	25.522	25.792	25.962	25.962
How Services are funded / provided	24.461	35.063	41.521	46.631	44.084	44.084
Income generation	6.450	8.109	9.543	10.003	10.074	10.074
Reshaping Services	9.216	9.836	9.846	10.106	10.136	10.136
<b>Total Savings</b>	<b>73.506</b>	<b>86.980</b>	<b>95.632</b>	<b>98.732</b>	<b>99.456</b>	<b>99.456</b>

**Impact on Prudential Indicators**

12. The indicators that will be impacted by this strategy is set out below;
  - Capital Financing Requirement increased by £5.3m (2016/17) as these capital receipts were intended to support schemes within the existing programme that are now budgeted to be financed by prudential borrowing. The 2017/18 Capital Programme and beyond made no general provision for schemes to be funded by Capital Receipts. Schemes financed by prudential borrowing are reflected within the prudential indicators as set out within the Treasury Management Strategy and included as part of the budget.
  - Financing costs as a percentage of net revenue stream (%), noting that the savings generated from these projects will meet the debt financing costs arising from the additional borrowing. The indicative cost of borrowing £5.3m is £200k pa.
13. The Prudential Indicators show that this Strategy is affordable and will not impact on the Council's operational and authorised borrowing limits.



## Bristol's Budget

transport  
adult social care  
air quality  
street cleaning  
housing  
waste  
electoral services  
children's services  
libraries  
climate change  
museums  
planning

2020-21

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## Executive Summary

### ES1 Bristol City Council Budget 2020/21

The council's budget proposals will be considered by Cabinet on 21 January 2020 for recommendation to Full Council to consider and agree on 25 February 2020.

The budget sets out how much money the council will be able to spend on each service area. As part of the budget, Full Council will decide on the level of Council Tax and Social Care Precept<sup>1</sup> for 2020/21.

Bristol City Council currently spends around £1 billion each year providing services to the people of Bristol. In 2019/20, a third of the revenue budget was raised locally through Council Tax (£215 million; 20%) and Business Rates (£134 million; 13%). The remaining 67% (£705 million) funding came in grants from the government (such as schools funding) and other income such as fees and charges we make for some of the services we provide.

As part of the council's budget planning, the council agreed in February 2018 that Council Tax increases would be reviewed annually and only charged where necessary and justifiable.

The decision on the council's budget will be made in the context of uncertainty over the level of funding the council will receive in the future, owing to government-led funding reform (the [Fair Funding Review](#)<sup>2</sup> and reform of business rates for 2021/22 and beyond) and uncertainties around the future level of grant funding we currently receive from central government and the EU.

At the same time, we face budget pressures (due to inflation and increasing demand from a growing and aging population). This could mean that any costs that cannot be covered by grants might have to be paid for through Council Tax.

### ES2 The Budget 2020/21 Consultation

The Budget 2020/21 Consultation took place between 23 October and 4 December 2019. The consultation sought views from the public (including businesses and organisations which represent non-domestic rate payers<sup>3</sup>) about options for the level of Council Tax increase and Adult Social Care Precept in 2020/21, in order to inform decisions to be made by Full Council in February 2020.

The consultation also asked respondents to say which service areas they think are most important to fund to help shape the future of the city.

We have previously consulted in 2016 and 2017 on the amount of the savings which are already included in the council's financial plans and work continues across the council to further develop and deliver the agreed savings. The Budget 2020/21 Consultation therefore focussed on Council Tax and Adult Social Care Precept options and did not include new savings proposals. Should assumptions change or new plans be identified that require consultation, we will consult on specific service proposals before making a decision about changes to services.

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<sup>1</sup> Adult Social Care Precept is a levy on top of core Council Tax, which is dedicated to help pay for adult social care.

<sup>2</sup> The [Fair Funding Review](#) aims to set the amount of funding for each council based on its spending needs and ability to raise money.

<sup>3</sup> The council has a statutory duty to consult each year with representatives of non-domestic rate payers about the authority's proposals for expenditure in the forthcoming year.

The Budget 2020/21 Consultation sought feedback on:

- The level of core Council Tax in 2020/21 to support the delivery of services, with options of no increase, a 1% increase or a 2% increase<sup>4</sup>;
- An Adult Social Care Precept ring-fenced to support the delivery of adult social care, with options of no precept, a 1% precept or a 2% precept<sup>5</sup>;
- Which service areas respondents think are most important to fund in the longer term to help shape the future of the city;
- Respondents' reasons for the Council Tax and Adult Social Care Precept options they selected and their reasons for selecting particular services as priorities for future funding.

The Budget 2020/21 Consultation comprised information about the council's financial position and an [online survey](#). Downloadable print and [Easy Read](#) formats were also available online on the Consultation Hub. Paper copies of the survey and alternative accessible formats, including language translations, were available on request. Paper copies of the survey were also available in all libraries and the Citizen Service Point.

To boost response rates and to target low-responding parts of Bristol, 11,700 paper surveys and 11,700 A6 flyers were delivered direct to addresses in five areas (parts of seven wards) which have historically low response rates to consultations and high levels of deprivation. 11% of responses were generated from this activity.

8% of survey responses were garnered through face-to-face interviews in seven areas of the city which have historically low response rates, high deprivation and/or high proportions of black, Asian & minority ethnic (BAME) citizens.

The consultation was widely publicised through media, social media and communications with the public, including partner organisations, non-domestic rate payers and other stakeholders, as described in section 2.4.

### **ES3 Scope and use of this report**

This report describes the methodology and presents the outcome of the Budget 2020/21 Consultation. It includes quantitative data and analysis of free text comments from the consultation survey responses.

This consultation report does not contain the council's recommendations for the level of Council Tax increase or Adult Social Care Precept (if any) in 2020/21, nor an assessment of the feasibility of any of the suggestions received or officers' proposals for the delivery of future services, having considered the consultation feedback.

The consultation feedback in this report will be taken into account by officers as final proposals for the 2020/21 budget, including the level of Council Tax and Adult Social Care Precept, are developed. The final proposals will be included in a separate recommendations report which, together with this consultation report, will be considered by Cabinet on 21 January. Full Council will also consider this consultation report in making its decisions about the 2020/21 budget at the Full Council meeting on 25 February 2020.

Budget decisions will be published through normal procedures for Full Council and Cabinet decisions at [democracy.bristol.gov.uk](http://democracy.bristol.gov.uk).

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<sup>4</sup> 2% is the maximum amount the council can raise Council Tax in 2020/21 without holding a local referendum. This limit is set by government. There was not enough time to hold a local referendum before Full Council decides on its 2020/21 budget in February 2020 so we did not ask if citizens would prefer an increase of more than 2%.

<sup>5</sup> The council is allowed to add an Adult Social Care Precept of up to 2% to Council Tax in 2020/21. This is in addition to the permitted increase of up to 2% for core Council Tax.

## ES4 Budget 2020/21 Consultation - Key findings

### ES4.1 Response rate

The Budget 2020/21 Consultation survey received 3,448 responses of which 2,766 (80%) were self-completed online, 261 (8%) were completed online as interview surveys and 421 (12%) were self-completed using paper surveys.

2,599 responses (75%) were received from postcodes within the Bristol City Council area, 33 (1%) responses were from South Gloucestershire, 10 (0.3%) were from North Somerset, and 5 (0.1%) were from Bath & North East Somerset (B&NES). A further 19 (0.6%) were from unspecified locations within the four West of England authorities<sup>6</sup> and 3 (0.1%) responses were from further afield. 779 (23%) did not provide a postcode.

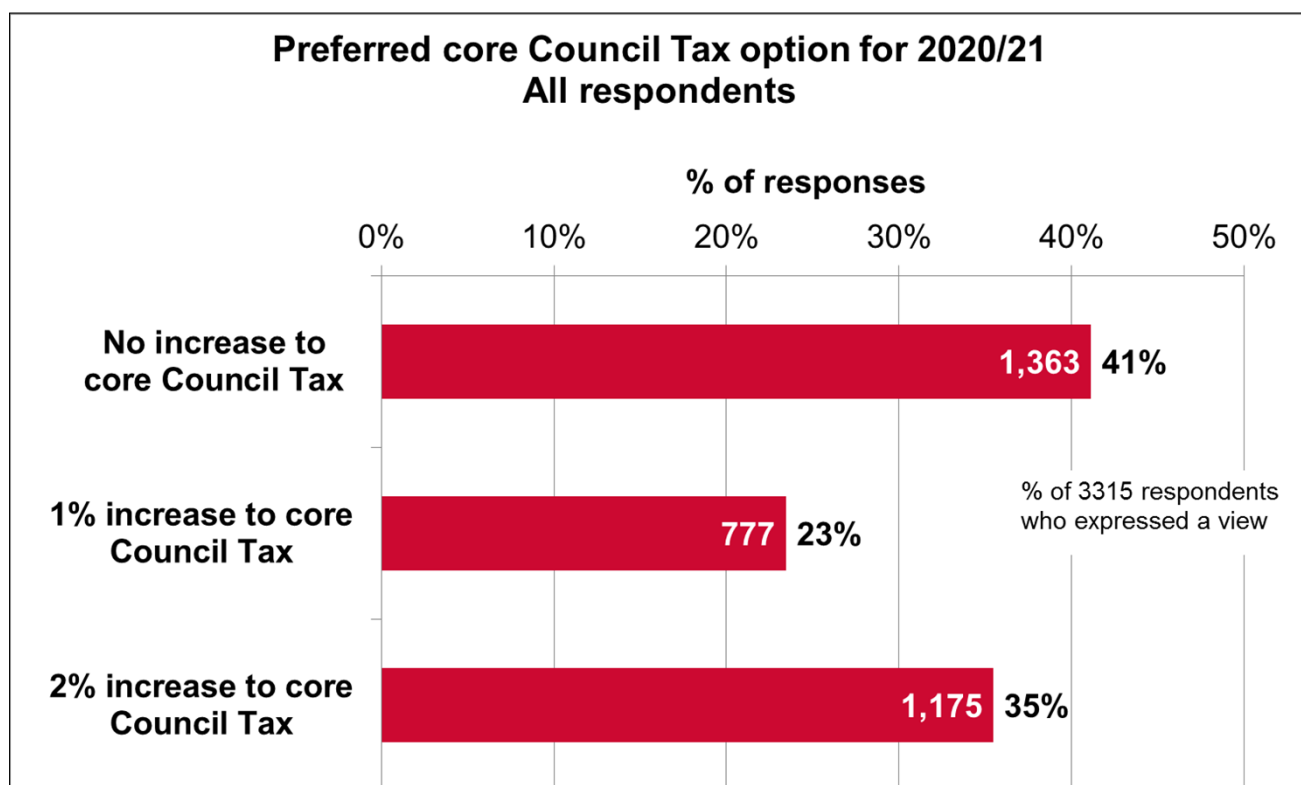
Analysis of respondents' postcodes indicate that there was a broadly representative response rate from areas of high, medium and low deprivation in Bristol.

Response rates from young people (aged 24 and younger), black, Asian & minority ethnic (BAME) citizens, and from people of faith were under-represented compared to these groups' proportion of Bristol's population. However, response rates for young people increased slightly compared to the 2019/20 budget consultation and response rates for BAME citizens matched the 2019/20 rates which were up significantly from previous years. A map of response rate by ward for the Bristol respondents is presented in chapter 3 along with the details of age profile, sex and other respondent characteristics.

### ES4.2 Council Tax 2020/21

3,315 (96%) of the 3,448 people who responded to the budget consultation, stated the level core Council Tax increase they would support in 2020/21, from the three options provided (Figure ES1). 133 people did not answer this question.

**Figure ES1: Preferred level of core Council Tax increase in 2020/21**



<sup>6</sup> Incomplete postcodes identified the home location as within the WOE authorities area (Bristol, B&NES, North Somerset and South Gloucestershire), but not which authority.



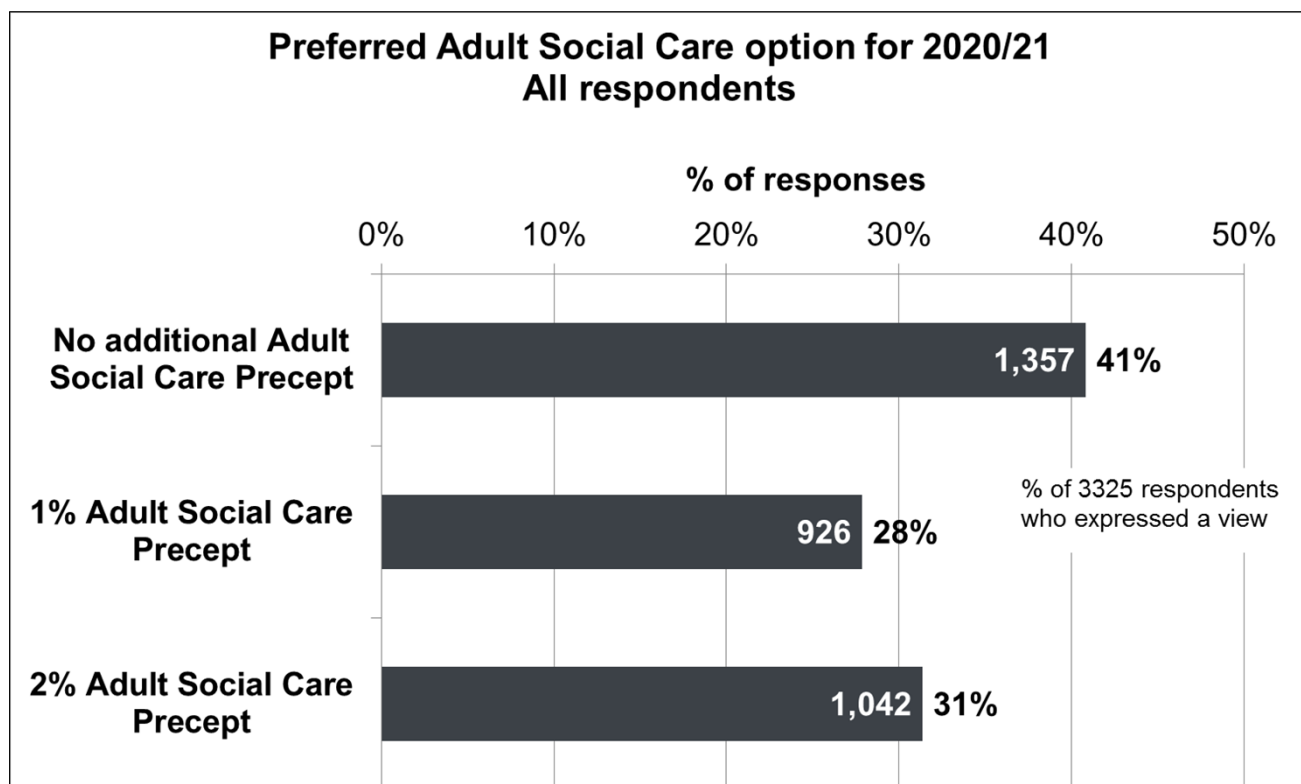
A majority of respondents (59%) favour an increase in core Council Tax to support general services. Of these, 1,175 (35% of all 3,315 respondents) favour a 2% increase<sup>7</sup> and 777 (23%) would prefer a 1% increase in core Council Tax.

1,363 (41%) respondents would prefer ‘no increase to Council Tax’ in 2020/21.

### ES4.3 Adult Social Care Precept 2020/21

3,325 (96%) of the 3,448 respondents to the consultation, expressed a preference for a particular level of Adult Social Care Precept. Figure ES2 shows the numbers who support each option. 123 people did not answer this question.

**Figure ES2: Preferred level of Adult Social Care Precept in 2020/21**



A majority of respondents (59%) favour an additional Adult Social Care Precept (on top of core Council Tax) to support the delivery of adult social care.

Of these, 1,042 (31% of all 3,325 respondents) favour a 2% Adult Social Care Precept<sup>8</sup> and 926 (28%) would prefer a 1% Adult Social Care Precept.

1,357 (41%) respondents would prefer no increase to Adult Social Care Precept in 2020/21.

Comparison of Figures ES1 and ES2 shows that the same proportion of respondents (41%) want no increase to either core Council Tax or Adult Social Care Precept. Similarly, 59% would support some increase to both Council Tax and Adult Social Care Precept. However, there is more support for the **maximum 2%** increase in core Council Tax (35%) than would support the maximum 2% Adult Social Care Precept (31%).

<sup>7</sup> A 2% increase in core Council Tax is the maximum increase permitted without requiring a local referendum

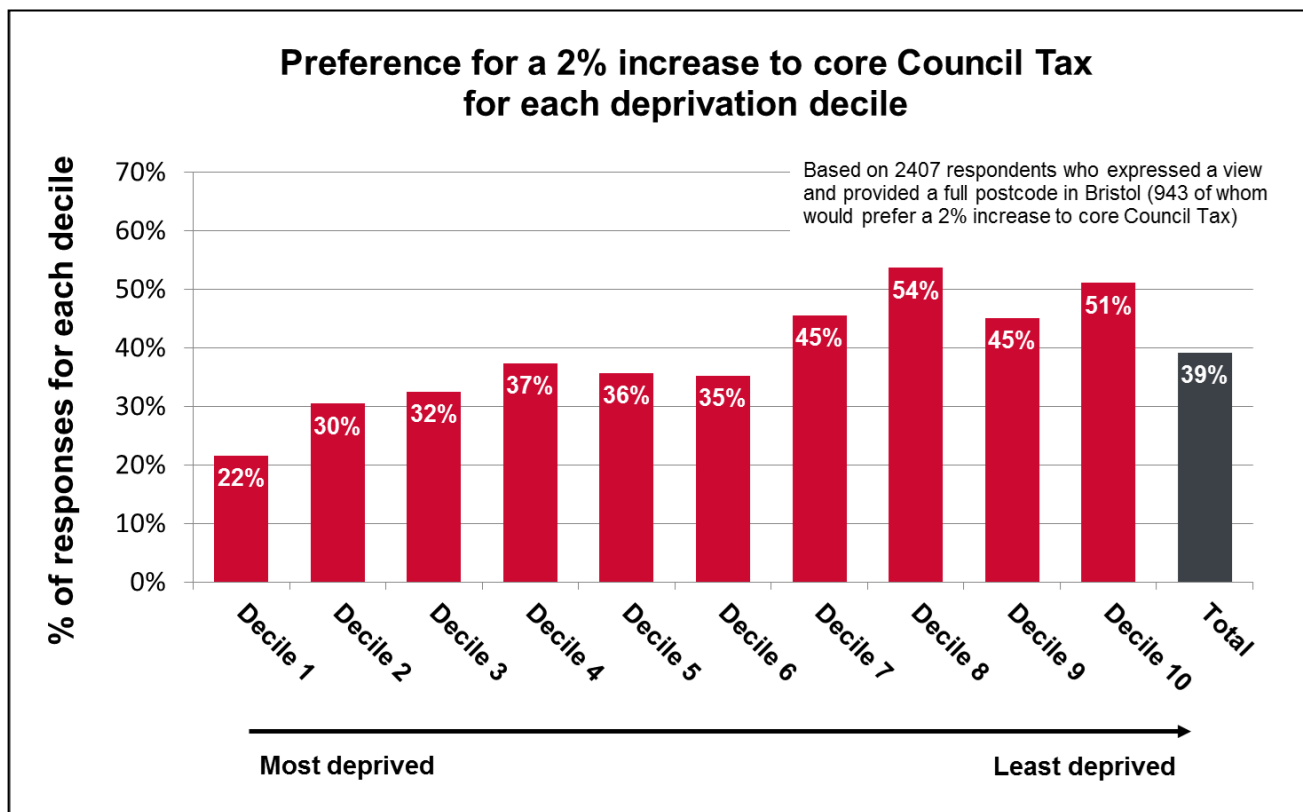
<sup>8</sup> 2% Adult Social Care Precept is the maximum increase permitted by government in 2020/21.

### ES4.4 Differences in views on the level of Council Tax in areas of high and low deprivation

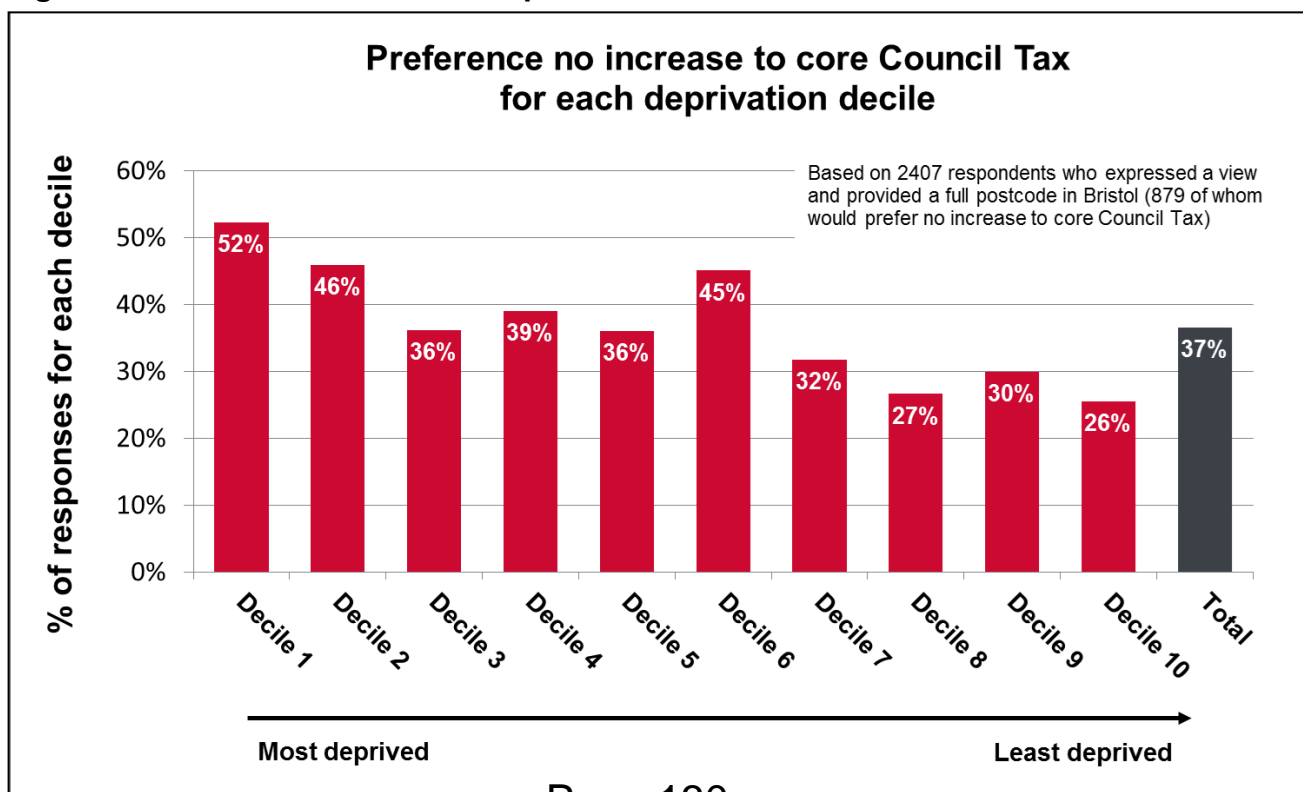
Views on the preferred level of core Council Tax were compared for respondents from areas with different levels of deprivation.

Support for a 2% increase in Council Tax is highest among respondents from areas of low deprivation (Figure ES3). Conversely, there is more support for no increase in Council Tax in the more deprived areas than in less deprived areas (Figure ES4).

**Figure ES3: Preference in each deprivation decile for a 2% increase in core Council Tax**



**Figure ES4: Preference in each deprivation decile for no increase in core Council Tax**



More than 22% of respondents in all deprivation deciles favour a 2% increase in core Council Tax (Figure ES3). More than a quarter of respondents in all deprivation deciles favour no increase in core Council Tax (Figure ES4).

Support for 1% increase in core Council Tax is more evenly balanced in all deprivation deciles. Slightly more people in the more deprived half of the city support a 1% increase than in the less deprived half.

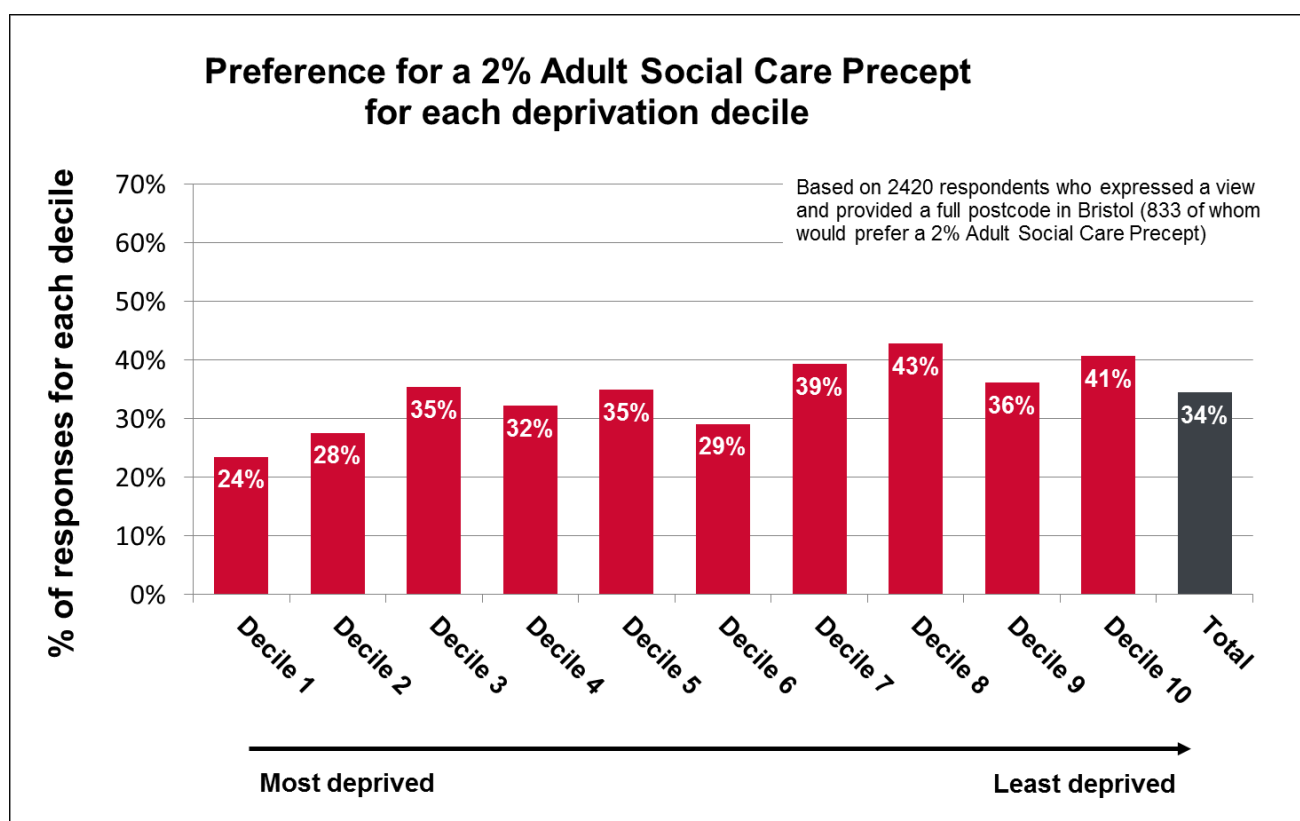
### ES4.5 Views on the level of Adult Social Care Precept in areas of high and low deprivation

As with core Council Tax, support for an Adult Social Care Precept follows inverse trends with deprivation. Support for a 2% Adult Social Care Precept is higher among respondents from areas of low deprivation (Figure ES5) and there is higher support for no Adult Social Care Precept in more deprived areas than in less deprived areas (Figure ES6)

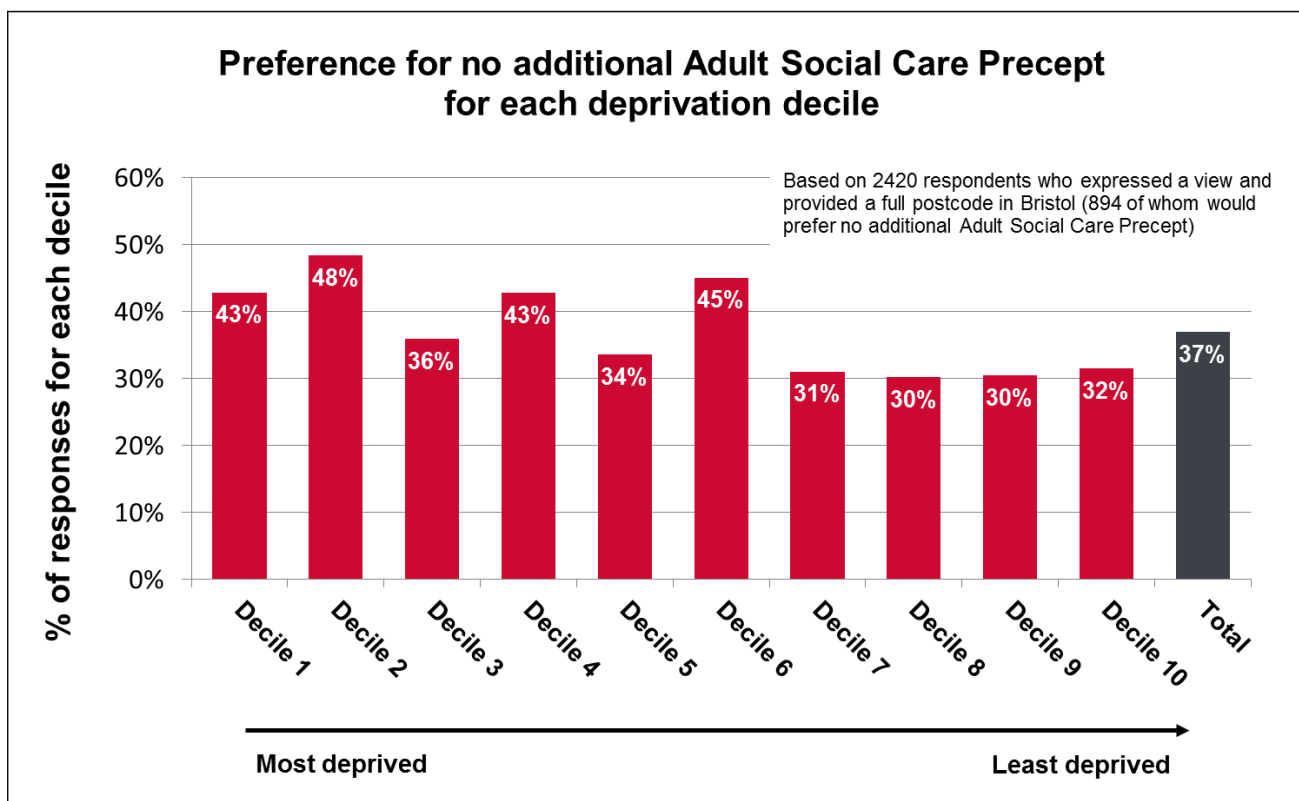
However, the differences in support between high and low deprivation areas are smaller for Adult Social Care Precept than for core Council Tax. For example, support for a 2% increase in core Council Tax (Figure ES3) ranges from 22% in decile 1 to 54% in decile 8, whereas the support for a 2% Adult Social Care Precept (Figure ES5) ranges from 24% in decile 1 to 43% in decile 8.

There is no clear trend in support for 1% Adult Social Care Precept between areas of high and low deprivation.

**Figure ES5: Preference in each deprivation decile for a 2% Adult Social Care Precept**



**Figure ES6: Preference in each deprivation decile for no Adult Social Care Precept**



**ES4.6 Respondents’ priorities for longer term funding**

3,422 (99%) respondents stated which service areas (from a list of 19) they think are most important to fund in the longer term to help shape the future of the city.

Figure ES7 summarises the percentage of respondents who think each service area is of high importance, medium importance and low importance. The services are shown in order of the percentage of respondents who think the service is of high importance (grey bars).

The services which respondents think are most important are **children’s services and social care** and **schools**, both of which are rated as high importance by at least 63% of respondents and of low importance by less than 10%.

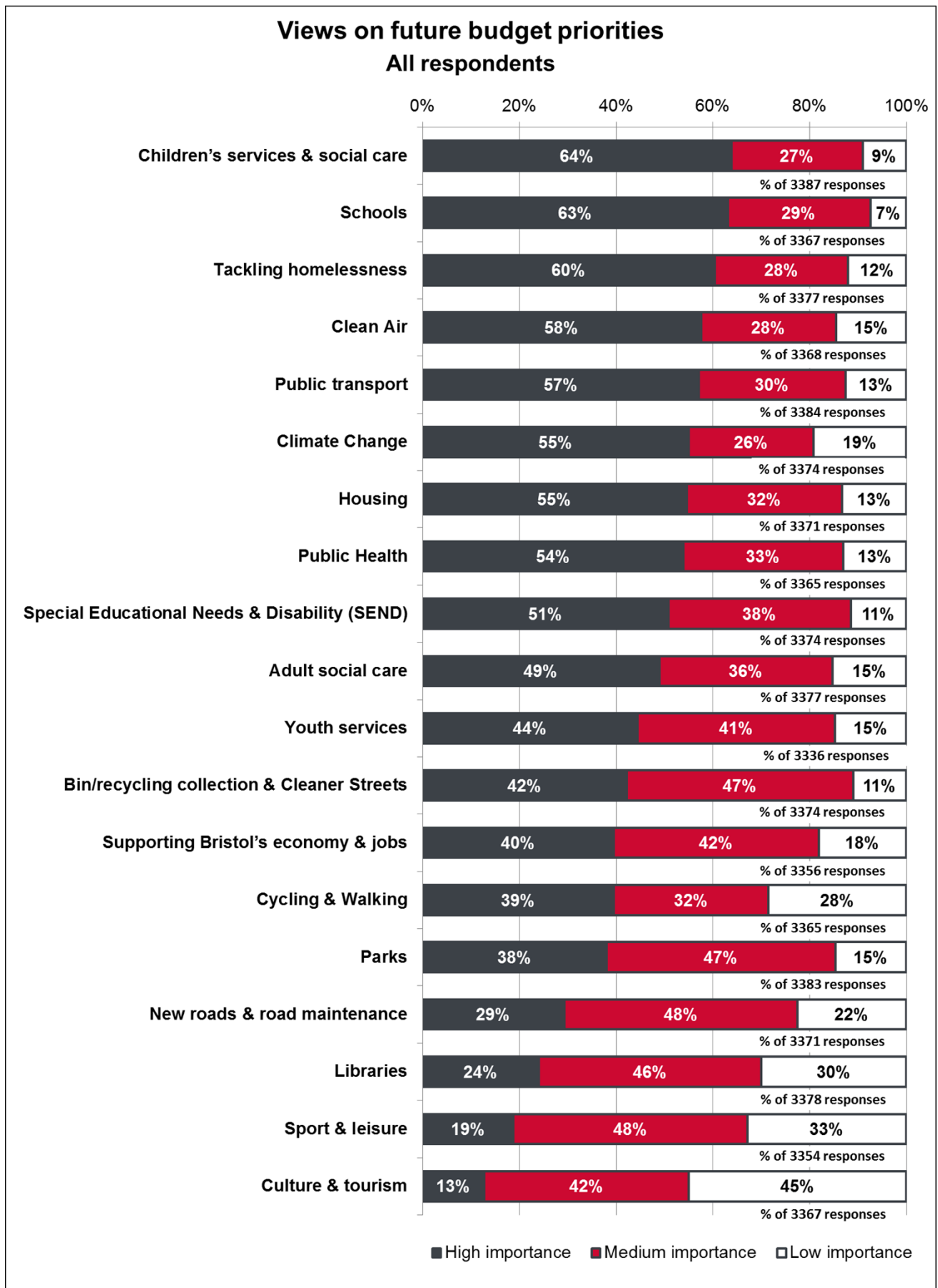
The next seven priorities (tackling homelessness, clean air, public transport, climate change, housing, public health, special educational needs & disability) are all rated as high importance by more than half of respondents.

Adult social care is rated as a mid-ranking priority (tenth out of 19 services), with 49% of respondents placing it as high importance and 36% as medium importance.

The three services which are rated as least important for funding by the council are **libraries, sport and leisure**, and **culture and tourism** each of which are seen as high importance by less than a quarter of respondents and low importance by at least 30% of respondents.

Climate change and cycling and walking divide opinions for and against (i.e. there is a small percentage who think the service is of medium importance).

**Figure ES7: Priorities for longer term funding – all respondents**



Views on the future spending priorities were compared for respondents from the most deprived 20% of Bristol (deprivation deciles 1 and 2) and the least deprived 20% (deciles 9 and 10) to understand if priorities differ for people in different circumstances.

Respondents in the most deprived areas (deciles 1 and 2) and the least deprived areas (deciles 9 and 10) share similar views on the importance of the following services:

- Children’s services and social care
- Schools
- Tackling homelessness
- Special educational needs & disability (SEND)
- Youth services
- Bin/recycling collection & cleaner streets
- New roads & road maintenance
- Sport and leisure

Respondents in the most deprived areas (deciles 1 and 2) place higher importance on the following services compared to respondents in the least deprived areas (deciles 9 and 10):

- Housing
- Public health
- Supporting Bristol’s economy & jobs.

Respondents in the least deprived areas (deciles 9 and 10) place higher importance on the following services compared to respondents in the most deprived areas (deciles 1 and 2):

- Clean air
- Public transport
- Climate change
- Adult social care
- Cycling and walking
- Parks
- Libraries
- Culture and tourism.

The scale of differences is shown in section 5.2.

# 1 Introduction

## 1.1 Context

On 25 February 2020, Full Council will set the council's budget for the 2020/21 financial year. The budget sets out how much money the council will be able to spend on each service area. As part of the budget, Full Council will decide on the level of Council Tax and Adult Social Care Precept<sup>9</sup> for 2020/21.

The council is currently able to increase Council Tax by up to 2% to help fund general services, without a local referendum. An Adult Social Care Precept of up to 2% can be added to support the delivery of adult social care (this is in addition to the permitted increase of up to 2% in core Council Tax for general services). These limits are set by government<sup>10</sup>.

The Budget 2020/21 Consultation took place between 23 October 2019 and 4 December 2019 and sought views from the public (including businesses and organisations which represent non-domestic rate payers<sup>11</sup>) about options for the level of Council Tax increase and Adult Social Care Precept in 2020/21. The consultation also asked respondents to say which service areas they think are most important to fund to help shape the future of the city.

This consultation report describes the consultation methodology and the feedback received, which will be considered by Cabinet and Full Council before decisions on the 2020/21 budget are made by Full Council in February 2020.

## 1.2 Funding pressures and uncertainty

Bristol City Council spends around £1 billion each year providing a range of services to the people of Bristol. The money the council has to spend on delivering day-to-day services to citizens is called the revenue budget. A third of this budget is raised locally through Council Tax (£215 million; 20%) and Business Rates (£134 million; 13%). The remaining 67% (£705 million) funding comes from grants from the government (e.g. schools funding) and other income such as fees and charges we make for some of the services we provide.

The council faces uncertainty over the level of funding it will receive in the future:

- The government is looking to reform how future funding is allocated via the [Fair Funding Review](#)<sup>12</sup> and business rates for 2021/22 and beyond;
- There are uncertainties around the level of grant funding that will be available to the council in the future. The grant funding we receive from central government and the EU helps to pay for services such as schools, early years & child care, high needs including special educational needs and disability (SEND), public health and homelessness.

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<sup>9</sup> Adult Social Care Precept is a levy on top of core Council Tax, which is dedicated to help pay for adult social care.

<sup>10</sup> There was not enough time to hold a local referendum before Full Council decides on its 2020/21 budget in February 2020 so we did not ask if citizens would prefer an increase of more than 2% for Council Tax and 2% for Adult Social Care Precept. Where we refer to a 2% increase in Council Tax, we are using 2% as shorthand for an increase of 1.99%.

<sup>11</sup> The council has a statutory duty to consult each year with representatives of non-domestic rate payers about the authority's proposals for expenditure in the forthcoming year. The activities undertaken to consult representatives of non-domestic rate payers are described in section 2.4.4

<sup>12</sup> The [Fair Funding Review](#) aims to set the amount of funding for each council based on its spending needs and ability to raise money.

In addition, prices are increasing, Bristol's population is growing and there is increasing demand for our services. Services such as adult social care, children's services (including services for children with SEND) and homelessness support are under immense pressure. Funding these services properly is important to safeguard our most vulnerable citizens.

We are continuing to work to ensure we are able to provide sustainable funding for Bristol and to make sure services are good value for money. We will explore all of the funding options available to us to ensure we have sufficient funding to meet our budget requirement for 2020/21 and beyond.

### **1.3 Budget 2020/21 Consultation**

The Budget 2020/21 Consultation sought citizens' views on the level of Council Tax with options of no increase, a 1% increase or a 2% increase, each of which would have different implications for the amount of money the council could spend on general council services.

The consultation also asked citizens what level of Adult Social Care Precept they would prefer next year to support the delivery of adult social care, in addition to the increase in Council Tax for general services. Options for the level of Adult Social Care Precept were no increase, a 1% increase or a 2% increase.

The consultation asked respondents to say which service areas, from a list of 19, they think are most important to fund in the longer term to help shape the future of the city.

We have previously consulted in 2016 and 2017 on the amount of the savings which are already included in the council's financial plans and work continues across the council to further develop and deliver the agreed savings. The Budget 2020/21 Consultation therefore focussed on Council Tax and Adult Social Care Precept options and did not include new savings proposals. Should assumptions change or new plans be identified that require consultation, we will consult on specific service proposals before making a decision about changes to services.

The consultation information and questions are summarised in section 2.1.1 and the full [consultation survey](#) can be viewed online.

### **1.4 Structure of this report**

Chapter 2 of this report describes the Budget 2020/21 Consultation methodology.

Chapters 3 to 6 present the Budget 2020/21 Consultation survey results:

- Chapter 3 presents the survey response rate and respondent characteristics;
- Chapter 4 describes the survey feedback on the level of Council Tax and Adult Social Care Precept;
- Chapter 5 reports respondents' priorities for longer term funding to help shape the future of the city;
- Chapter 6 summarises respondents' reasons for their preferences and other comments provided as free text.

Chapter 7 describes feedback received in other correspondence (emails and letters).

Chapter 8 describes how this report will be used and how to keep updated on the decision-making process.



## 2 Methodology

### 2.1 Survey

#### 2.1.1 Online survey

The [Budget 2020/21 survey](#) was available on the council's Consultation & Engagement Hub ([bristol.gov.uk/consultationhub](http://bristol.gov.uk/consultationhub)) between 23 October 2019 and 4 December 2019.

Downloadable print and [Easy Read](#) formats were also available on the Consultation Hub.

#### Survey information

The survey contained the following information as context for the survey questions:

- Details of the council's revenue budget (the money available to spend on delivering day-to-day services). This included an overview of where the money comes from, a breakdown of how Council Tax revenue is spent (based on 2019/20 expenditure) and details of three other budgets (the Dedicated Schools Grant, the public health budget, and the Housing Revenue Account), which the council must keep separate from its main day-to-day spending;
- An outline of the council's five-year capital investment programme to 2023;
- An explanation of council reserves.
- The context of increasing costs and future funding uncertainties, which could mean that any costs that cannot be covered by grants might have to be paid for through Council Tax.
- Forecasts of how much additional revenue would be raised in 2020/21 by each of the proposed core Council Tax options (increases of 0%, 1% or 2%) and each of the options for the level of Adult Social Care Precept (0%, 1% or 2%)<sup>13</sup>;
- The weekly and annual cost increases that would be payable by households in each Council Tax band for each Council Tax plus Adult Social Care Precept option (0%, 1%, 2%, 3% and 4% for Council Tax plus Adult Social Care Precept).

#### Survey questions

The survey questions sought respondents' views on the following:

- The level of core Council Tax to support the delivery of general council services in 2020/21, with options of no increase, a 1% increase or a 2% increase;
- The level of Adult Social Care Precept in addition to the increase in core Council Tax, with options of no precept, a 1% precept or a 2% precept;
- Which service areas they think are most important to fund in the longer term to help shape the future of the city. Respondents were asked to rate each of 19 service areas as high importance, medium importance or low importance. The service areas were: adult social care, children's services and social care, youth services, special educational needs and disability (SEND), schools, public health, bin/recycling collection and cleaner streets, culture & tourism, libraries, parks, sport and leisure, supporting Bristol's economy and jobs, housing, tackling homelessness, climate change, clean air, new roads and road maintenance, public transport, and cycling and walking;
- Respondents' reasons for their views on the preferred level of Council Tax, the level of Adult Social Care Precept and the priorities for long-term funding.

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<sup>13</sup> The council is allowed to increase core Council Tax by up to 2% in 2020/21 without a local referendum. An Adult Social Care Precept of up to 2% can be added to support the delivery of adult social care (this is in addition to the permitted increase of up to 2% in core Council Tax for general services). These limits are set by government. There was not enough time to hold a local referendum before Full Council decides on its 2020/21 budget in February 2020 so we did not ask if citizens would prefer larger increases.

The ‘About you’ section requested information which helps the council to check if the responses are representative of people across the city who may have different needs.

- Respondents’ postcode – this identifies if any parts of the city are under-represented in responding to the consultation and it can show if people from more deprived areas of the city have different views compared to people living in less deprived areas;
- Equalities monitoring information – this enables the council to check if we receive responses from people with protected characteristics under the Equality Act 2010;
- Other information about respondents; for example whether they are a council employee, a councillor, or represent a local business;
- How respondents found out about the consultation – to help the council publicise future consultations effectively.

Respondents could choose to answer some or all of the questions in any order and save and return to the survey later.

### **2.1.2 Paper surveys**

Paper copies of the survey with Freepost return envelopes were available in all libraries, the Citizen Service Point and on request by email and telephone from the council’s consultation and engagement team.

Paper copies were also delivered to residential addresses in five areas which have historically low response rates to consultations. Details are described in section 2.1.5.

### **2.1.3 Alternative formats**

The consultation was available in Easy Read format on the Consultation Hub. Easy Read and other alternative formats (braille, large print, audio, British Sign Language (BSL) and translation to other languages) were available on request.

### **2.1.4 Interview surveys**

A programme of interview surveys was developed in order to increase the number of responses overall and response rates from wards and groups which are often under-represented in providing feedback to consultations; specifically areas with high deprivation<sup>14</sup> and black, Asian & minority ethnic (BAME) citizens.

Seven locations were selected in wards which provided low response rates to city-wide consultations during 2017, 2018 and 2019 and which are also areas with high deprivation and/or high populations of BAME citizens.

The interview survey locations and the number of responses are summarised in Table 1 and Figure 1.

Interviewers talked each respondent through the consultation information and recorded their verbal responses to each question via the online survey using 4G-enabled tablets.

All interview survey responses are included within the overall survey results.

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<sup>14</sup> The measure of deprivation was ‘Indices of Multiple Deprivation’ (IMD), which takes into account 37 local indicators that cover income, employment, education, health, crime, barriers to housing and services, and living environment. The Office of National Statistics (ONS) publishes IMD scores for 263 Census Lower Super Output Areas in Bristol.

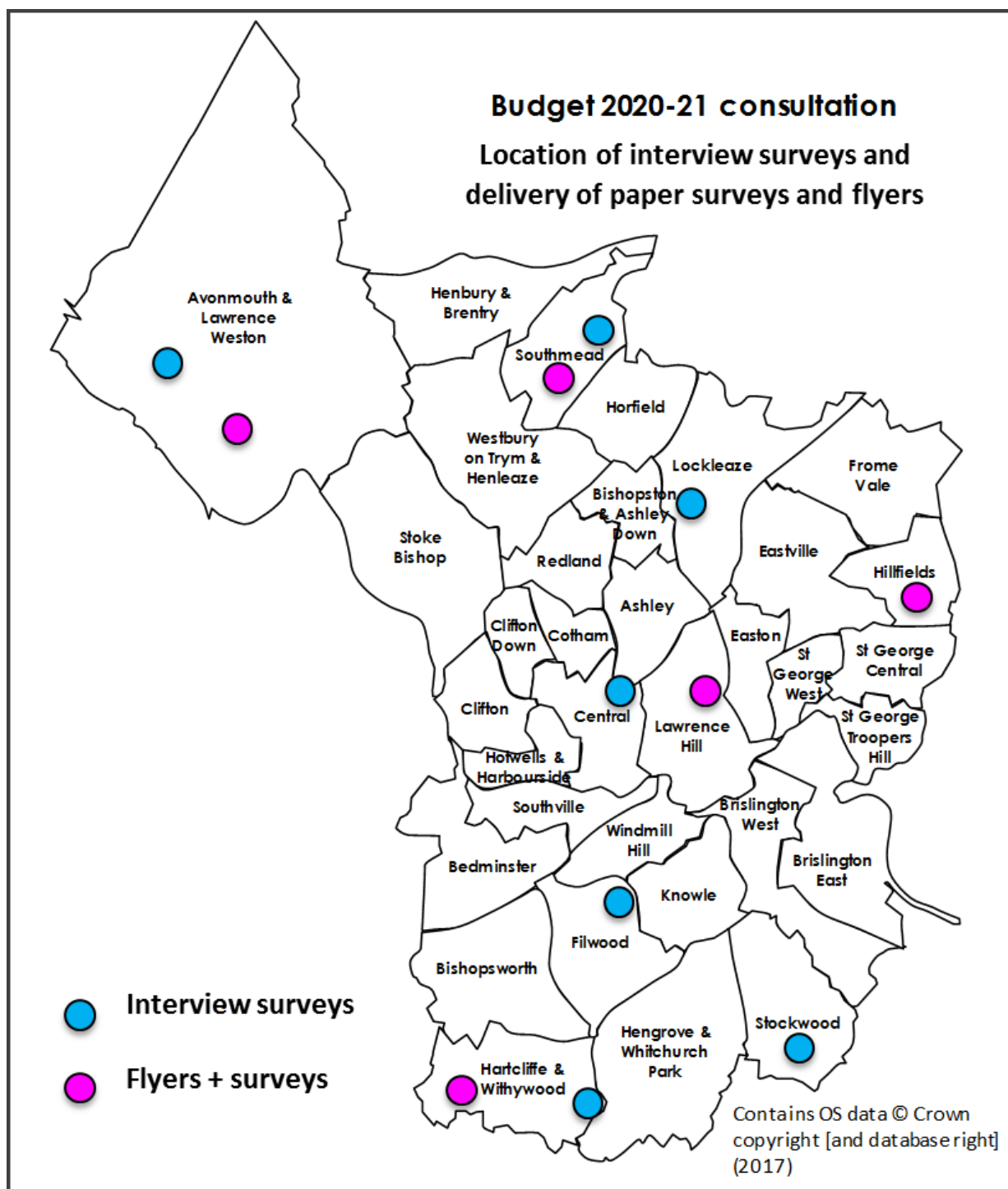
**Table 1: schedule of budget consultation interview surveys**

Ward	Location	Date	Reason for targeted surveys	Number of responses <sup>15</sup>
Avonmouth	Avonmouth Coop	19 Nov	Low historic response rate <sup>16</sup> High deprivation	26
Southmead	Lidl, Southmead Road	21 Nov	Very low historic response rate Very high deprivation	25
Central	The Galleries, Broadmead Session 1	24 Nov	Very low historic response rate High deprivation 30% BAME Draws diverse citizens from inner wards	28
Lockleaze	Lidl, Muller Road	25 Nov	Low historic response rate High deprivation 30% BAME	26
Stockwood	Hollway Road	25 Nov	Very low historic response rate	11
Central	The Galleries, Broadmead Session 2	28 Nov	Very low historic response rate High deprivation 30% BAME Draws diverse citizens from inner wards	51
Filwood	The Park and other locations on Daventry Road	2 Dec	Very low historic response rate Very high deprivation	50
Central	The Galleries, Broadmead Session 3	3 Dec	Very low historic response rate High deprivation 30% BAME Draws diverse citizens from inner wards	19
Hartcliffe & Witherwood	Morrisons, Hartcliffe	3 Dec	Very low historic response rate Very high deprivation	25
<b>Total</b>				<b>261</b>

<sup>15</sup> Number of responses to 2020/21 consultation obtained through interview surveys in each area.

<sup>16</sup> Historical response rates are based on responses to city-wide consultations in 2017, 2018 and 2019.

**Figure 1: Location of interview surveys and delivery of paper surveys and flyers**



**2.1.5 Direct delivery of paper surveys and information postcards**

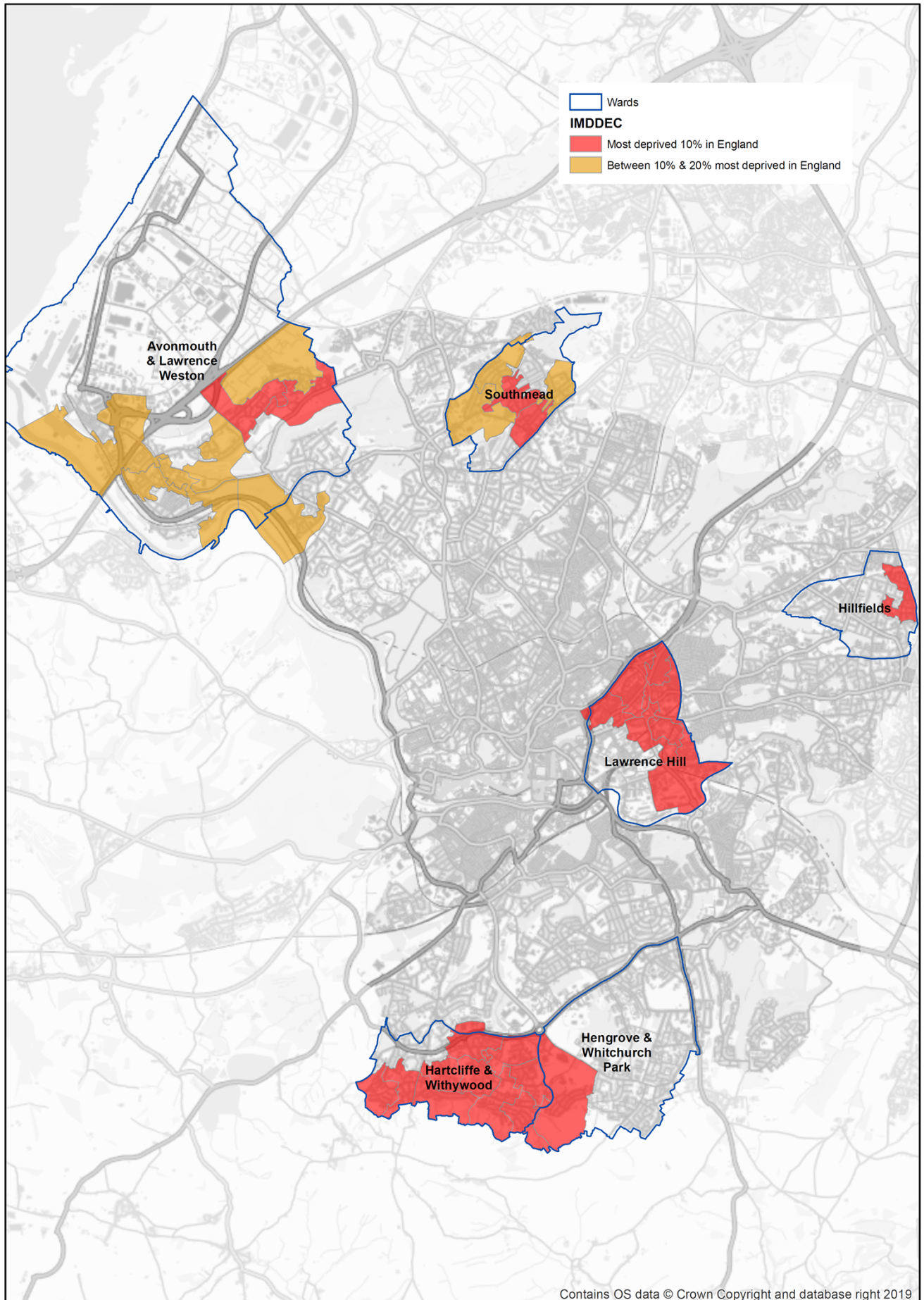
Paper surveys and A6 flyers were delivered direct to addresses in five areas (parts of seven wards) which have historically low response rates to consultations (Figure 1).

2,500 flyers and 2,500 paper surveys were distributed in each of four areas: Lawrence Hill, Avonmouth and Lawrence Weston (and part of Stoke Bishop), Southmead, and Hartcliffe and Withywood / Hengrove and Whitchurch Park.

1,700 flyers and 1,700 paper surveys were distributed in Hillfields.

Because response rates from more deprived parts of Bristol tend to be lower than from less deprived areas, the distribution areas targeted the more deprived parts of each ward, as shown in Figure 2. The delivery company distributed some surveys and flyers beyond the planned areas, resulting in additional responses from Horfield and Easton.

**Figure 2 Distribution areas for paper surveys and flyers**



The flyers included a URL to the online survey. The paper surveys included a URL to the online survey for recipients who wished to complete the survey online. A Freepost return envelope was also provided for use by respondents who preferred to complete the survey on paper.

Table 2 summarises the number of survey responses to the flyers and paper surveys distributed in each area.

**Table 2: Survey responses from flyers and paper surveys delivered to households**

Area	Reponses to distribution of flyers and paper surveys		
	Paper	Online	Total
Lawrence Hill	143	24	167
Avonmouth and Lawrence Weston and part of Stoke Bishop	96	13	109
Southmead	40	5	45
Hartcliffe and Withywood / Hengrove and Whitchurch Park	22	0	22
Hillfields	26	0	26
Total	327	42	369

Note, additional responses were received from these wards in response to the range of other publicity described in section 2.4

## 2.2 Public meetings

Council officers presented details of the Budget 2020/21 Consultation, answered questions and invited survey responses at the following public meetings:

- Voice and Influence Partnership on 14 November 2019;
- Bristol Older Peoples' Forum on 28 November 2019.

All responses received at these meetings were via the online or paper surveys and are included within the overall survey results.

## 2.3 Other correspondence

Five emails were received in response to the consultation. These are reported separately to the survey responses in chapter 7.

## **2.4 Publicity and briefings**

### **2.4.1 Objective**

The following programme of activity was carried out to publicise and explain the Budget 2020/21 Consultation. The primary objective was to involve residents and stakeholders across the city in decisions on the level of Council Tax and Adult Social Care Precept by ensuring that information was shared across a wide range of channels, reaching as broad a range of audiences as possible in order to maximise response rates. Areas of the city which tend to respond to surveys in low numbers were specifically targeted.

### **2.4.2 Bristol City Council channels**

Copy and electronic materials were shared via the following council and partner channels and networks:

- Bristol City Council's website;
- Our City e-newsletter – 1,759 recipients;
- Ask Bristol e-bulletin - 3,100 recipients;
- All Members / Councillors;
- Invitation emails sent to 8,329 users of the online Council Tax account system. Initial emails were sent on 24 October, with follow-up emails sent to those who had not yet responded to the survey on 7 November, 26 November and 3 December;
- Email to 1,300 members of the Citizen's Panel;
- Messages to notify staff and visitors of the consultation were posted on digital screens in City Hall and 100 Temple Street and the consultation was advertised through the council's internal newsletter.
- Digital advertisement posted in libraries which have digital screens;
- Postcards and posters were placed in libraries across the city, along with paper copies of the survey and Freepost return envelopes

### **2.4.3 Members**

A digital engagement pack including assets for social media and digital advertisement of the consultation was sent directly to members.

### **2.4.4 Bristol City Council Partners, Businesses and Voluntary Sector Organisations**

The council has a statutory duty to consult each year with representatives of non-domestic rate payers about the authority's proposals for expenditure in the forthcoming year.

Details of the consultation were shared with over 300 businesses, voluntary sector organisations, equalities groups and faith groups with a request for information to be circulated through their networks.

### **2.4.5 Media engagement**

Press releases were distributed to media contacts and local community newsletters on 23 October detailing the options for the level of Council Tax and Adult Social Care Precept from April 2020 which resulted in media coverage in Bristol Post and local community newsletters.

#### **2.4.6 Social Media – posts, outreach and advertising**

Regular posts on Bristol City Council’s social media channels (Twitter, Facebook, Next Door and Instagram) were made for the duration of the consultation, with increased posts at launch, ‘two weeks left’ and in the final days.

Paid for Facebook advertising was employed to engage targeted areas of the city and encourage responses to the budget consultation. The target areas were selected by analysing the responses received after three weeks and prioritising wards with low response rates. In addition posts through Next Door were specifically targeted to 19 areas showing a lower response rate. Social media accounted for the following number of responses<sup>17</sup>:

- Facebook 9.5% (312 respondents)
- Twitter 2.9% (96 respondents)
- Next Door 8.4% (276 respondents)
- Instagram 0.2% (8 respondents)

#### **2.4.7 Targeted Direct Mail**

Direct mail in the form of A6 flyers and paper surveys (see section 2.1.5 for details) were distributed to five areas which have historically low response rates. These were Lawrence Hill, Avonmouth and Lawrence Weston (and part of Stoke Bishop), Southmead, Hartcliffe and Withywood / Hengrove and Whitchurch Park, and Hillfields.

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<sup>17</sup> Based on responses to the survey question ‘How did you hear about this consultation?’



### 3 Survey response rate and respondent characteristics

#### 3.1 Response rate to the survey

The Budget 2020/21 Consultation survey received 3,448 responses of which 2,766 (80%) were self-completed online, 261 (8%) were completed online as interview surveys and 421 (12%) were self-completed using paper surveys.

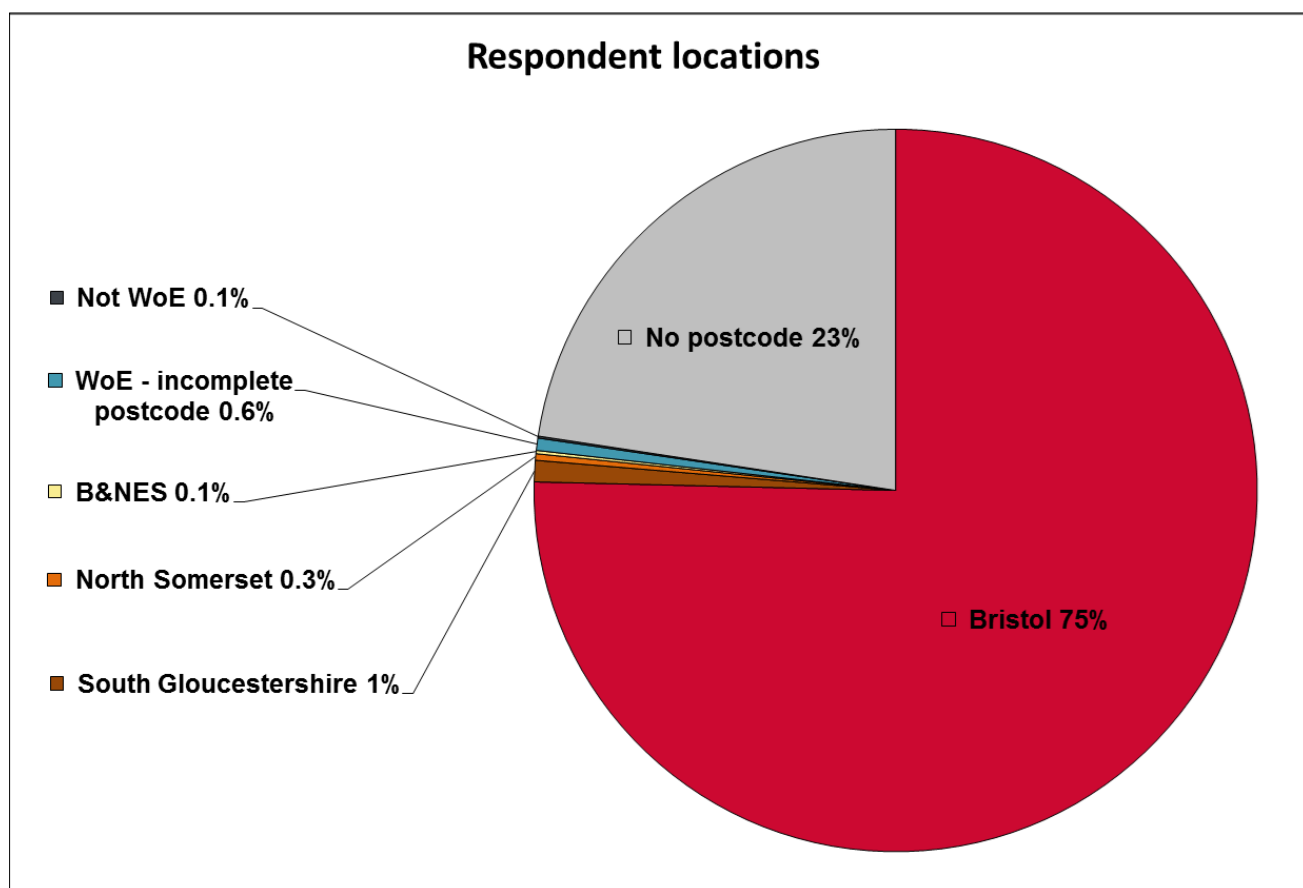
#### 3.2 Geographic distribution of responses

2,599 responses (75%) were received from postcodes within the Bristol City Council area, 33 (1%) responses were from South Gloucestershire, 10 (0.3%) were from North Somerset, and 5 (0.1%) were from Bath & North East Somerset (B&NES). A further 19 (0.6%) were from unspecified locations within the four West of England authorities<sup>18</sup> and 3 (0.1%) responses were from further afield (Figure 3).

779 (23%) did not provide a postcode.

Of the 2,599 responses from within the Bristol City Council area, 2,489 provided full or partial postcodes from which the ward of origin could be identified<sup>19</sup> (Figure 4).

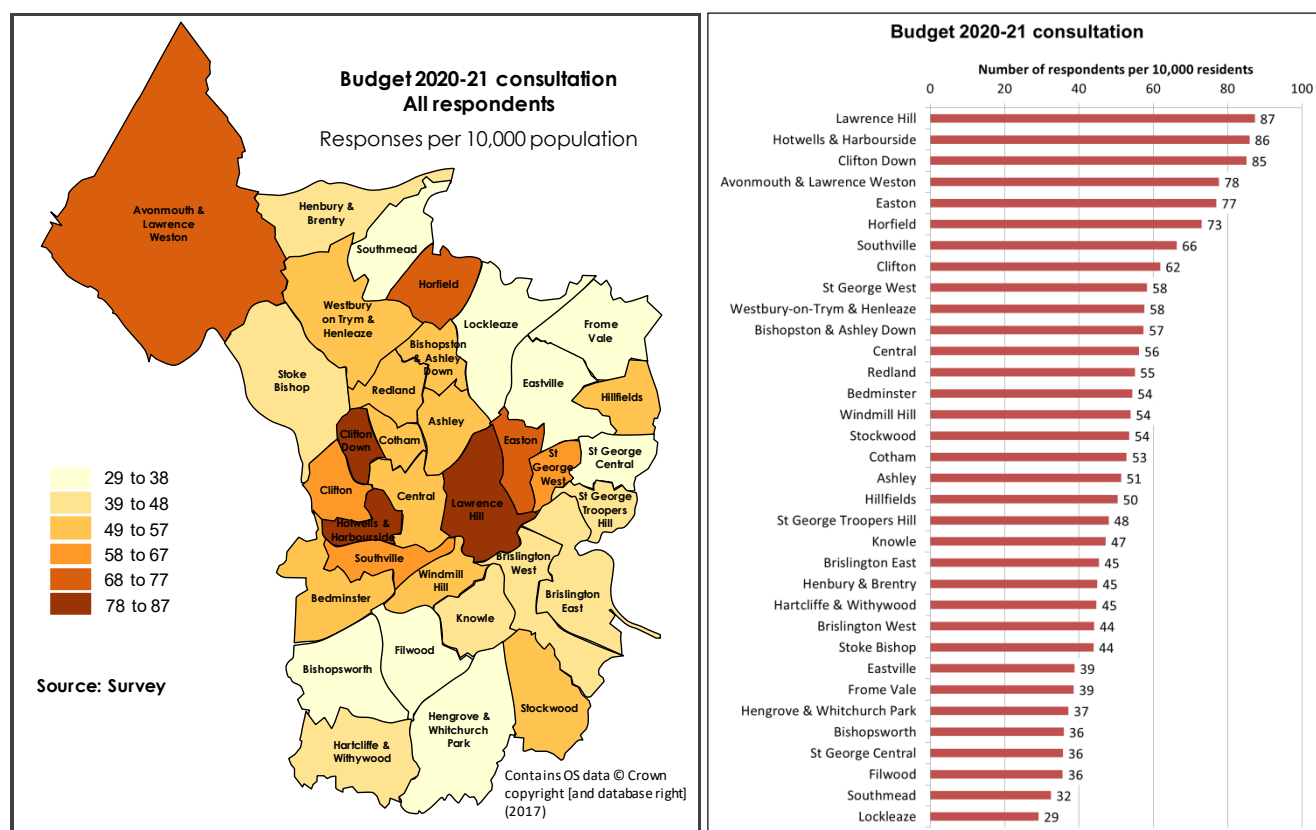
**Figure 3: geographic distribution of responses**



<sup>18</sup> Incomplete postcodes identified the home location as within the WOE authorities area (Bristol, B&NES, North Somerset and South Gloucestershire), but not which authority.

<sup>19</sup> The other 110 responses included incomplete postcodes which are within Bristol but do not include enough information to identify a specific ward.

**Figure 4: geographic distribution of responses in Bristol**



### 3.3 Response rate from areas of high and low deprivation

The home location of respondents in Bristol was compared with nationally published information on levels of deprivation across the city<sup>20</sup> to review if the responses received include a cross-section of people living in more deprived and less deprived areas. This helps the council to know if the views of citizens in more deprived areas differ from people living in less deprived areas.

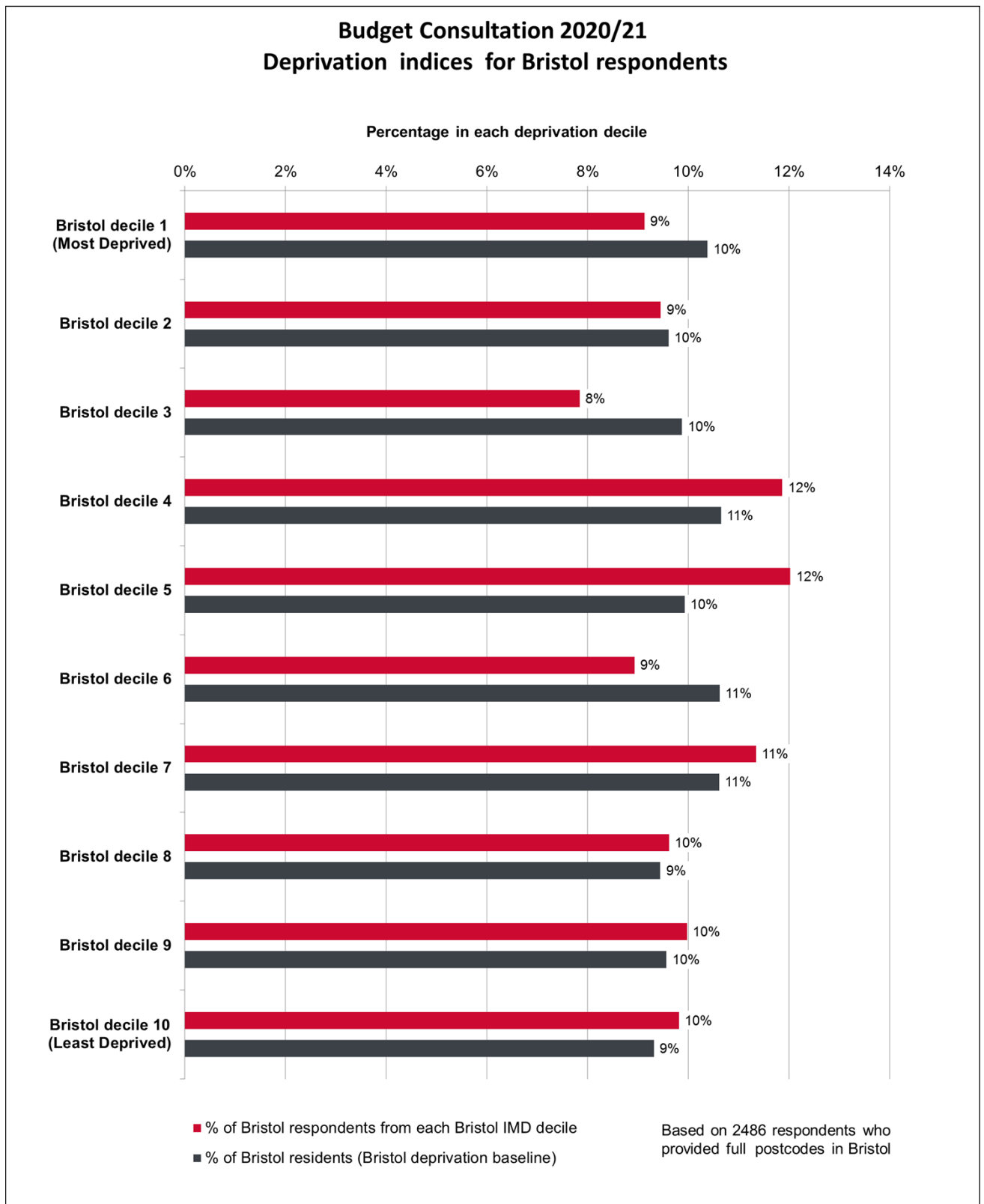
The comparison looked at levels of deprivation in 10 bands (known as ‘deciles’) from decile 1 (most deprived) to decile 10 (least deprived). Figure 5 compares the percentage of Bristol respondents<sup>21</sup> living in each of the deprivation deciles to the percentage of all Bristol citizens who live in each decile.

Figure 5 shows that there was a good response rate from people in all deprivation deciles (red bars) and that this approximately matches the proportion of Bristol citizens living in each deprivation decile (grey bars). Response rates from deciles 3 and 6 are slightly lower and response rates from deciles 4 and 5 are slightly higher than the proportion of Bristol citizens living in each decile.

<sup>20</sup> The Office for National Statistics (ONS) publishes information about deprivation for 32,844 small areas - known as ‘Lower Super Output Areas’ (LSOAs) - throughout England. For each of these areas, a measure of deprivation is published called ‘Indices of Multiple Deprivation’ (IMD), which takes into account 37 aspects of each area that cover income, employment, education, health, crime, barriers to housing and services, and living environment. The postcodes provided by respondents to the consultation enabled each respondent to be matched to one of the 263 Lower Super Output Areas that cover the Bristol City Council area and thus to one of the deprivation deciles. Note that postcodes provide approximate locations; they are not used to identify individuals or specific addresses.

<sup>21</sup> Based on 2,486 respondents who provided full postcodes in the Bristol administrative area from which deprivation decile can be identified.

**Figure 5: Comparison of response rate from areas of high and low deprivation**



(Percentages in Figure 5 are given to the nearest integer. The length of bars in the chart reflects the unrounded percentage; hence bars shown as 10% may be slightly different in length.)

### 3.4 Characteristics of respondents

3,372 (98%) people answered one or more of the equalities monitoring questions. Respondent characteristics are summarised below. The charts compare:

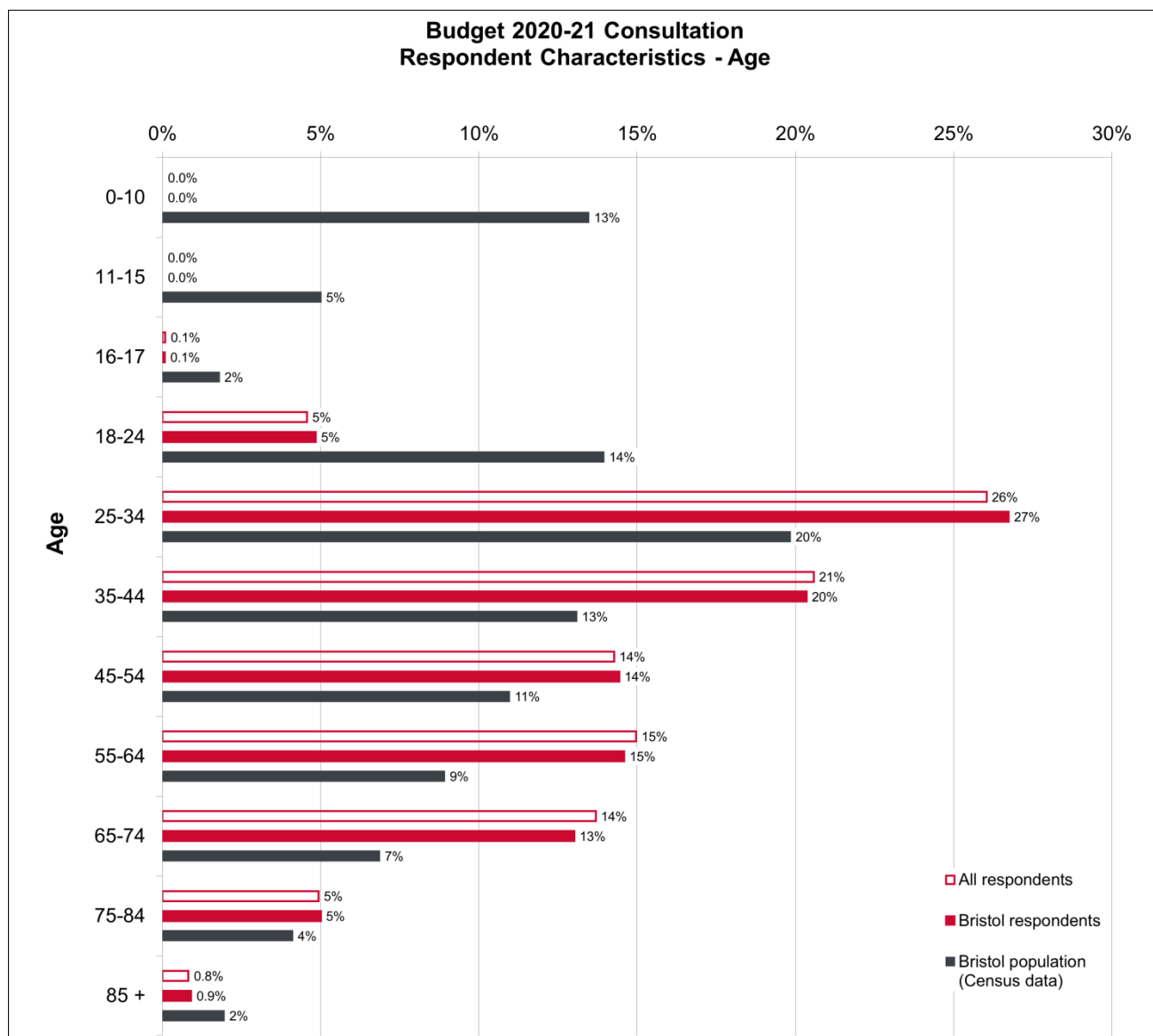
- Characteristics for all respondents who answered the equalities questions;
- Characteristics of respondents who provided a Bristol postcode;
- Characteristics of all Bristol citizens. This is available for five protected characteristics (age, sex, disability, ethnicity and religion/faith) for which population data are available from the 2011 Census and subsequent updates.

Note that many of the respondents who did not provide postcodes may also live in the Bristol administrative area, but are not included in figures for ‘Bristol respondents’

#### Age

The most common age of respondents was 25-34 years (26%), followed by 35-44 (21%). The proportion of responses in the age categories 25-34 years, 35-44, 45-54, 55-64, 65-74 and 75-84 was higher than these age groups’ proportion of the population in Bristol. Survey responses from children (under 18), young people aged 18-24 and people aged 85 and older were under-represented. In each age category, the proportions of ‘all respondents’ and ‘Bristol respondents’ were very similar.

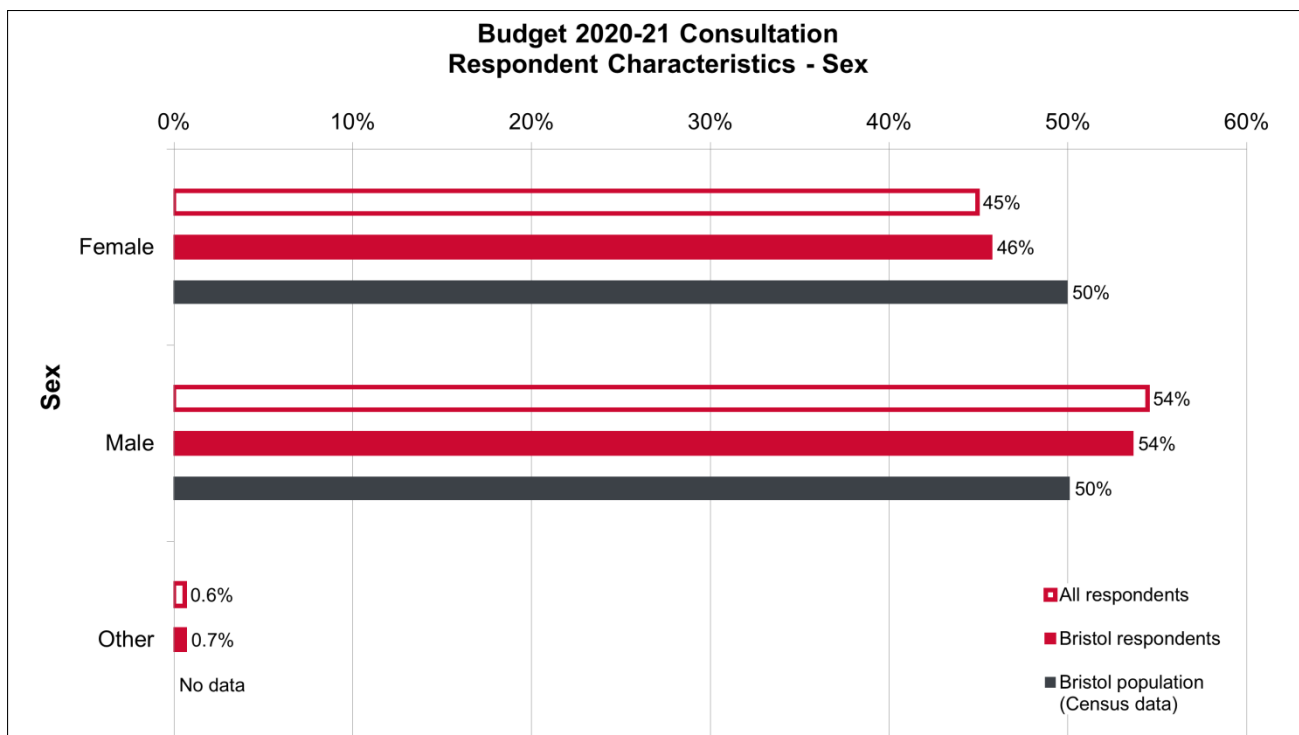
**Figure 6: Age of respondents**



### Sex

45% of all responses were from women and 54% were from men. 0.6% were from people who identified as ‘other’. These percentages exclude the 7% of respondents (6% of Bristol respondents) who answered ‘prefer not to say’)

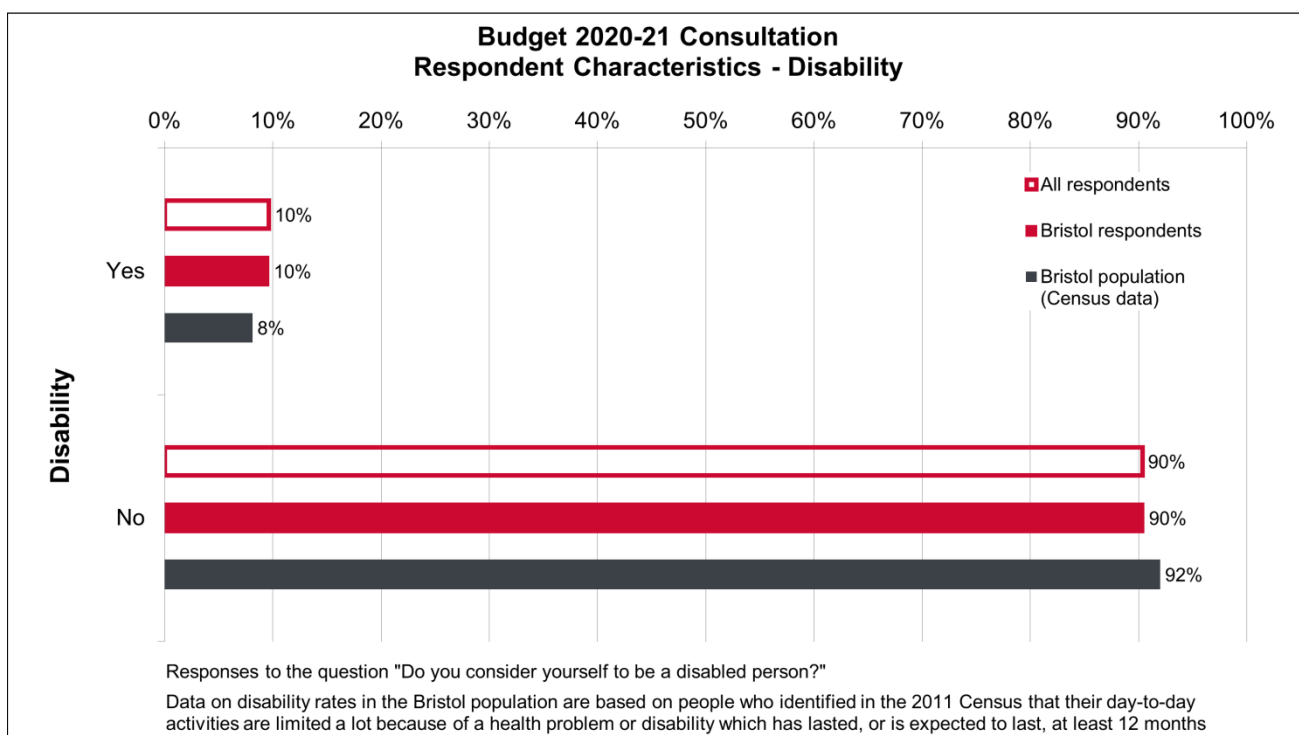
**Figure 7: Sex of respondents**



### Disability

The proportion of disabled respondents (10%) is higher than the proportion of disabled people living in Bristol. These percentages exclude the 6% of respondents (5% of Bristol respondents) who answered ‘prefer not to say’)

**Figure 8: Disability**



## Ethnicity

The proportions of White British respondents (78%), White Irish respondents (1%) and Gypsy / Roma / Traveller people (0.1%) matches the proportion of these citizens in the Bristol population.

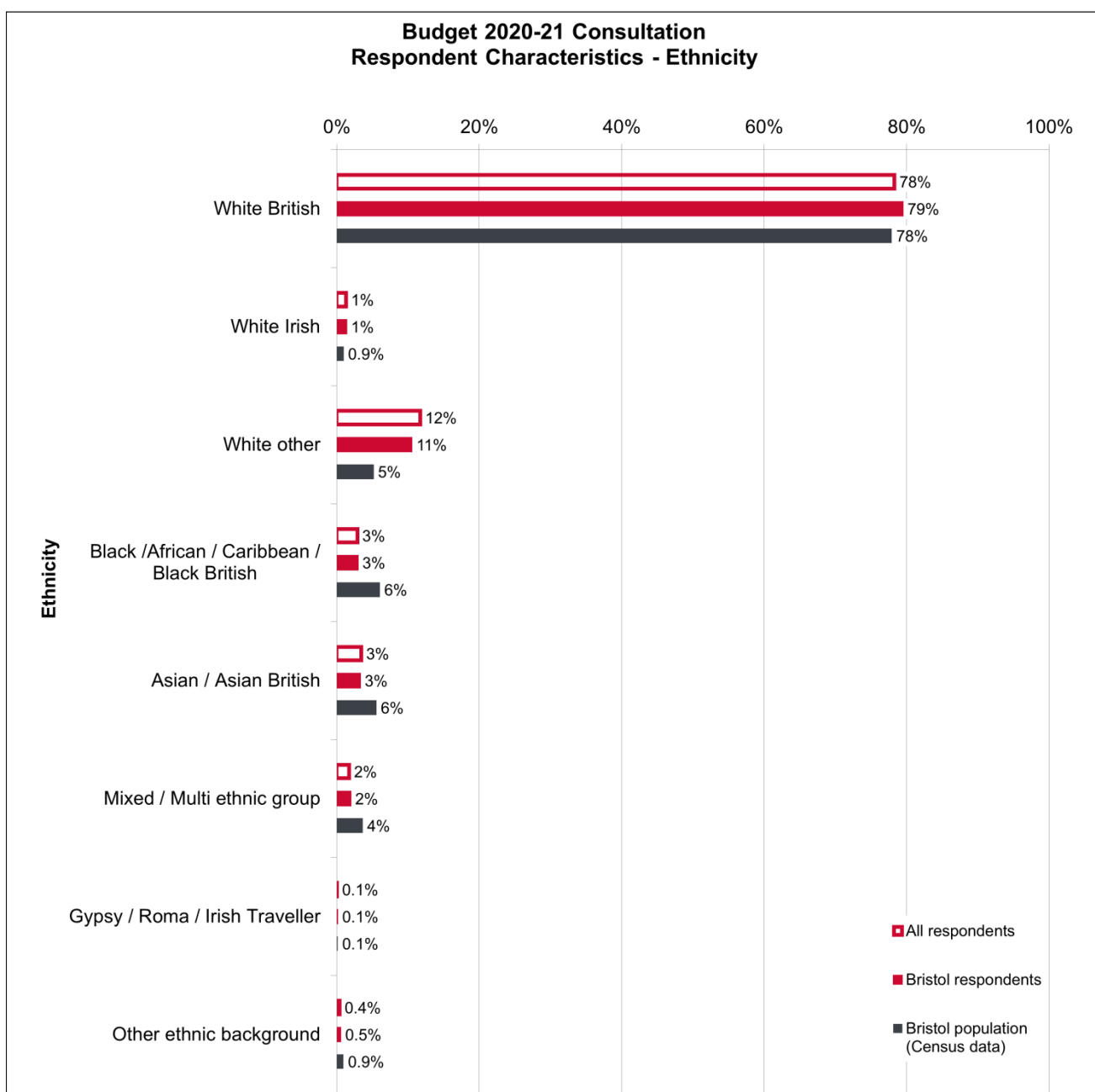
The response rate from Other White respondents (12%) is higher than the proportion of Other White people (5%) living in Bristol.

All other Black, Asian and Minority Ethnic respondents were under-represented in the response rates compared to the proportion of BAME citizens living in Bristol, despite targeted efforts to increase participation in areas with high BAME populations.

These percentages exclude the 9% of respondents (7% of Bristol respondents) who answered ‘prefer not to say’)

The proportion of each ethnicity for all respondents closely matches Bristol respondents.

**Figure 9: Ethnicity of respondents**



## Religion/Faith

People with no religion (61% of respondents) responded in higher proportions than people of no religion in Bristol’s population (41%).

Christians (34%), Muslims (1.5%), Hindus (0.5%) and Sikhs (0.2%) were under-represented compared to the proportions of these faiths living in Bristol.

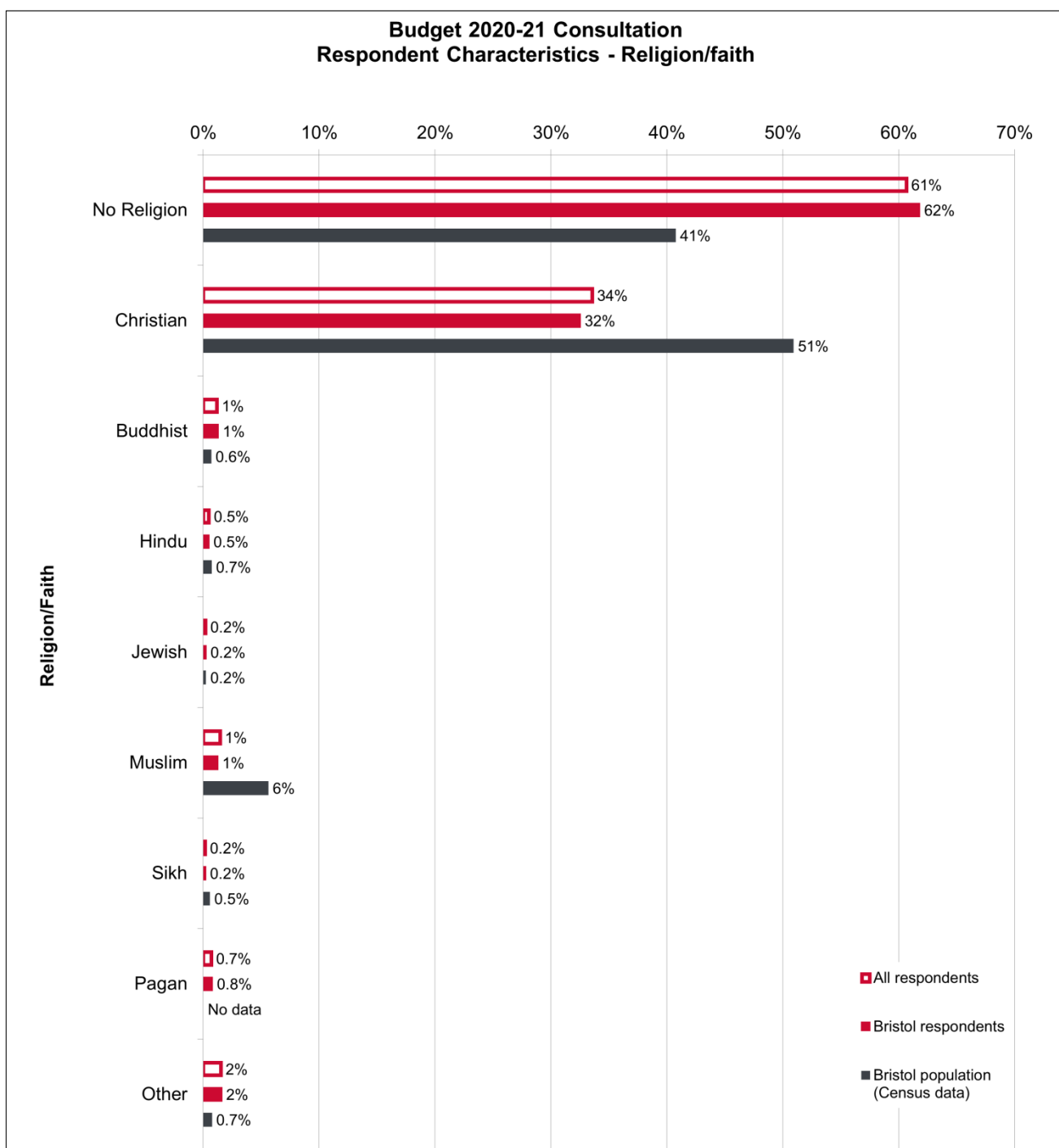
The proportion of Jewish respondents (0.2%) closely matches the Bristol population.

Buddhists (1%) and people of other faith (2%) responded in greater numbers than the proportions of these faiths in the Bristol population.

These percentages exclude the 10% of respondents (8% of Bristol respondents) who answered ‘prefer not to say’).

The proportion of each religion/faith for all respondents closely matches Bristol respondents.

**Figure 10: Religion/faith of respondents**

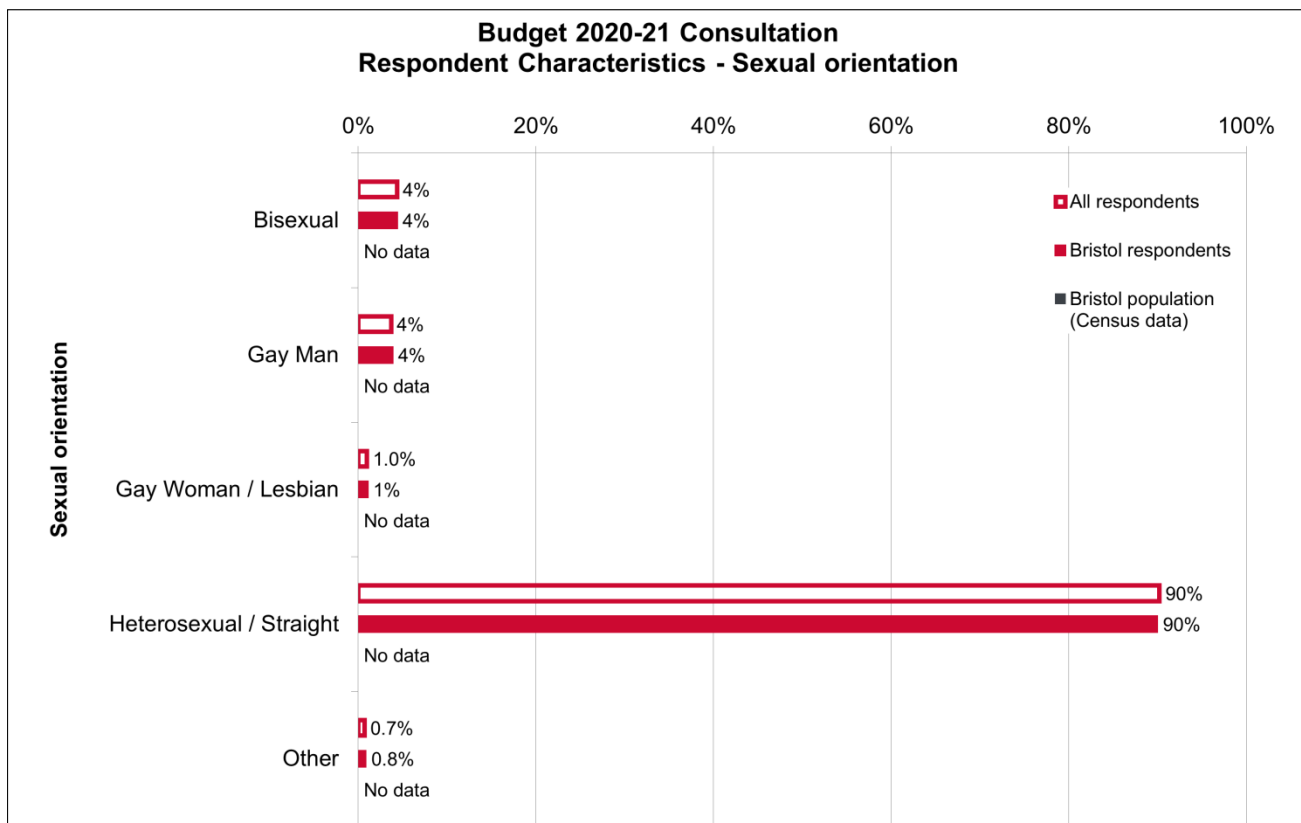


### Other protected characteristics and refugee/asylum status

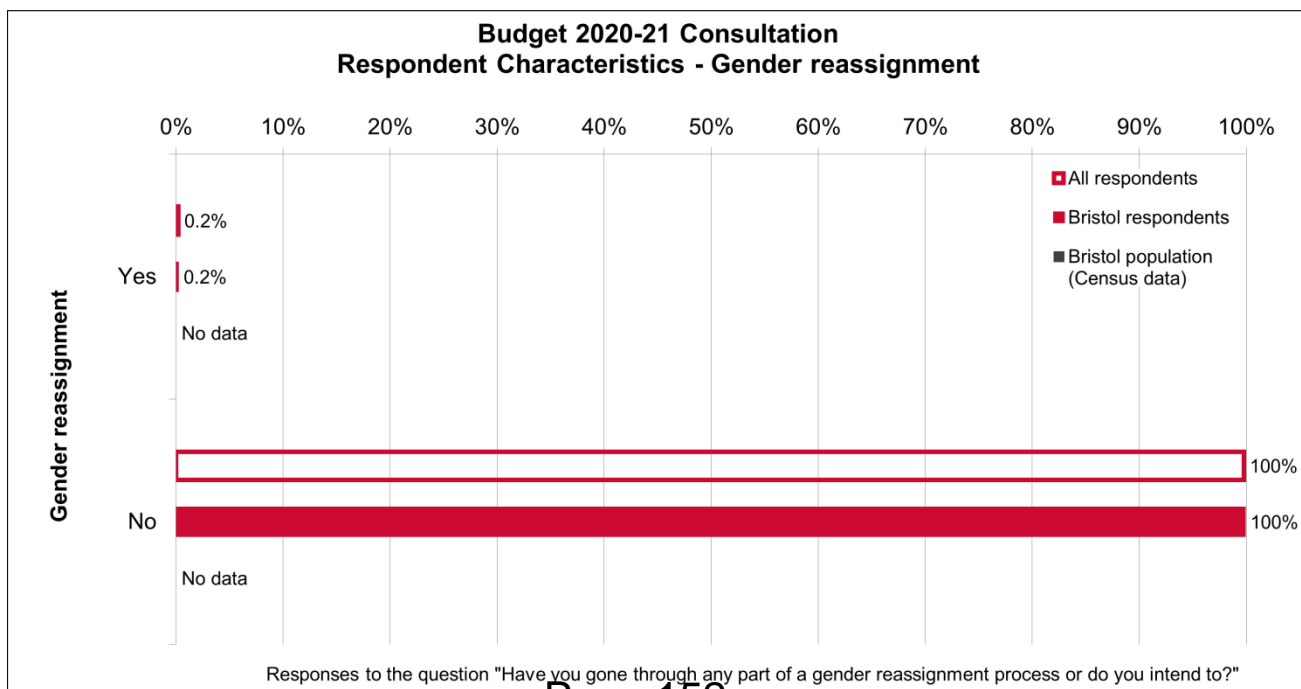
The survey also asked respondents about three other protected characteristics (sexual orientation, gender reassignment, pregnancy and recent maternity) and if they are a refugee or asylum seeker.

Census data are not available for the proportion of people with these characteristics living in Bristol. Figures 11, 12, 13 and 14 show the proportions of all respondents and Bristol respondents for each of these characteristics. The proportion of each characteristic for all respondents closely matches the proportion for Bristol respondents.

**Figure 11: Sexual orientation**

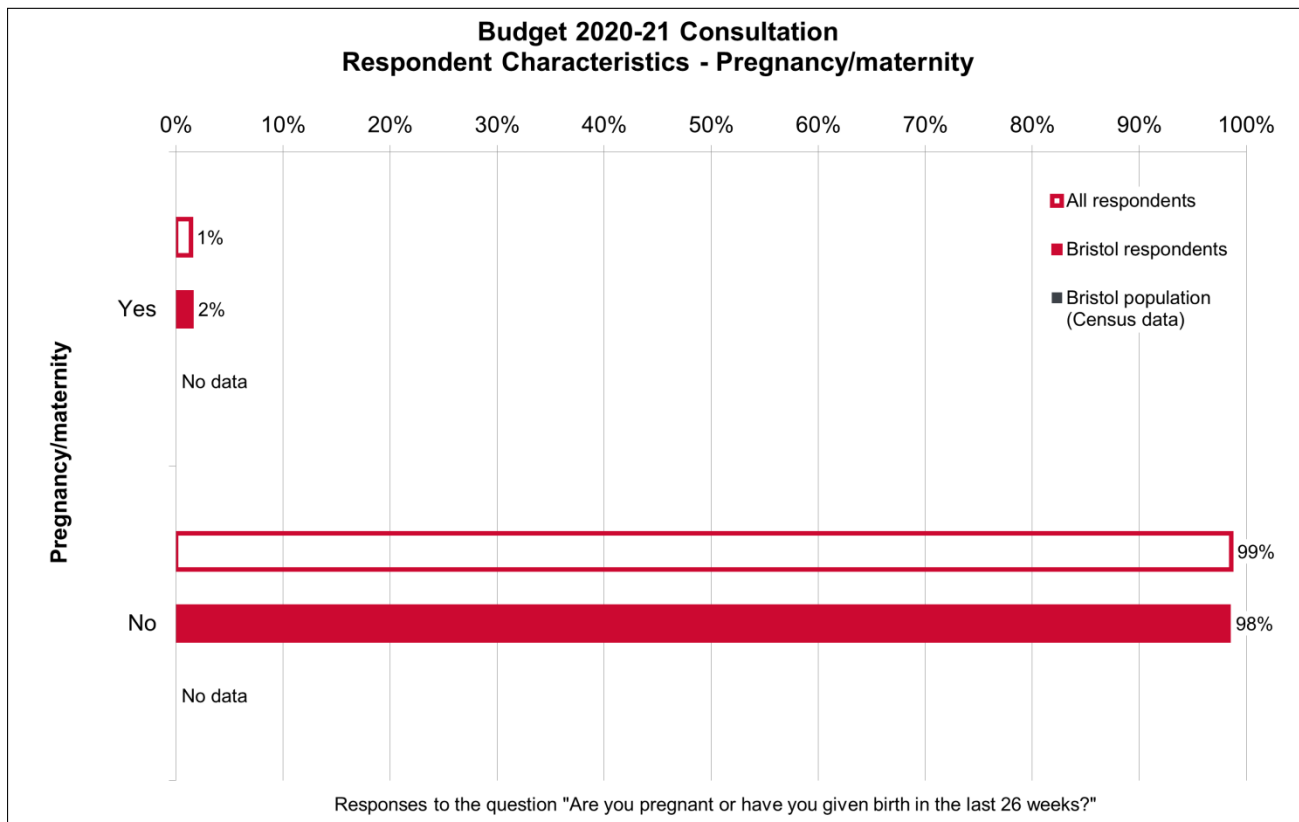


**Figure 12: Gender reassignment**

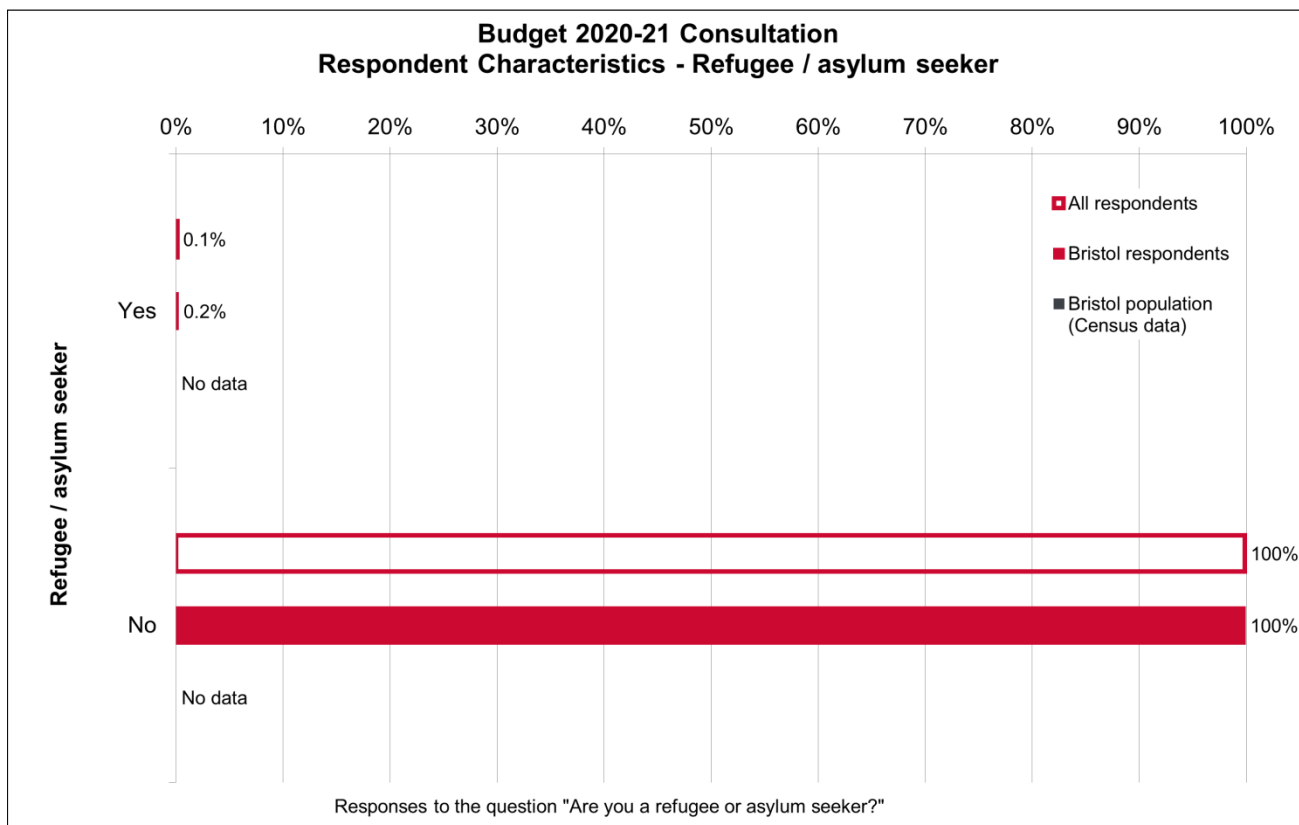




**Figure 13: Pregnancy/Maternity**



**Figure 14: Refugee or asylum seeker**



### **Other respondent characteristics**

3,355 (97%) respondents provided other details of their personal situation, selecting from the following list of 11 options<sup>22</sup>:

- 3,303 (98% of the 3,355 respondents who answered the question) are Bristol residents;
- 78 (2%) represent and/or own a local business;
- 62 (2%) are Bristol City Council employees;
- 31 (1%) work in Bristol but live elsewhere;
- 6 (0.2%) were responses on behalf of a Housing Association;
- 5 (0.1%) were responses on behalf of a Voluntary/Community/Social Enterprise;
- 4 (0.1%) were responses on behalf of a Health/social care provider;
- 4 (0.1%) respondents stated they are MPs, but for some or all of these, aspects of their responses suggest otherwise;
- 2 (0.1%) are Councillors;
- 2 (0.1%) were responses on behalf of a Public Transport provider;
- 43 (1%) selected 'other'.

Of the 43 respondents who selected 'other':

- 9 selected 'other' but did not specify details
- 5 provided information about their employment role
- 4 stated that they are retired
- 3 are students
- 3 stated that they are tax payers
- 2 stated that they live in Bristol but work elsewhere
- 2 live outside Bristol and 1 lives in Bristol during weekdays only
- 2 own and/or let property in Bristol but live elsewhere
- 2 are investors in Bristol
- 1 is a frequent visitor to Bristol
- 1 stated they are a foster carer
- 1 is homeless
- 7 provided other details.

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<sup>22</sup> Because respondents could select more than one option, the total percentages exceed 100%

## 4 Survey results: level of Council Tax and Adult Social Care Precept

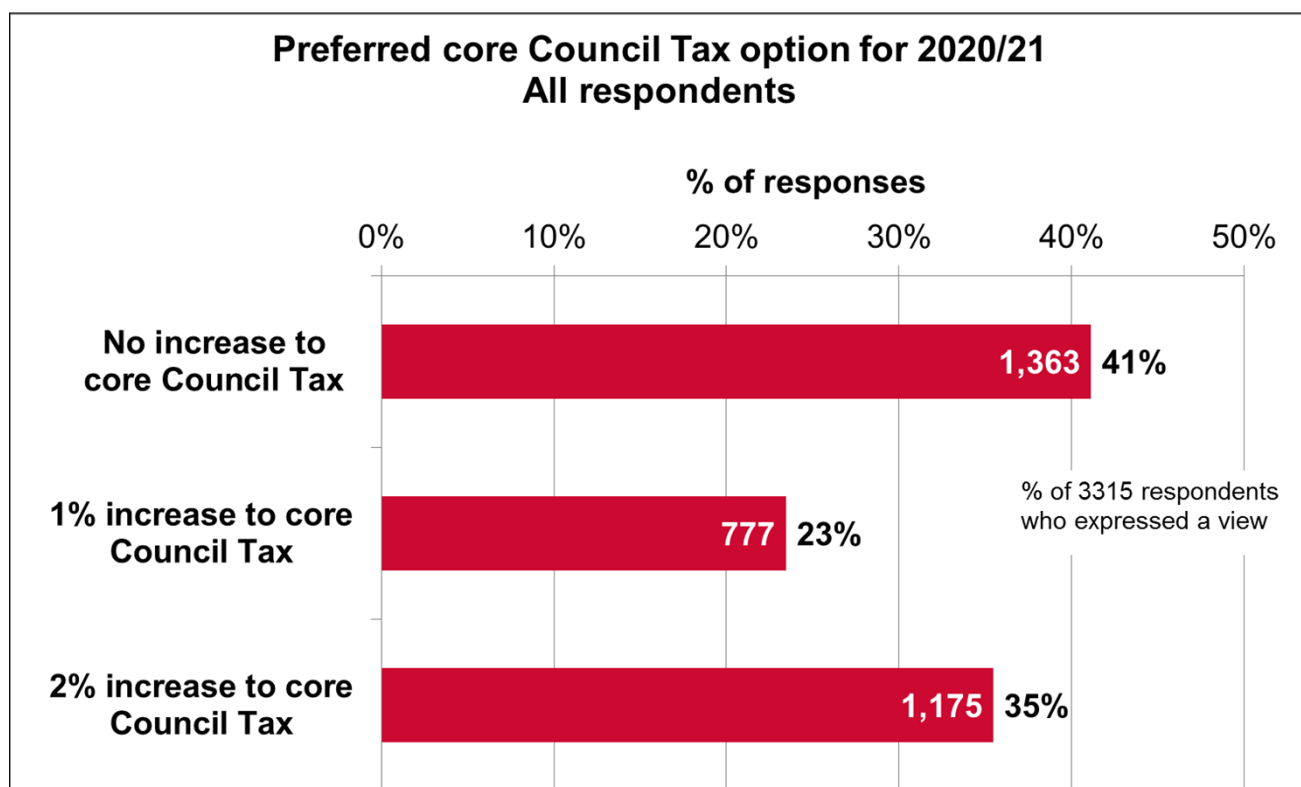
### 4.1 Level of core Council Tax increase in 2020/21 – all respondents

Respondents were asked to state which level of Council Tax increase they would prefer in 2020/21, choosing from the following three options:

- No increase to Council Tax;
- An increase of 1% to Council Tax. This option would raise £2.2 million to support the delivery of services;
- An increase of 2% to Council Tax. This option would raise £4.4 million to support the delivery of services.

Of the 3,448 people who responded to the budget consultation, 3,315 (96%) expressed a preference for the level of Council Tax increase. Figure 15 shows the numbers who support each option. 133 people did not answer this question.

**Figure 15: Preferred level of core Council Tax increase in 2020/21**



A majority of respondents (59%) favour an increase in core Council Tax to support general services. Of these, 1,175 (35% of all 3,315 respondents) favour a 2% increase<sup>23</sup> and 777 (23%) would prefer a 1% increase in core Council Tax.

1,363 (41%) respondents would prefer 'no increase to Council Tax' in 2020/21.

<sup>23</sup> A 2% increase in core Council Tax is the maximum increase permitted without requiring a local referendum

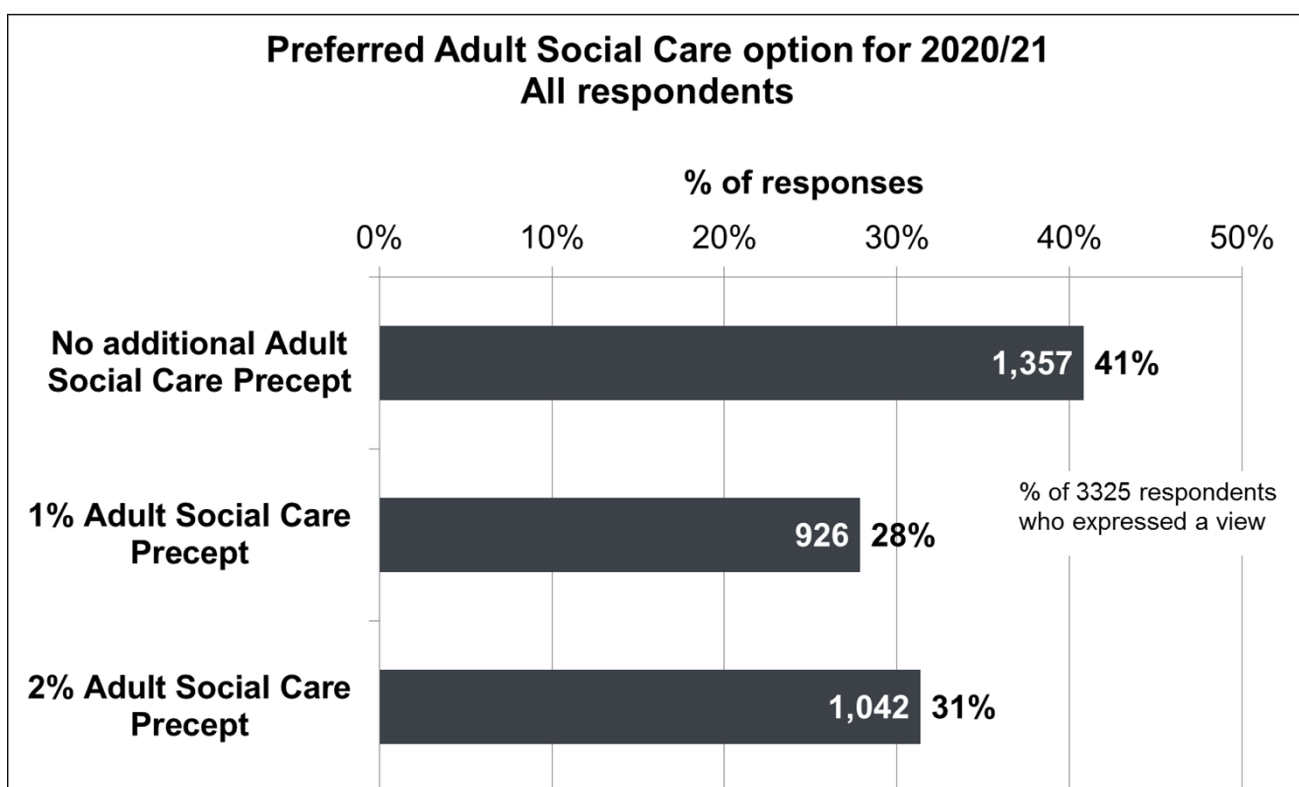
## 4.2 Level of Adult Social Care Precept in 2020/21 – all respondents

Respondents were asked to state which level of Adult Social Care Precept they would prefer in 2020/21, choosing from the following three options:

- No additional Adult Social Care Precept.
- An additional 1% Adult Social Care Precept. This would be an extra 1% increase to Council Tax bills in addition to the increase in core Council Tax. This option would raise £2.2 million to support the delivery of adult social care.
- An additional 2% Adult Social Care Precept. This would be an extra 2% increase to Council Tax bills in addition to the increase in core Council Tax. This option would raise £4.4 million to support the delivery of adult social care.

Of the 3,448 people who responded to the budget consultation, 3,325 (96%) expressed a preference for the level of Adult Social Care Precept. Figure 16 shows the numbers who support each option. 123 people did not answer this question.

**Figure 16: Preferred level of Adult Social Care Precept in 2020/21**



A majority of respondents (59%) favour an additional Adult Social Care Precept (on top of core Council Tax) to support the delivery of adult social care.

Of these, 1,042 (31% of all 3,325 respondents) favour a 2% Adult Social Care Precept<sup>24</sup> and 926 (28%) would prefer a 1% Adult Social Care Precept.

1,357 (41%) respondents would prefer no increase to Adult Social Care Precept in 2020/21.

Comparison of Figures 15 and 16 shows that the same proportion of respondents (41%) want no increase to either core Council Tax or Adult Social Care Precept. Similarly, 59% would support some increase to both Council Tax and Adult Social Care Precept. However, there is more support for the **maximum 2%** increase in core Council Tax (35%) than would support the maximum 2% Adult Social Care Precept (31%).

<sup>24</sup> 2% Adult Social Care Precept is the maximum increase permitted by government in 2020/21.

### 4.3 Differences in views on Council Tax in areas with different levels of deprivation

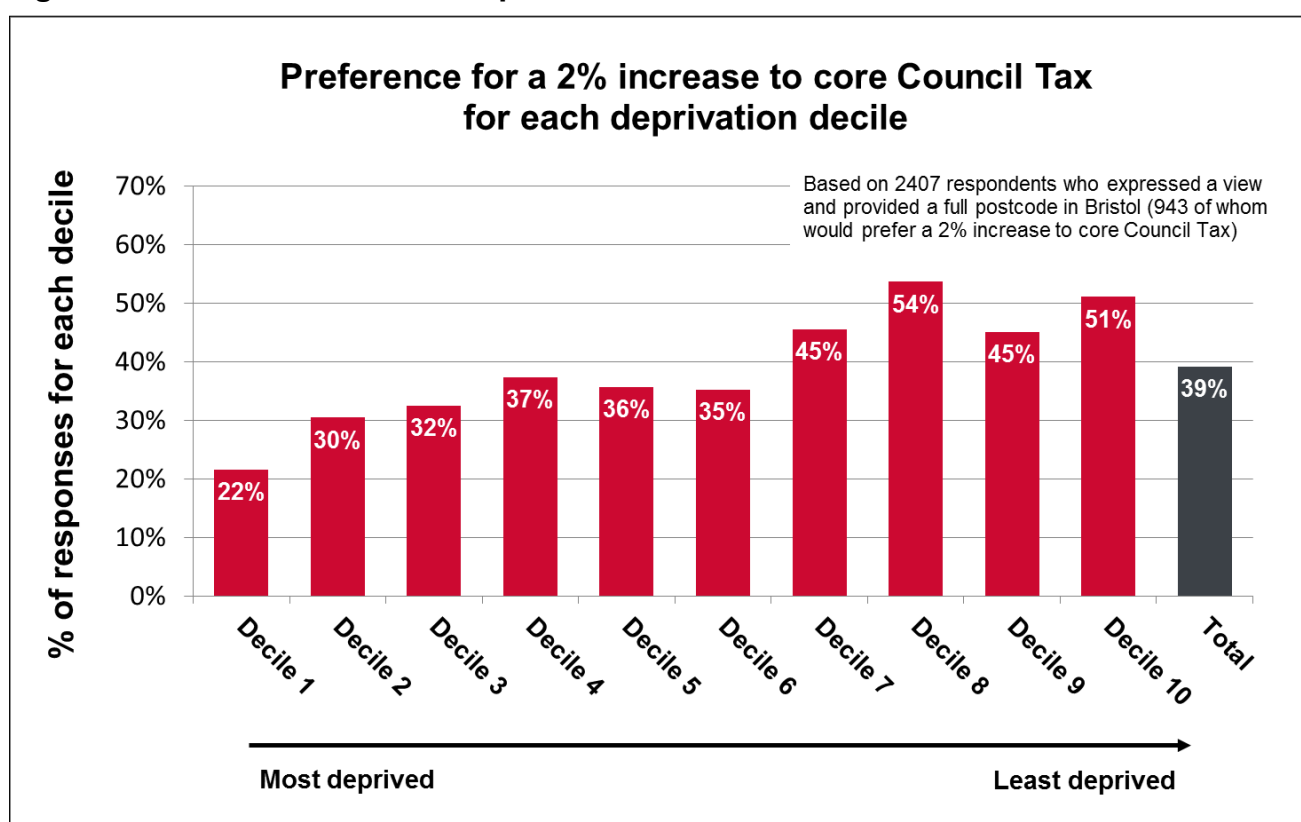
Views on the preferred level of core Council Tax were compared for respondents from areas with different levels of deprivation. The comparison used the postcodes provided by respondents in Bristol to match each response to one of 10 deprivation bands (deciles) as described in section 3.3.

#### 2% increase in core Council Tax

Figure 17 shows the percentage of respondents from each deprivation decile who want a 2% increase in core Council Tax in 2020/21. This is based on the 943 Bristol respondents who support a 2% increase and provided a full postcode<sup>25</sup>.

Figure 17 shows that support for a 2% increase in core Council Tax is highest in the least deprived areas and is lower in the more deprived areas. The lowest support for a 2% increase is in the most deprived three deciles (22% in decile 1, 30% in decile 2, 32% in decile 3) and rises to 54% in decile 8 and 51% in decile 10.

**Figure 17: Preference in each deprivation decile for a 2% increase in core Council Tax**



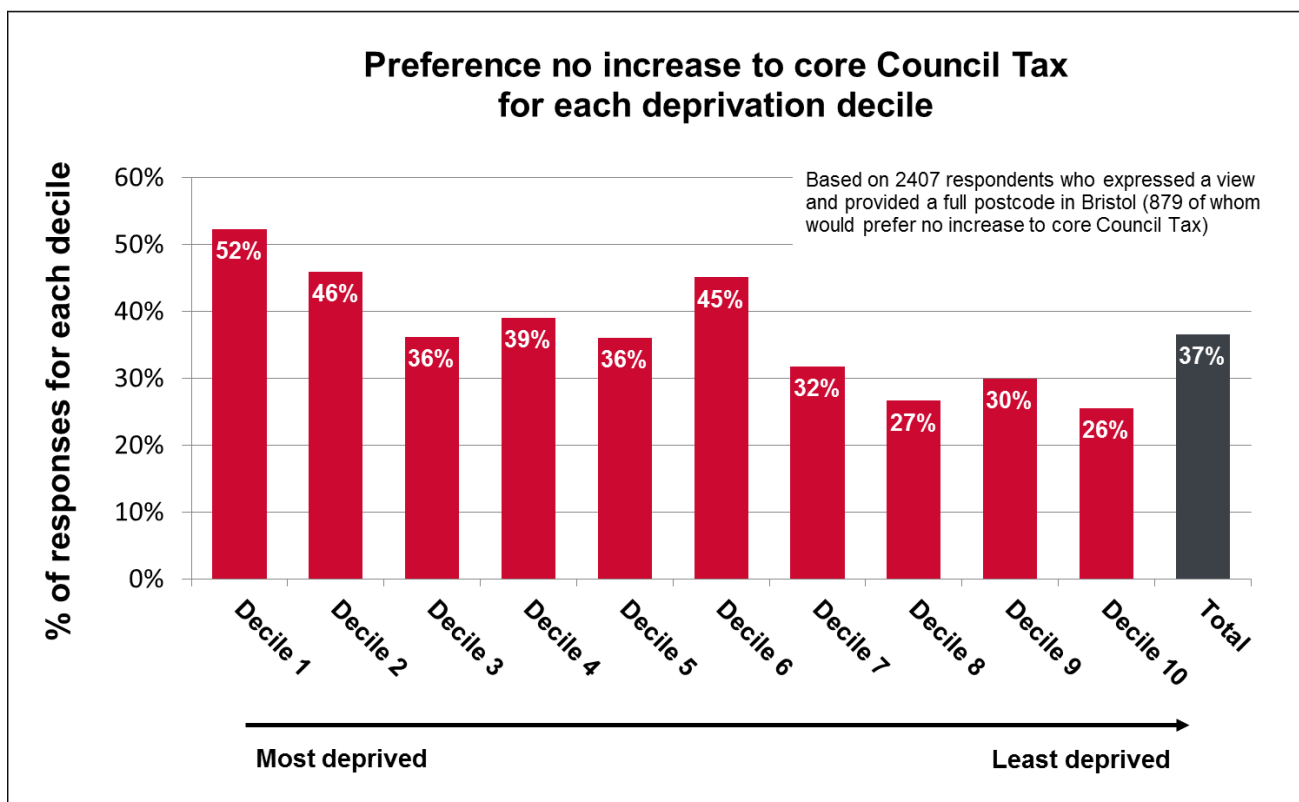
#### No increase in core Council Tax

Figure 18 shows the percentage of respondents from each deprivation decile who stated they would prefer no increase in Council Tax in 2020/21. This is based on the 879 Bristol respondents who support no increase and provided a full postcode.

Figure 18 (no increase) shows the opposite trend to Figure 17 (2% increase); there is higher support for no increase to core Council Tax in more deprived areas than in less deprived areas. More than a quarter of respondents in all deprivation deciles favour no increase in core Council Tax. The highest preference for no increase is in the most deprived 20% of the city (52% in decile 1 and 46% in decile 2) and the lowest support is in the three least deprived deciles (26% in decile 10, 30% in decile 9 and 27% in decile 8).

<sup>25</sup> Incomplete postcodes cannot be matched to the deprivation data.

**Figure 18: Preference in each deprivation decile for no Council Tax increase**



**1% increase in core Council Tax**

Figure 19 shows the support for a 1% increase in core Council Tax for each deprivation decile (based on 585 Bristol respondents who provided a full postcode).

**Figure 19: Preference in each deprivation decile for a 1% increase in core Council Tax**

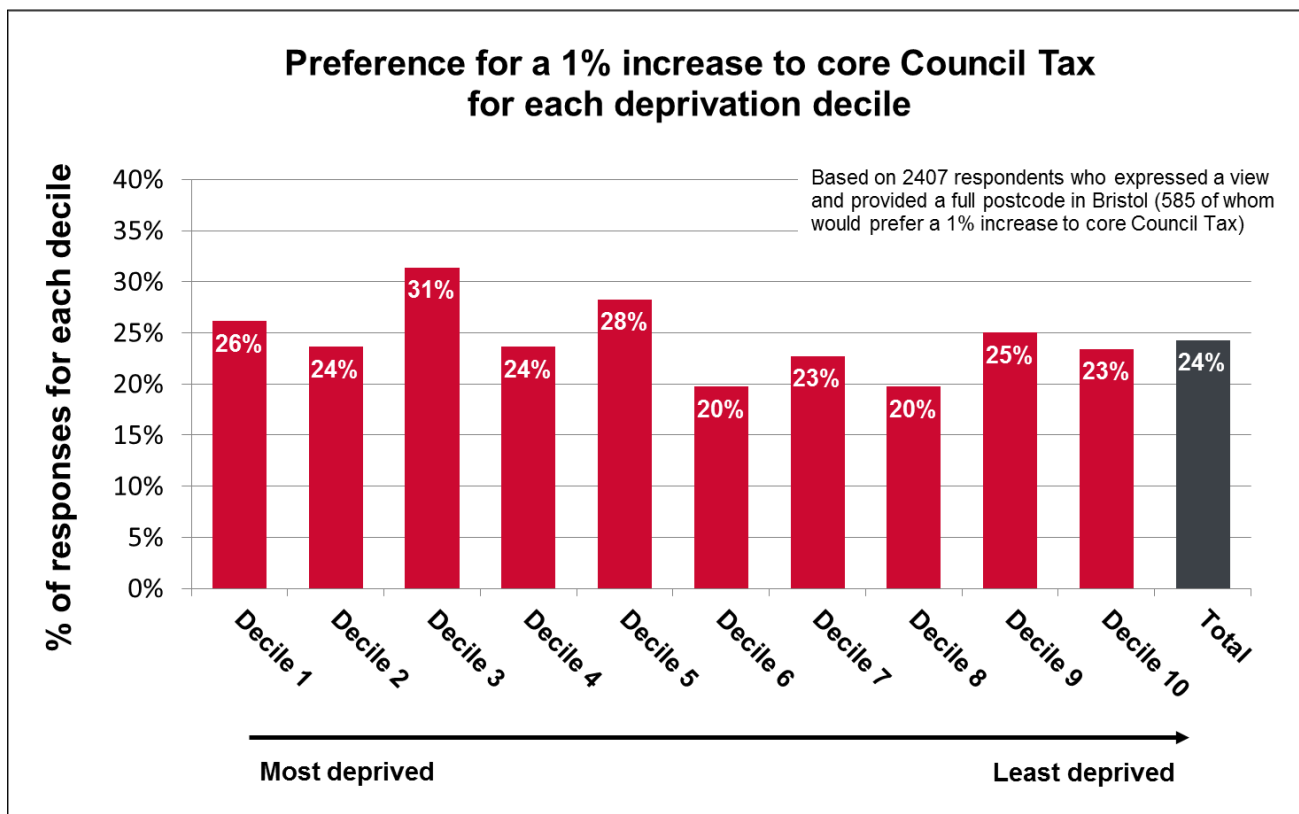


Figure 19 shows support for 1% increase in core Council Tax is slightly higher in the more deprived half of the city (particularly deciles 3 and 5) than in the less deprived half.

Note that the percentages for the ‘Total’ columns in Figures 17, 18 and 19 differ slightly from the values in Figure 15. This is because Figure 15 shows the views of all 3,315 respondents who answered question 1 whereas Figures 17, 18 and 19 show the views of 2,407 Bristol residents who also provided a full postcode. (The full postcode is needed to match against deprivation data.) A smaller proportion of respondents who prefer no increase in core Council Tax provided a full postcode than respondents who support a 2% increase.

#### 4.4 Views on Adult Social Care Precept in areas with different levels of deprivation

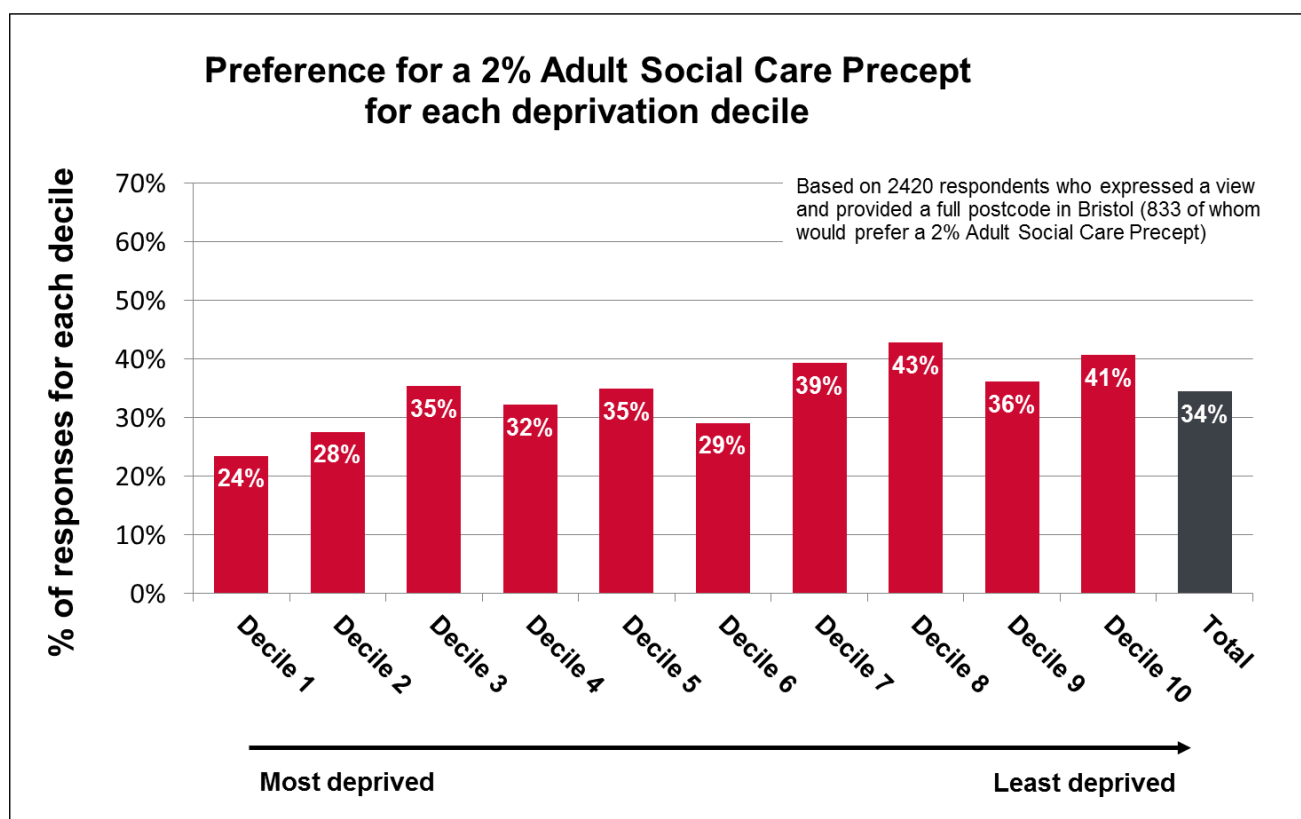
Views on the preferred level of Adult Social Care Precept were also compared for respondents from areas with different levels of deprivation. The comparison used the postcodes provided by respondents in Bristol to match each response to one of 10 deprivation bands (deciles) as described in section 3.3.

##### 2% Adult Social Care Precept

Figure 20 shows the percentage of respondents from each deprivation decile who favour a 2% Adult Social Care Precept in 2020/21. This is based on the 833 Bristol respondents who support a 2% Adult Social Care Precept and provided a full postcode.

Figure 20 shows that support for a 2% Adult Social Care Precept is higher in the less deprived areas and is lower in the more deprived areas. The lowest support for a 2% precept is in the most deprived two deciles (24% in decile 1 and 28% in decile 2) and rises to 43% in decile 8 and 41% in decile 10.

**Figure 20: Preference in each deprivation decile for a 2% Adult Social Care Precept**



### No additional Adult Social Care Precept

Figure 21 shows the percentage of respondents from each deprivation decile who stated they would prefer no additional Adult Social Care Precept in 2020/21. This is based on the 894 Bristol respondents who support no Adult Social Care Precept and provided a full postcode.

**Figure 21: Preference in each deprivation decile for no Adult Social Care Precept**

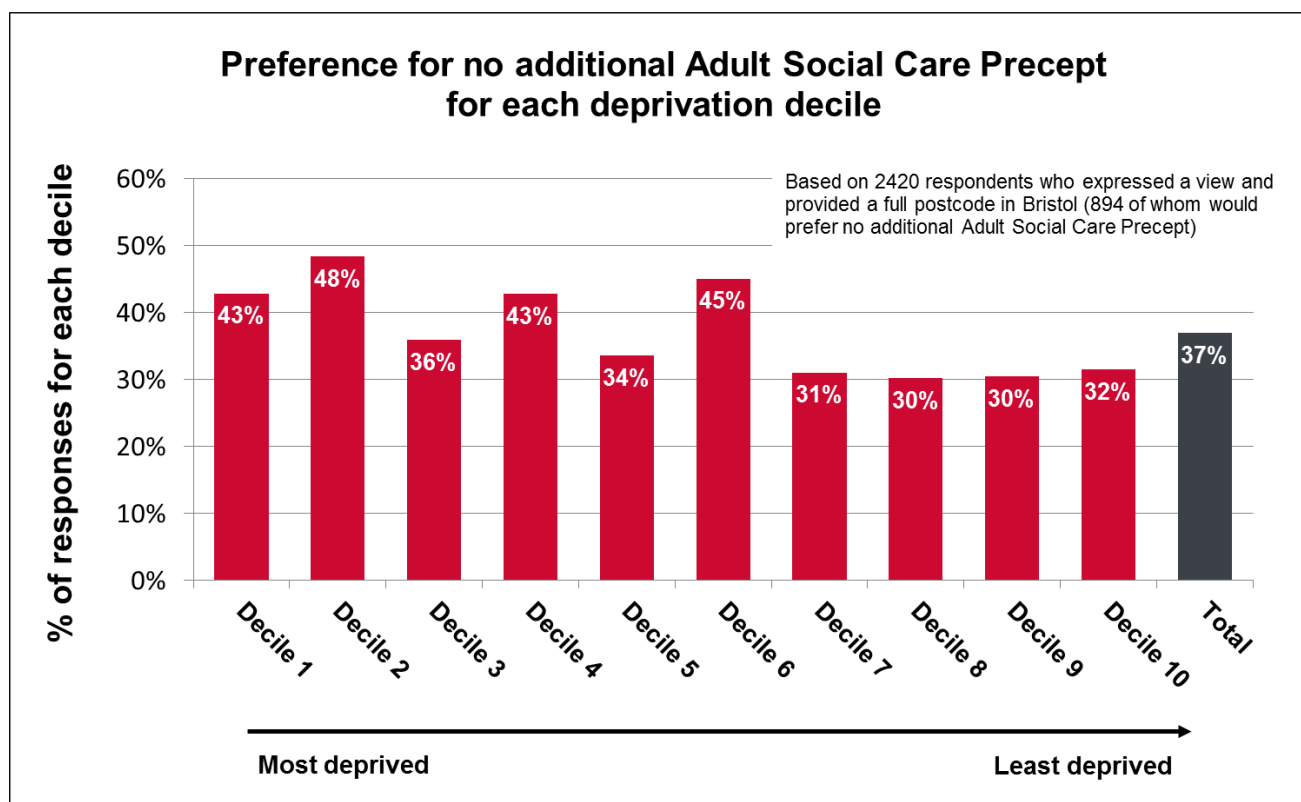


Figure 21 (no precept) shows the opposite trend to Figure 20 (2% precept); there is higher support for no increase to core Council Tax in the more deprived areas than in less deprived areas.

At least 30% of respondents in all deprivation deciles favour no Adult Social Care Precept. The highest preference for no increase is in decile 2 (48%) and the lowest support is in the four least deprived deciles (32% in decile 10, 30% in deciles 9 and 8, and 31% in decile 7).

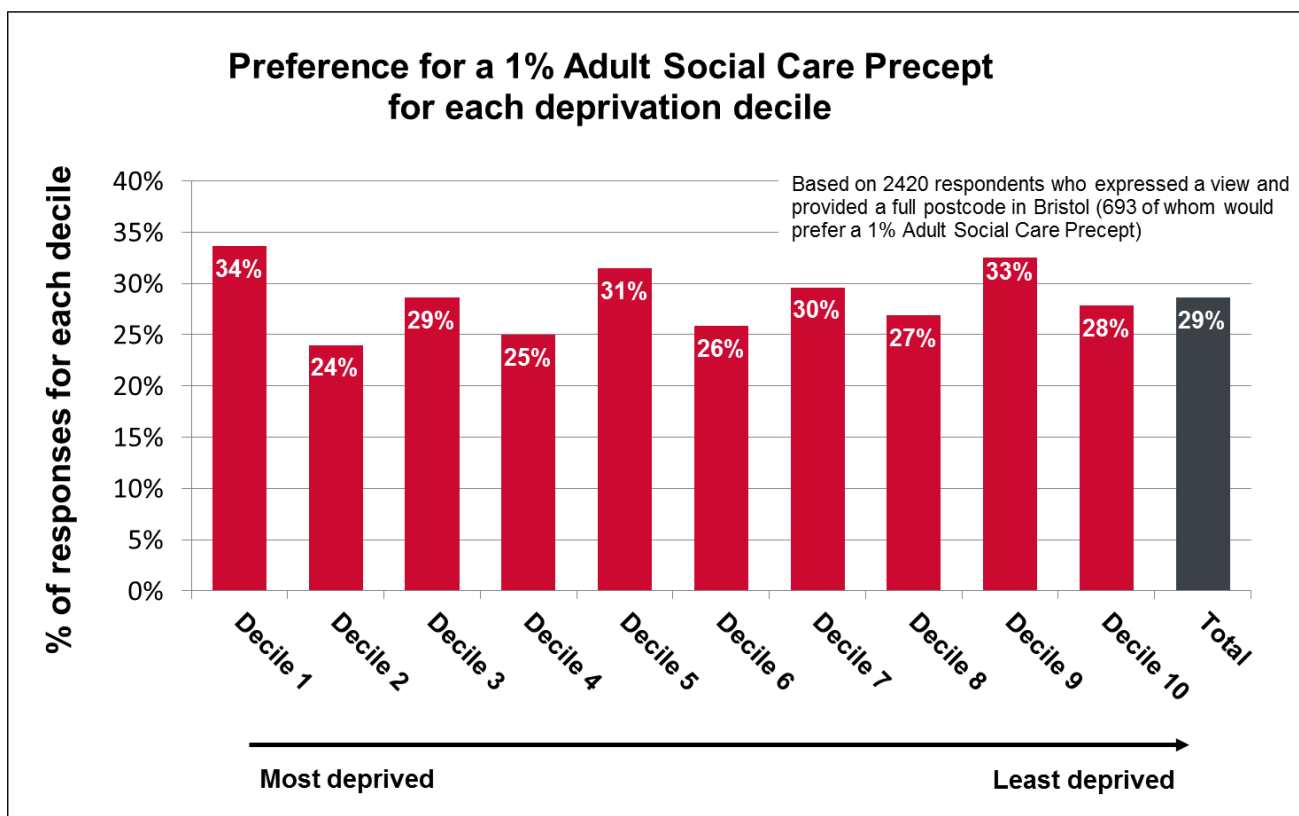
### 1% Adult Social Care Precept

Figure 22 shows the support for a 1% Adult Social Care Precept for each deprivation decile (based on 693 Bristol respondents who provided a full postcode).

Figure 22 shows no clear trend in support for 1% Adult Social Care Precept between areas of different deprivation. The highest support is in decile 1 (34%) and the second highest is decile 9 (33%).



**Figure 22: Preference in each deprivation decile for a 1% Adult Social Care Precept**



Note that the percentages for the ‘Total’ columns in Figures 20, 21 and 22 differ slightly from the values in Figure 16. This is because Figure 16 shows the views of all 3,325 respondents who answered question 2 whereas Figures 20, 21 and 22 show the views of 2,420 Bristol residents who also provided a full postcode. (The full postcode is needed to match against deprivation data.) A smaller proportion of respondents who prefer no Adult Social Care Precept provided a full postcode than respondents who support a 2% precept.

## 5 Survey results: priorities for longer-term funding

### 5.1 All respondents

Respondents were asked which service areas they think are most important to fund in the longer term to help shape the future of the city. Respondents were asked to rate each of 19 service areas as high importance, medium importance or low importance.

The service areas were: adult social care, children's services and social care, youth services, special educational needs and disability (SEND), schools, public health, bin/recycling collection and cleaner streets, culture & tourism, libraries, parks, sport and leisure, supporting Bristol's economy and jobs, housing, tackling homelessness, climate change, clean air, new roads and road maintenance, public transport, and cycling and walking.

Of 3448 respondents to the survey, 3,422 (99%) answered the question for at least one of the 19 service areas. 3,106 (90%) answered the question for all 19 service areas.

Figure 23 summarises the percentage of respondents who think each service area is of high importance, medium importance and low importance. The services are shown in order of the percentage of respondents who think the service is of high importance (grey bars). This order is broadly the inverse of the percentage who think the service is of low importance (white bars), but with some exceptions; notably climate change and cycling and walking which divide strong opinions for and against (i.e. there is an atypically small percentage who think the service is of medium importance).

The services which respondents think are most important are **children's services and social care** and **schools**, both of which are rated as high importance by at least 63% of respondents and of low importance by less than 10%.

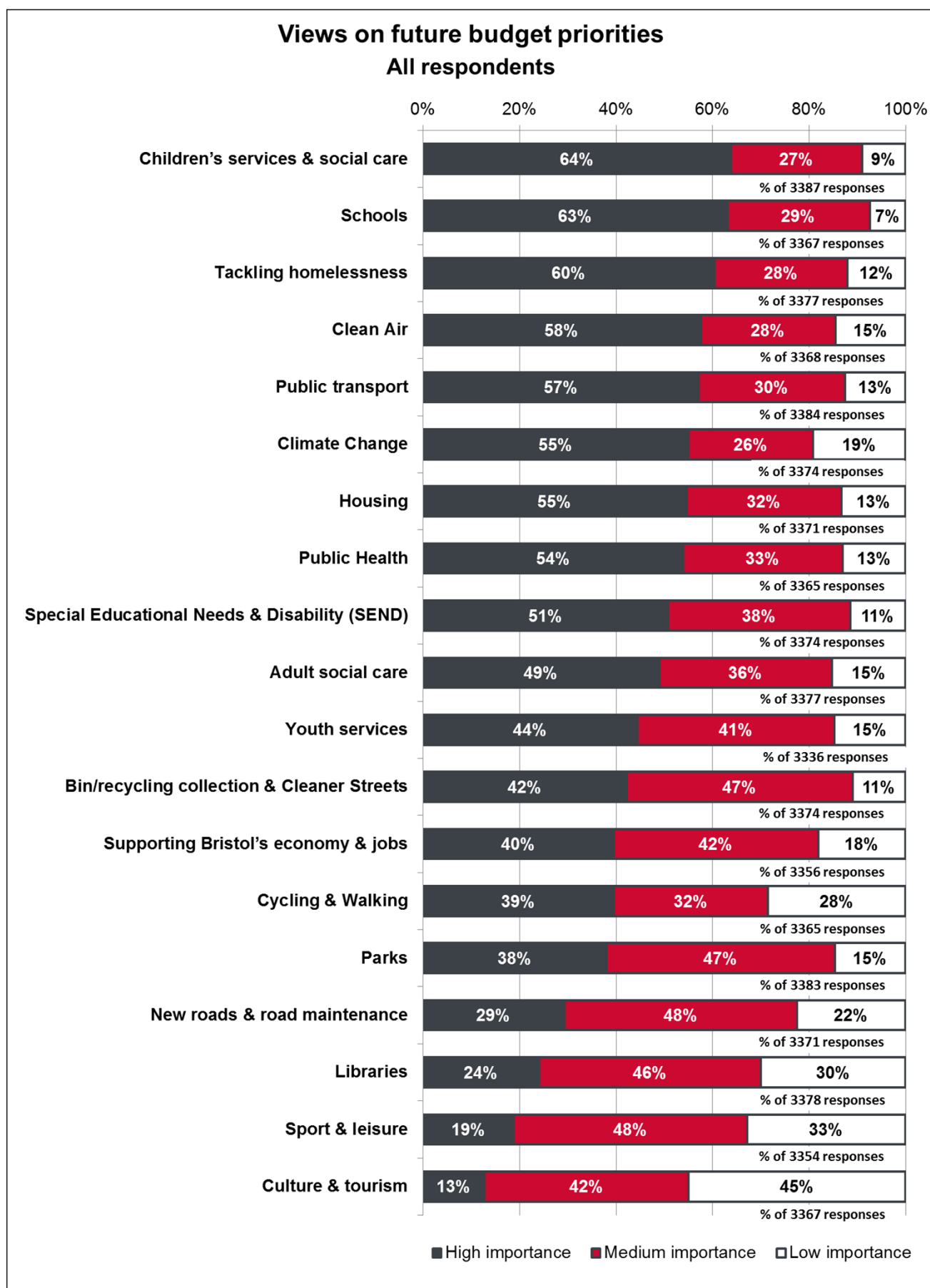
The next seven priorities which are all rated as high importance by more than half of respondents are:

- Tackling homelessness
- Clean air
- Public transport
- Climate change
- Housing
- Public health
- Special educational needs & disability (SEND).

Adult social care is rated as a mid-ranking priority (tenth out of 19 services), with 49% of respondents placing it as high importance and 36% as medium importance.

The three services which are rated as least important for funding by the council are **libraries**, **sport and leisure**, and **culture and tourism** each of which are seen as high importance by less than a quarter of respondents and low importance by at least 30% of respondents.

**Figure 23: Priorities for longer term funding – all respondents**



## 5.2 Views on spending priorities from areas with different levels of deprivation

Views on the future spending priorities were compared for respondents from the most deprived 20% of Bristol (deprivation deciles 1 and 2) and the least deprived 20% (deciles 9 and 10) to understand if priorities differ for people in different circumstances.

Figure 24 compares the priorities of respondents in deciles 1 and 2 with the priorities of respondents in deciles 9 and 10 for the ten services rated as highest priorities by all respondents. The ‘top 10’ priority services are shown in Figure 24 in the same order as in Figure 23.

**Figure 24: Top 10 spending priorities - comparison of high and low deprivation areas**

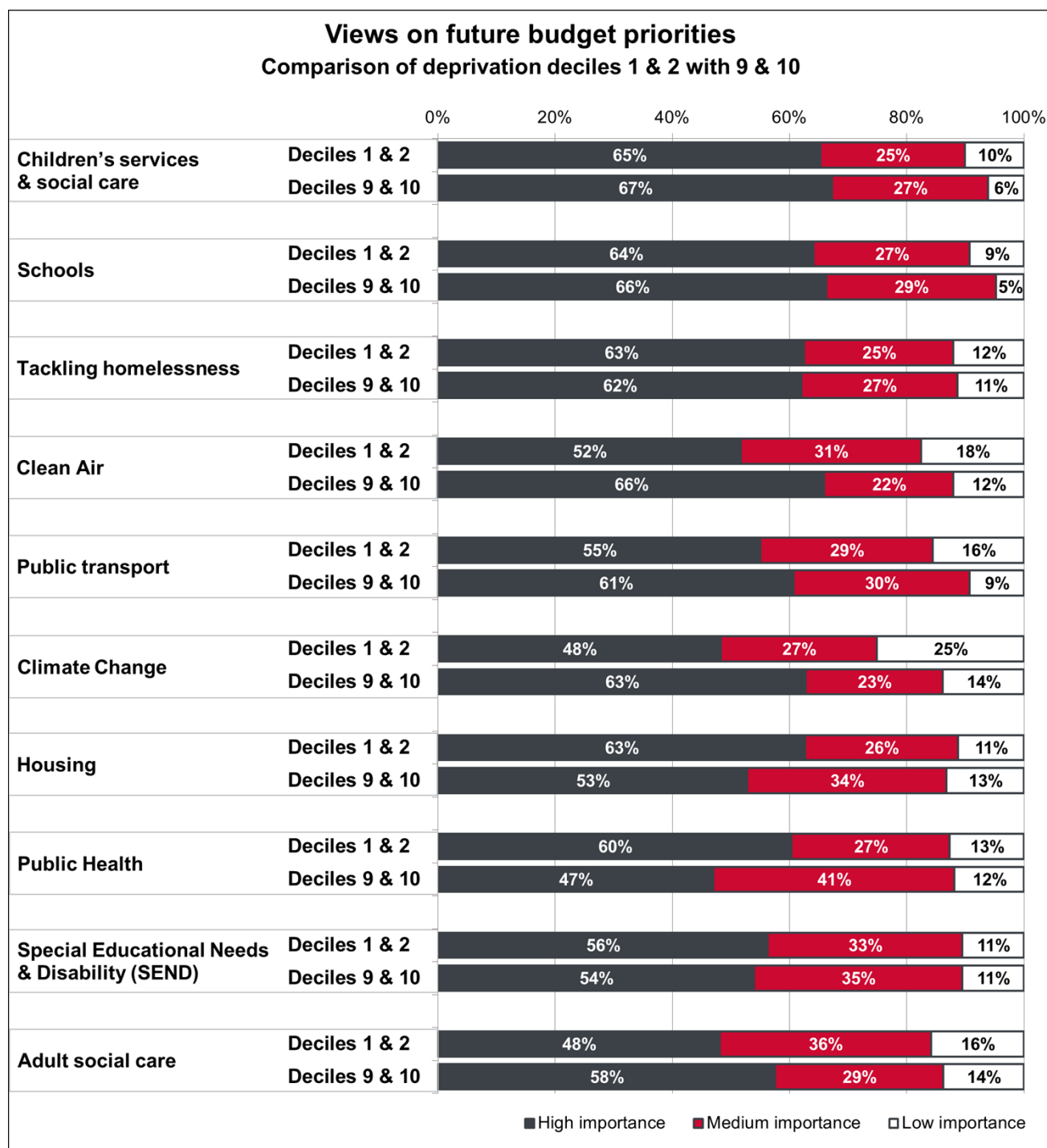
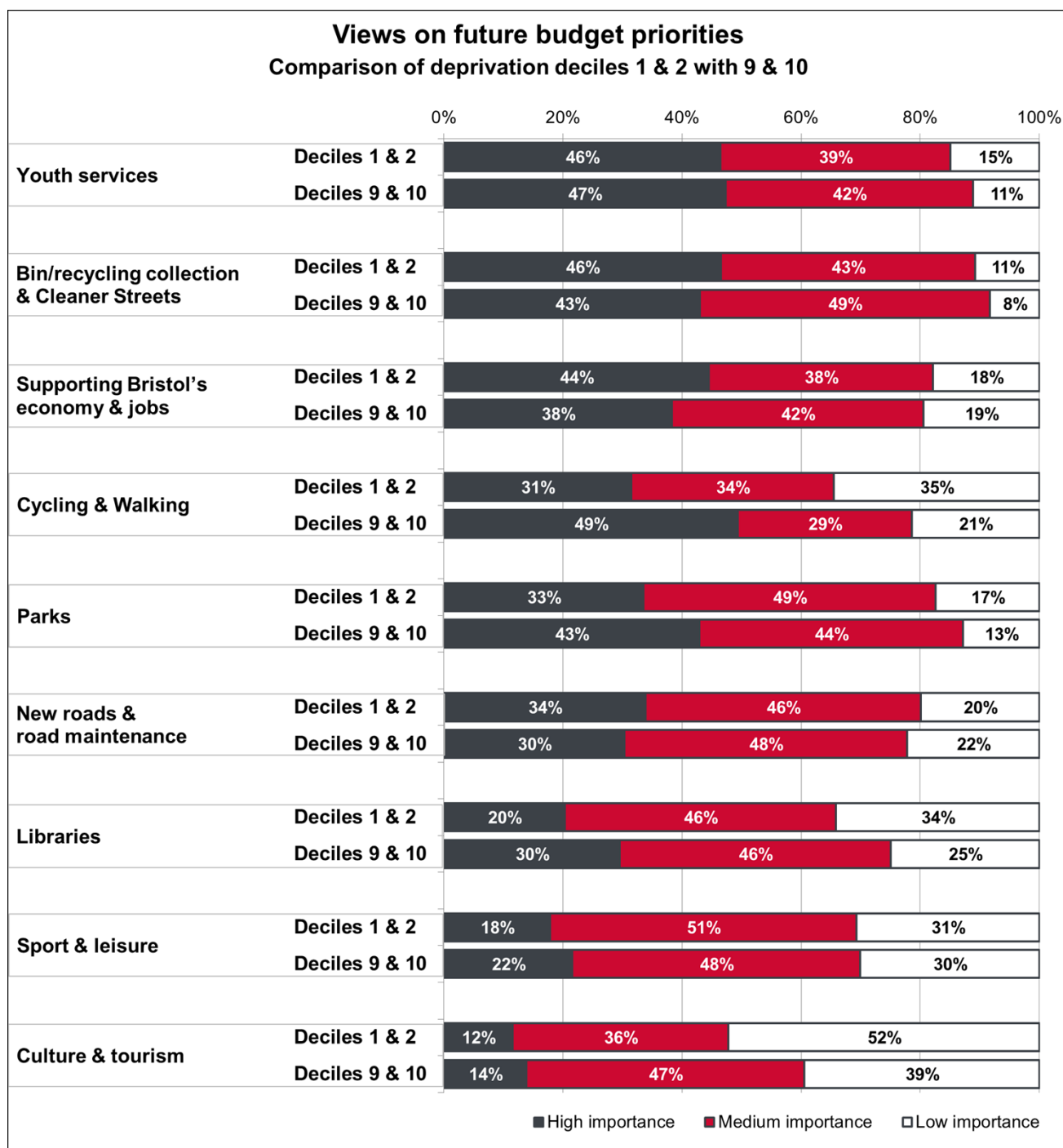


Figure 25 compares the priorities of respondents in deciles 1 and 2 with the priorities of respondents in deciles 9 and 10 for the nine services rated as priorities 11 to 19 by all respondents. The services listed as priorities 11 to 19 are shown in Figure 25 in the same order as in Figure 23.

**Figure 25: Spending priorities 11 to 19 - comparison of high and low deprivation areas**



Figures 24 and 25 show that respondents in the most deprived areas (deciles 1 and 2) and the least deprived areas (deciles 9 and 10) share similar views on the importance of the following services (priorities in parentheses are based on the percentage of all respondents who think the service is of high importance (see Figure 23):

- Children’s services and social care (priority 1 of 19)
- Schools (priority 2 of 19)
- Tackling homelessness(priority 3 of 19)
- Special educational needs & disability (SEND) (priority 9 of 19)
- Youth services (priority 11 of 19)
- Bin/recycling collection & cleaner streets (priority 12 of 19)
- New roads & road maintenance (priority 16 of 19)
- Sport and leisure (priority 18 of 19)

Respondents in the most deprived areas (deciles 1 and 2) place higher importance on the following services compared to respondents in the least deprived areas (deciles 9 and 10):

- Housing (priority 7 of 19)
- Public health (priority 8 of 19)
- Supporting Bristol's economy & jobs (priority 13 of 19).

Respondents in the least deprived areas (deciles 9 and 10) place higher importance on the following services compared to respondents in the most deprived areas (deciles 1 and 2):

- Clean air (priority 4 of 19)
- Public transport (priority 5 of 19)
- Climate change (priority 6 of 19)
- Adult social care (priority 10 of 19)
- Cycling and walking (priority 14 of 19)
- Parks (priority 15 of 19)
- Libraries (priority 17 of 19)
- Culture and tourism (priority 19 of 19)

## 6 Reasons for respondents’ preferred level of Council Tax and Adult Social Care Precept and priorities for future funding of services

### 6.1 Overview

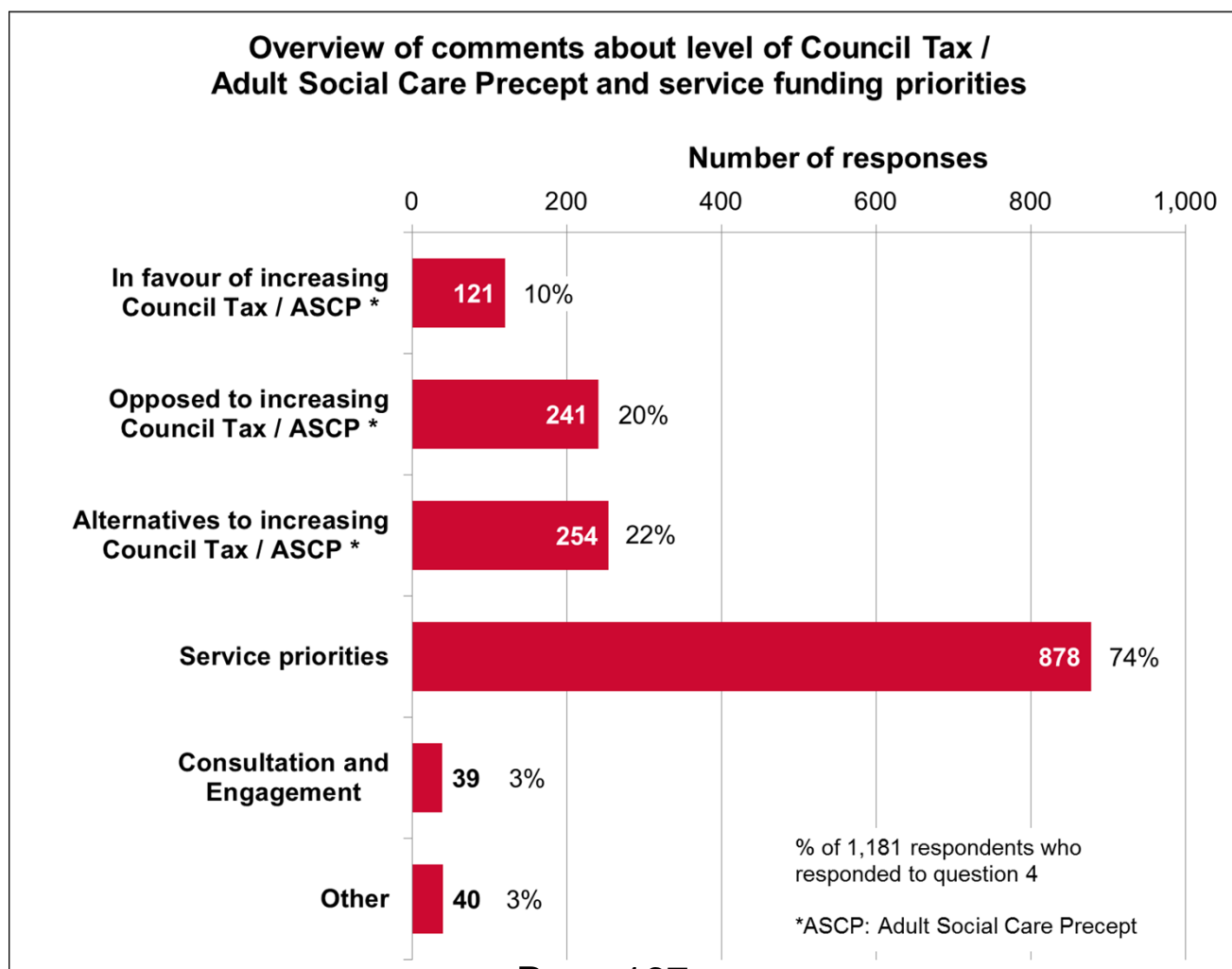
In question 4, respondents were invited to explain why they had chosen their preferred option for the level of Council Tax increase (question 1), their preferred option for the level of Adult Social Care Precept (question 2) and the reasons why they thought each service is of high, medium or low importance for future funding (question 3).

1,181 (34%) of the respondents provided free text feedback to this question. All comments were categorised into themes which are summarised below and in Figure 26.

- 121 (10% of respondents to question 4) stated why they support an increase in Council Tax and/or Adult Social Care precept. A breakdown is provided in section 6.2.
- 241 (20%) stated why they oppose an increase in Council Tax and/or Adult Social Care precept (section 6.3).
- 254 (22%) suggested alternatives to increasing Council Tax and/or Adult Social Care precept (section 6.4).
- 878 (74%) commented on their priorities for funding future services (section 6.5).
- 39 (3%) provided comments about the consultation.
- There were 40 (3%) comments on other themes.

The total number of comments for the above themes exceeds 1,181 because some respondents addressed several themes.

**Figure 26: Overview of comments about Council Tax / ASCP and spending priorities**

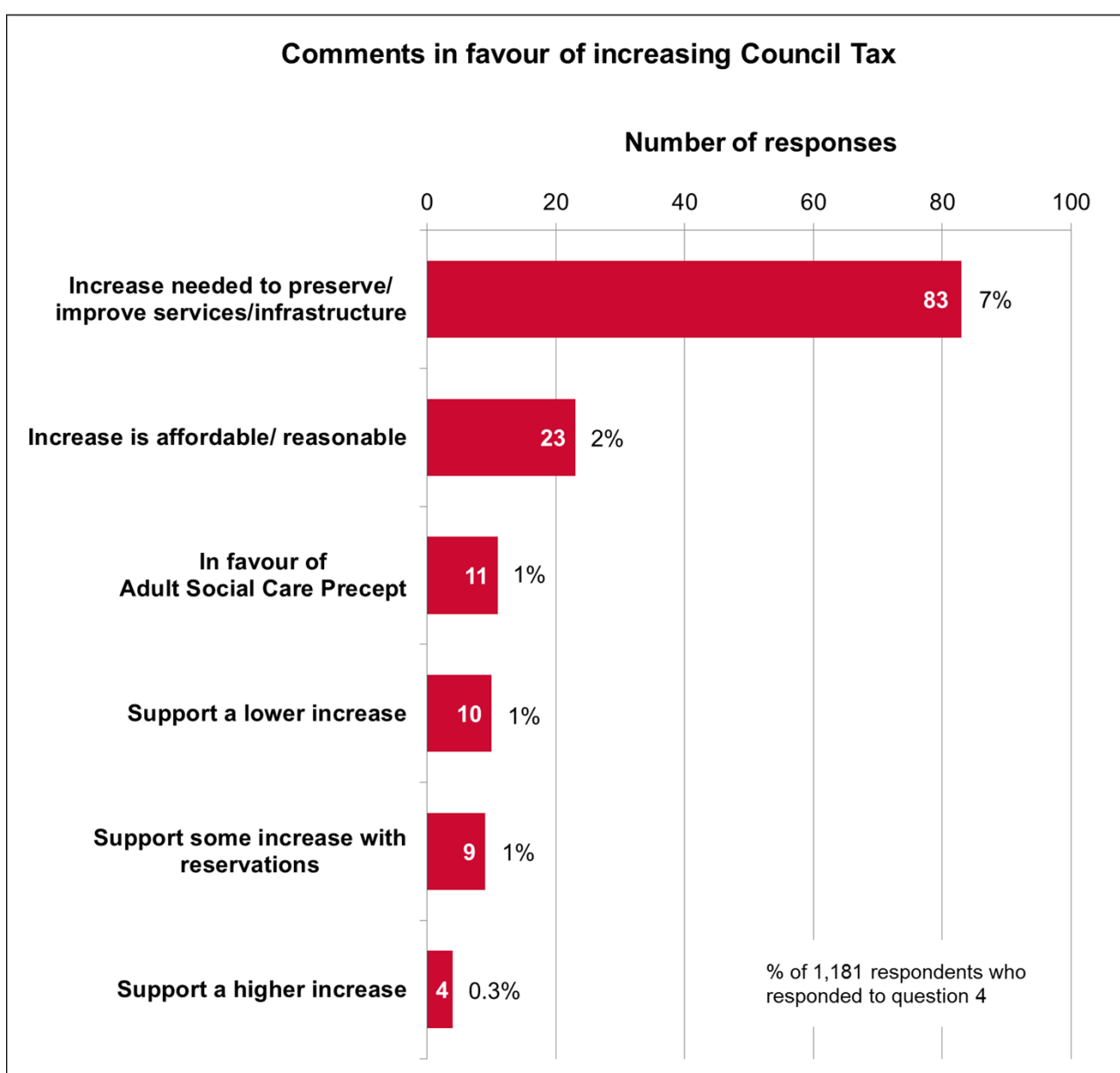


## 6.2 Comments in favour of increasing Council Tax

121 (10%) respondents provided their reasons for supporting an increase in Council Tax and/or Adult Social Care Precept (Figure 27).

- 83 (7%) said that an increase in Council Tax is necessary to preserve or improve services provided by the council.
- 23 (2%) said that the increase they chose was affordable.
- 11 (1%) specified their support for the Adult Social Care Precept.
- 10 (1%) would support a lower increase.
- 9 (1%) support an increase with some reservations
- 4 (0.3%) would support a higher increase in Council Tax / Adult Social Care Precept.

**Figure 27: Comments in favour of increasing Council Tax**



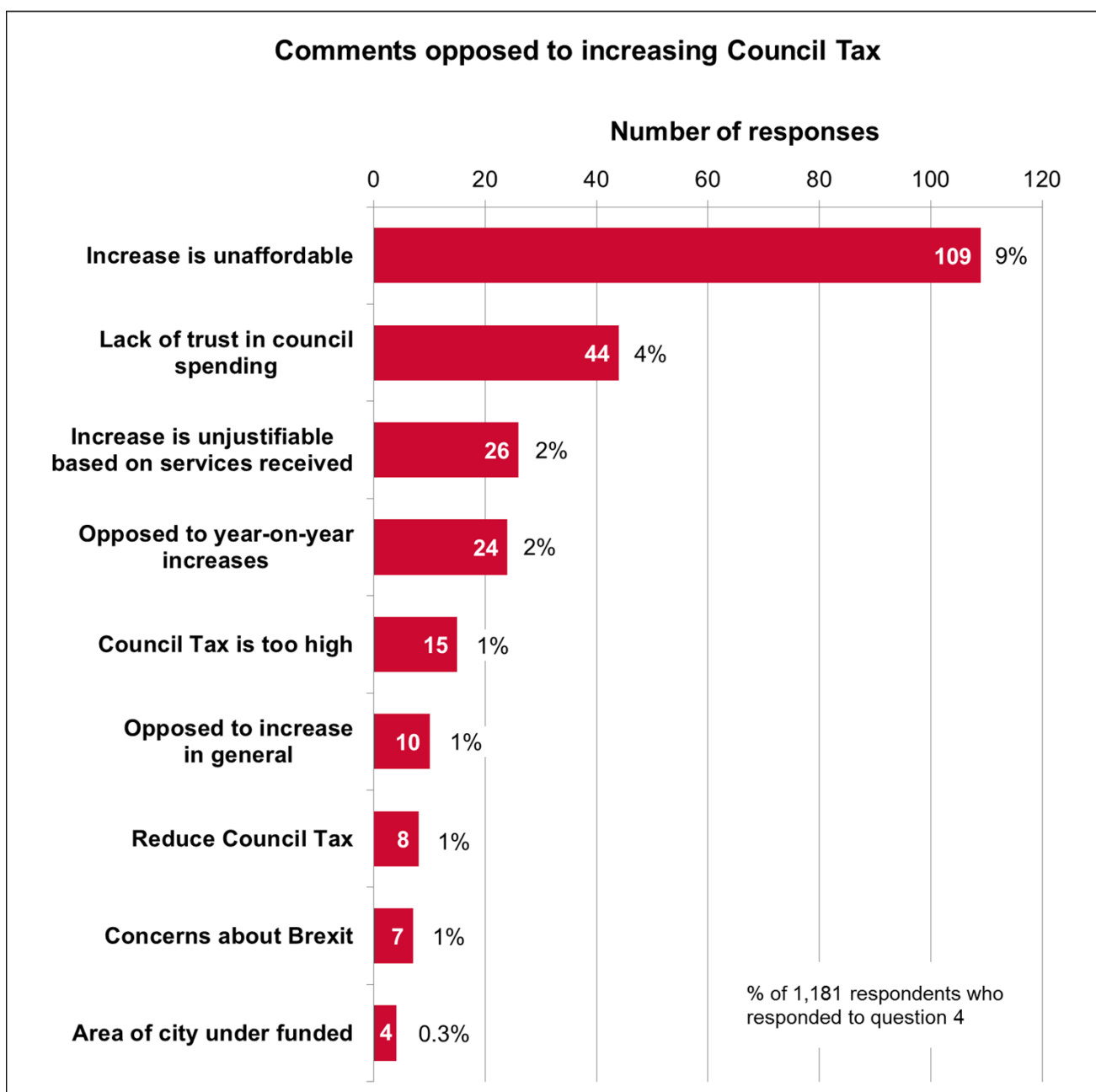


### 6.3 Comments opposed to increasing Council Tax

241 (20%) respondents provided their reasons for opposing an increase in Council Tax and/or Adult Social Care precept (Figure 28).

- 109 (9%) said that an increase would be unaffordable.
- 44 (4%) stated that they lacked trust in the council to spend the money effectively.
- 26 (2%) said that the increase was unjustifiable based on the services they received.
- 24 (2%) were opposed to year-on-year increases in Council Tax.
- 15 (1%) said that Council Tax was already too high.
- 10 (1%) were against an increase in general.
- 8(1%) said that Council Tax should be reduced.
- 7 (1%) stated that they were against an increase due to concerns about Brexit
- 4 (0.3%) opposed an increase because they think their area of the city is under-funded.

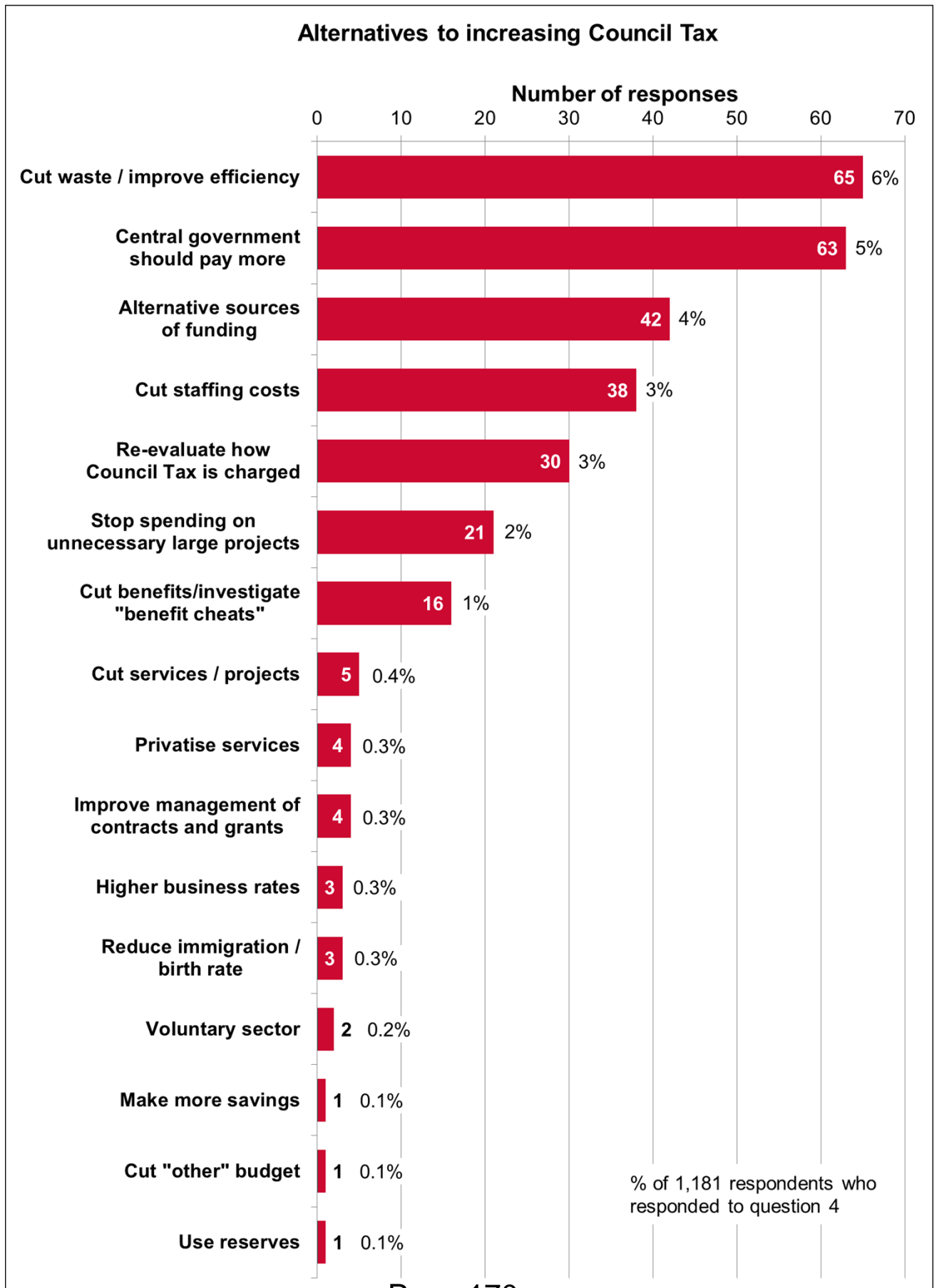
**Figure 28: Comments opposed to increasing Council Tax**



### 6.4 Alternatives to increasing Council Tax

254 (22%) respondents proposed alternatives to increasing Council Tax (Figure 29).

**Figure 29: Alternatives to increasing Council Tax**



Of the 254 comments proposing alternatives to increasing Council Tax:

- 65 (6%) suggested that the council should cut waste and increase its efficiency in order to save money.
- 63 (5%) said that Central Government should provide more funding.
- 42 (4%) suggested alternative sources of funding.
- 38 (3%) said that the council should reduce staffing costs.
- 30 (3%) proposed that the council should re-evaluate how Council Tax is charged.
- 21 (2%) suggested stopping spending money on “unnecessary” big projects.
- 16 (1%) said that the council should cut benefits and/or investigate benefits cheats.
- 5 (0.4%) proposed cutting services and/or projects.
- 4 (0.3%) suggested privatising services.
- 4 (0.3%) suggested improving the management of contracts and grants.
- 3 (0.3%) proposed raising business rates.
- 3 (0.3%) said immigration and/or birth rate should be reduced to lessen the demand on services.
- 2 (0.2%) proposed using the voluntary sector to deliver services.
- 1 (0.1%) proposed making more savings.
- 1 (0.1%) suggested cutting the ‘Other’ budget shown in the consultation information about how Council Tax is currently spent.
- 1 (0.1%) said that the council should use its reserves rather than raise Council Tax.

## 6.5 Suggested priorities for council spending

878 (74%) respondents commented on why they had rated specific services as high, medium or low importance for future funding, in their response to question 3. Their views are summarised in Figure 30.

In Figure 30, the services are listed in the same order as in Figure 23<sup>26</sup>, with the following exceptions.

- In Figure 30, ‘children’s services and social care’ and ‘youth services’ are combined as children’s / youth services and social care. This is because many of the free text comments do not differentiate between these two services.
- In Figure 30, the service area ‘new roads and highway maintenance’ has been subdivided into two themes because respondents thought new roads were of different importance to highway maintenance and many of the comments refer to one or the other separately.
- In Figure 30, ‘cycling and walking’ has been subdivided into two themes because respondents differentiated between the two, and similarly ‘bins/recycling collection and cleaner streets’ has also been subdivided

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<sup>26</sup> Figure 23 lists the services in descending order of the proportion of respondents who rated each service as high importance.

## All services

61 (5%) commented that all services are a high priority. For example:

*“All of [these] things are very important. If I had answered to say that any were medium importance I would be lying, they all have an important part in making our city the fantastic place it is to live.”*

## Children's/Youth services & Social Care

- 119 (10%) commented that children's/youth services & social care should be a higher priority.
- 9 (1%) said that children's/youth services & social care should be a lower priority.
- Examples of comments saying it should be a higher priority include:  
*“Children's services need to be a priority, we have seen large numbers of preventative services cut over the past ten years and we are starting to see the impact of [this] nationally in the way of higher rates of children in care and children in need, as well as issues such as knife crime.”*

## Schools

- 81 (7%) commented that schools should be a higher priority.
- 4 (0.3%) said that schools should be a lower priority.
- Examples of comments saying schools should be a higher priority include:  
*“I think looking after are schools is most important as this is where children are the future and one day they will be making changes to the world. It's better to educate them more so they learn from others' mistakes”*

## Tackling Homelessness

- 76 (6%) commented that tackling homelessness should be a higher priority.
- 8 (1%) said that it should be a lower priority.
- Examples of comments saying it should be a higher priority include: *“Caring for the people in our city is most important. As a city we should be ashamed of our lack of care for the homeless. People should be our priority. We don't have enough housing and the demand means landlords charge outrageous prices for rent and provide substandard accommodation.”*

## Clean Air

- 87 (7%) commented that clean air should be a higher priority.
- 19 (2%) said that it should be a lower priority.
- Examples of comments saying it should be a higher priority include:  
*“Personally speaking, my greatest concern about living in Bristol is the poor air quality, and the effect it may have on my health, and the health of other people, particularly children.”*
- Examples of comments saying it should be a lower priority include: *“If “clean air” means getting rid of my diesel car then I'm not in favour as I simply cannot be forced to buy a new car and cannot financially accommodate.”*

## Public transport

- 211 (18%) commented that public transport should be a higher priority.
- 26 (2%) said that public transport should be a lower priority.
- Examples of comments saying public transport should be a higher priority include:  
*“Public transport is THE most important thing that needs sorting in Bristol. It is dire, far worse than for cities in other European countries and worse than most cities in Britain. It is also a service that affects everyone and helps combat climate change and poor air quality.”*
- Examples of comments saying it should be a lower priority include:  
*“No one wants to use the buses, they’re always empty, so stop making so many bus lanes”*

## Climate Change

- 90 (8%) commented that climate change should be a higher priority.
- 21 (2%) said that it should be a lower priority.
- Examples of comments saying it should be a higher priority include:  
*“Obviously climate change is going to be the biggest challenge facing us in the future so we need to adapt faster”*
- Examples of comments saying it should be a lower priority include:  
*“Firstly I don’t think it’s the council’s responsibility to address climate change. That is a much bigger issue to be addressed by much bigger budgets.”*

## Housing

- 57 (5%) commented that housing should be a higher priority.
- 6 (1%) said that housing should be a lower priority.
- Examples of comments saying it should be a higher priority include:  
*“Housing is a massive issue, it’s very difficult to buy or rent in this city at a fair affordable price and this is unsustainable. Salaries are not increasing at the same pace as housing prices. It needs to be regulated as this is creating a lot of pressure in people.”*

## Public Health

- 26 (2%) commented that Public Health should be a higher priority.
- 13 (1%) said that Public Health should be a lower priority.
- Examples of comments saying it should be a higher priority include:  
*“Public health and getting people into more active lifestyles is important for minimising other expenses and hopefully in the long run the social care bill for older adults.”*
- Examples of comments saying it should be a lower priority include:  
*“Public health should be paid for by NHS. Am unsure why this is the Council Tax payers’ responsibility.”*

## Special Educational Needs and Disability (SEND)

- 24 (2%) commented that SEND should be a higher priority.
- 1 (0.1%) said that it should be a lower priority.
- Examples of comments saying it should be a higher priority include:  
*“Children with SEND are being failed. They are already disadvantaged and should be given accessible, consistent and secure support.”*

## Adult Social Care

- 114 (10%) commented that adult social care should be a higher priority.
- 47 (4%) said that adult social care should be a lower priority.
- Examples of comments saying it should be a higher priority include:  
*“Nationally, there is a looming crisis in adult social care - more of us are living longer, and needing more intensive nursing care at the end of life. At the same time, not enough of us are saving sufficiently for the future. With the widespread end of final salary pensions, what we are saving is generally not enough for us to live on into old age. Those of us of working age now will be working longer, and be retiring on much less, than our parents' generation. For this reason, adult social care does need additional funding.”*
- Examples of comments saying it should be a lower priority include:  
*“There should be more individual responsibility for adult social care. I was astonished that 45% of the council's budget is directed to this. We should provide a safety net in each area for the most vulnerable, not provide a lifestyle choice.”*

## Bin/recycling collection

- 33 (3%) commented that bin/recycling collection should be a higher priority.
- 9 (1%) said that it should be a lower priority.

## Cleaner Streets

- 31 (3%) commented that Cleaner Streets should be a higher priority.
- 1 (0.1%) said that it should be a lower priority.

## Supporting Bristol's economy and jobs

- 27 (2%) commented that supporting Bristol's economy and jobs should be a higher priority.
- 6 (1%) said that it should be a lower priority.

## Cycling

- 129 (11%) commented that cycling should be a higher priority.
- 58 (5%) said that it should be a lower priority.
- Examples of comments saying it should be a higher priority include:  
*“Encouraging people to cycle, walk or use public transport would also improve air pollution in Bristol and help fight climate change.”*
- Examples of comments saying it should be a lower priority include:  
*“Bristol has wasted millions on cycle lanes and priorities for cycling. Enough is enough”*

## Walking

- 70 (6%) commented that walking should be a higher priority.
- 16 (1%) said that it should be a lower priority.
- Examples of comments saying walking should be a higher priority include:  
*“I have selected cycling/walking for opposing reasons and it is regrettable you have lumped them together: cycling is dangerously out of control and should be strictly regulated, while walking meets all the same aims - green, safety, etc, and so should be made as safe and enjoyable as possible.”*
- Examples of comments saying walking should be a lower priority include:  
*“Cycling and walking provision is adequately covered by roads for the former and pavements and parks for the latter. People shouldn’t need to be told how to do it via council-funded promotional campaigns.”*

## Parks

- 47 (4%) commented that parks should be a higher priority.
- 1 (0.1%) said that parks should be a lower priority.
- Examples of comments saying parks should be a higher priority include:  
*“My particular interest has been parks and green spaces and the value they represent to health and social care. They have suffered some neglect from the recent rounds of cuts and they need the care and attention to encourage people to use them and derive the mental and physical benefits that such spaces offer.”*

## New roads

- 7 (1%) commented that new roads should be a higher priority.
- 46 (4%) said that new roads should be a lower priority.
- Examples of comments saying new roads should be a higher priority include:  
*“Traffic is impossible. New roads would be a great improvement.”*
- Examples of comments saying new roads should be a lower priority include:  
*“I do not think that road maintenance and new roads should be bundled together. I support maintenance but not new roads.”*

## Highways maintenance

- 70 (6%) commented that highways maintenance should be a higher priority.
- 7 (1%) said that highways maintenance should be a lower priority.
- Examples of comments saying it should be a higher priority include:  
*“The state of the roads i.e. pot holes & surfacing, causing damage to cars. Not only are we paying towards the upkeep of public roads, we are unnecessarily paying out for repairs to our cars!!”*
- Examples of comments saying it should be a lower priority include:  
*“I believe road maintenance isn’t important as driving should be discouraged.”*

In addition, there were 23 (2%) comments that said that roads in general should be a higher priority, and 12 (1%) that they should be a lower priority.

## Libraries

- 20 (2%) commented that libraries should be a higher priority.
- 7 (1%) said that libraries should be a lower priority.
- Examples of comments saying libraries should be a higher priority include:  
*“Libraries are important because they are used across the general population and encourage learning.”*
- Examples of comments saying it should be a lower priority include:  
*“Libraries are not worth investing in, the future is iPads and google for information”*

## Sport & Leisure

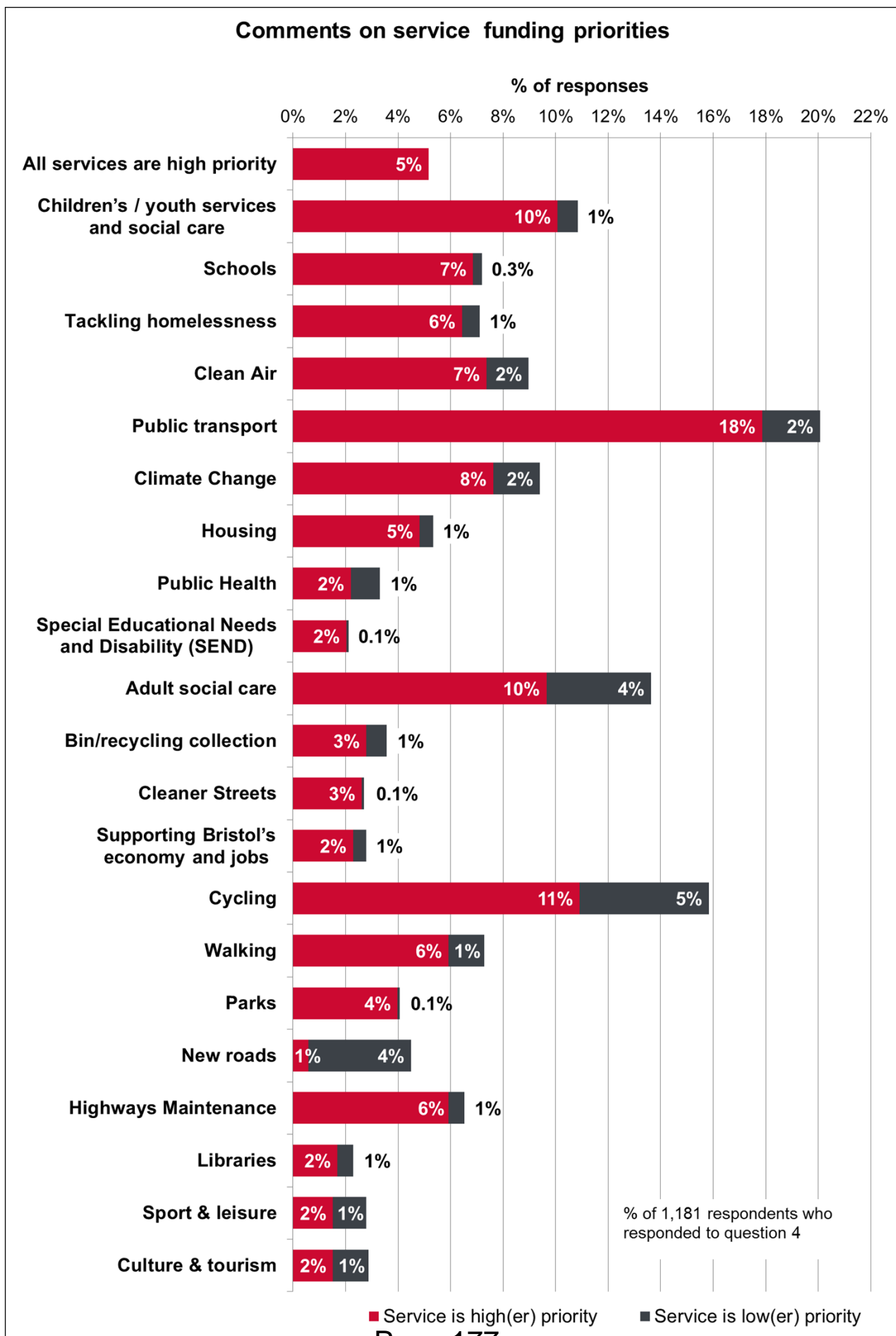
- 18 (2%) commented that sport & leisure should be a higher priority.
- 15 (1%) said that sport & leisure should be a lower priority.
- Examples of comments saying it should be a higher priority includes:  
*“We need to keep people healthy - sport and leisure - the signs of obesity are quite staggering and much worse in women than men. Compulsory improvements in physical education is vital.”*
- Examples of comments saying it should be a lower priority include:  
*“Sport and leisure can be provided privately.”*

## Culture & tourism

- 18 (2%) commented that culture & tourism should be a higher priority.
- 16 (1%) said that it should be a lower priority.
- Examples of comments saying it should be a higher priority includes:  
*“I feel that investment in culture and art should be a priority as this is what makes Bristol interesting, unique and a more enjoyable place to live.”*
- Examples of comments saying it should be a lower priority include:  
*“We are in a state of emergency regarding vital services, so let’s focus on these, to lose cultural opportunities is tragic but please don’t spend Council Tax on low impact middle class orientated cultural institutions, e.g. Arnolfini, Architecture Centre. These major Arts Centres do not reach out to everyone; they have a low impact on the Bristol community. Our museums, M shed and the Museum, do and their funding is justified.”*



**Figure 30: Comments on service funding priorities**



## 6.6 Comments about the consultation

39 (3%) made comments about the consultation. Of these:

- 28 (2%) requested additional information to help them understand the issues/trade-offs. 8 of these wanted a breakdown of the 'other' category in the chart of how Council Tax is spent.
- 10 (1%) criticised aspects of the consultation, including the costs of the survey, the space available for free text comments, omissions or aggregations of the services listed in question 3, the time available for completing the survey and the inclusion of equalities monitoring questions.
- 2 (0.2%) requested more engagement at an early stage to shape proposals.

## 6.7 Other comments

40 (3%) made others comments, including:

- 29 (2%) criticised the council for wasting money and managing projects poorly, particularly transport changes.
- 8 (1%) believe that the council will ignore the consultation feedback will do what it wants/raise local taxes.
- 2 (0.2%) were critical of progress on Clean Air plans;
- 1 (0.1%) highlighted the need for an integrated NHS and Social Care policy;
- 1 (0.1%) was complementary about the help they receive from the council.

## 7 Other correspondence on the Budget 2020/21 Consultation

Five emails were received from members of the public in response to the Budget 2020/21 Consultation. These were analysed separately from the survey responses and are summarised by theme below.

Comments in the five emails included stated opposition to an increase in Council Tax, support for increasing Council Tax and suggested alternatives to increasing Council Tax.

### Opposed to an increase in Council Tax

- Two people said that Council Tax should not increase because their earnings have not increased.
- One respondent said they would much prefer a zero increase but added that only the council knows how much is needed to fund services
- One said that Council Tax should decrease for people on low incomes.
- One person said that Council Tax is already high.
- One said Council Tax should be 'banned'.

### In favour of an increase in Council Tax

- One person said that it would be helpful if all households (whether on benefits or not) paid an extra £2 towards Council Tax.

### Alternatives to increasing Council Tax

- One respondent said that the council should stop wasting money on redeveloping the city centre and Temple Meads.
- One said Bristol should stop wasting money trying to be the third best university city.

### Other comments

- One respondent said that removing traffic lights would get the city moving and make Bristol a better cleaner place.

## 8 How will this report be used?

This report will be taken into account as final proposals are developed by officers to put to Cabinet to recommend to Full Council. The report will also be considered by Cabinet and Full Council in making its decisions about the 2020/21 budget at the Full Council meeting on 25 February 2020.

Budget decisions will be published through normal procedures for Full Council and Cabinet decisions at [democracy.bristol.gov.uk](https://democracy.bristol.gov.uk).

### How can I keep track?

You can always find the latest consultation and engagement surveys online at [www.bristol.gov.uk/consultationhub](https://www.bristol.gov.uk/consultationhub) where you can also sign up to receive automated email notifications about consultations and engagements.

All decisions related to the proposals in this consultation will be made publicly at the Full Council meeting on 25 February 2020.

You can find forthcoming meetings and their agendas at [democracy.bristol.gov.uk](https://democracy.bristol.gov.uk).

Any decisions made by Full Council and Cabinet will also be shared at [democracy.bristol.gov.uk](https://democracy.bristol.gov.uk).

## Bristol City Council Equality Impact Relevance Check

This tool will identify the equalities relevance of a proposal, and establish whether a full Equality Impact Assessment will be required. Please read the guidance prior to completing this relevance check.



What is the proposal?	
Name of proposal	Council Budget 2020/21
Please outline the proposal.	<p>The Council is required to set an annual revenue budget, its capital programme and the council tax, which enables the delivery of the Council's priorities within a balanced budget. This is described within the Council's financial plan and as regard to core, statutory and regulatory services as well as local key priorities and objectives.</p> <p>The Council has a statutory responsibility to consult on its proposed budget and level of Council Tax under the Local Government Finance Act 1992. The proposed increase in Council Tax is 3.99% (of which 2% to be ring fenced to fund Adult Social Care) to fund the shortfall in the budget requirement as a result of increased costs of running services</p> <p>The funding position beyond 2020/21 is very uncertain; not least as the current spending review only covers the next financial year. The budget planning that has followed models a 5 year balanced position 2020/21 to 2024/25. There is no requirement for any new savings to achieve a balanced budget for 2020/21 due to the previously approved package of savings identified by the Council as part of the 2018 budget.</p> <p>Previously approved savings proposals from prior budget setting decisions which include ongoing savings for 20/21 have been subject to individual equality relevance checks and/or equality impact assessments, with updates where appropriate. These are published on the council's website <a href="https://www.bristol.gov.uk/council-spending-performance/council-budgets">https://www.bristol.gov.uk/council-spending-performance/council-budgets</a>. They will continue to be updated as appropriate.</p> <p>Any future individual proposals will be subject to their own separate Equality Impact Assessment, consultation and assessment procedures at the relevant time. Decision makers will have the ability to make changes to the individual spending plans following consultation (where necessary) and detailed evaluation of the impact of proposals.</p> <p>There is financial mitigation put aside for any non-delivery or amendments to proposals which may occur due to future consideration of equalities issues or other factors (see 'Financial Deficit' in Appendix 3 -Risk Register Report).</p> <p>Other than the Local Council Tax Reduction scheme the Council has limited options to mitigate the impact of council tax other than the overall level at which it sets the Band D charge. The charges for other bands are set proportionately to Band D by legislation</p>

What savings will this proposal achieve?	The budget proposes an indicative annual expenditure of £1.2bn with pipeline savings (agreed 2018 budget) of £8m. Further savings of £4m (agreed 2018 budget) remain anticipated in subsequent years to 2022/23.
Name of Lead Officer	Michael Pilcher

**Could your proposal impact citizens with protected characteristics?**  
(This includes service users and the wider community)

Please outline where there may be significant opportunities or positive impacts, and for whom.

Against the uncertain backdrop of local government financing councils could face a spike in demand for already hard-pressed services such as adult and children’s services and support for people at risk of homelessness. Demand for our services continues to rise. The number of vulnerable adults (for example frail elderly people or those with learning disabilities and mental health) and vulnerable children (for example, those with special educational needs and disabilities) and associated cost pressures are all increasing.

The funding position beyond next year is very uncertain; not least as the current spending review only covers the next financial year with a spending review planned for 2020. The budget planning that has followed models a 5 year balanced position 2020/21 to 2024/25 and incorporate the following specific funding assumptions for 2020/21 as set out in the report.

Despite these increasingly limited resources, we have continued to prioritise services that make the biggest difference to those in greatest need. We are conscious of the impact of council tax increases on Bristol residents. At the same time residents have made it clear they value the services they receive and the environment in which they live and some of those that are able to have indicated that they are willing to pay a little more. That provides a difficult balancing act between council tax increases; income charges; income generation; and service reductions.

The overall budget envelope sets out the monies available for the Council which enables the delivery of the Councils priorities. The proposal within the report is that for 2020/21 budget should be predicated on the basis of a proposed increase of 3.99% in the amount of Council Tax income receivable, split between:

- Growth in the size of the Council Tax base
- Core Council Tax increase increase of 1.99%
- Government-recommended specific increase in relation to adult social care of 2.0%

The overarching annual impact of this increase is outlined in the table below.:

	<b>Band A</b>	<b>Band B</b>	<b>Band C</b>	<b>Band D</b>	<b>Band E</b>	<b>Band F</b>	<b>Band G</b>	<b>Band H</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
2020/21 Council Tax £	1,172.19	1,367.55	1,562.92	1,758.28	2,149.02	2,539.75	2,930.47	3,516.57
2019/20 Council Tax £	1,127.21	1,315.08	1,502.95	1,690.82	2,066.56	2,442.30	2,818.03	3,381.64
Increase	44.98	52.47	59.97	67.46	82.46	97.45	112.44	134.93
<b>Percentage Increase</b>	<b>3.99%</b>	<b>3.99%</b>	<b>3.99%</b>	<b>3.99%</b>	<b>3.99%</b>	<b>3.99%</b>	<b>3.99%</b>	<b>3.99%</b>

The Council has continued to provide a local Council Tax reduction scheme that supports working age people on a similar basis to those who previously received 100% Council Tax benefit prior to this being abolished in 2013;

and is one of a handful of English councils to do so. Pensioners are protected from any changes under the prescribed national scheme. The overall scheme is estimated to cost in the region of £39.5m in 2020/21.

The impact of each 1% increase in Council Tax is an additional £0.32 per week for a band D property which would raise an additional £2.2 million to fund priority services.

At this stage in the process it is difficult to fully consider the implications the proposals will have on citizens with protected characteristic. The budget consultation report shows the breakdown of the respondents to the consultation on the budget by protected characteristics.

The assumption has been made on a very local level that some protected characteristics will be evenly distributed across income groups and as such Citizens who are of working age with Council Tax liabilities will be negatively affected.

Many people on low incomes can get Council Tax Support to help them pay their Council Tax bills. The Council Tax Support Scheme is mainly funded by the Government although the Council help pay towards the scheme as well. Any increase in Council Tax means a similar increase in the amount of funding for the local council tax reduction scheme maintaining current levels of support and assistance to working age households.

In addition further support is in place through the Council's discretionary policies for those who suffer hardship.

Relevance Checks and EQIAs, where necessary are carried out for individual service proposals within the overall budget and individual reports associated to the key funding streams. These are live documents which are updated as more information becomes available as propositions are developed and the latest position is considered by members prior to decision making and will be submitted to Full Council with the overall budget proposals in February.

Please outline where there may be significant negative impacts, and for whom.

See above

With the scale of the financial challenge which the authority faces arising from a combination of increasing spending demands, reduced central government grants, it is inevitable the authority has to review the way it provides services and we cannot carry on providing services in the same way as we have in the past.

The budget proposals agreed by full council in February 2018 included proposition that change how we fund and provide services. Whilst a small number reduced or stopped services, the majority of the propositions from 2020/21 are intended to produce different or better outcomes for less public money, business efficiency savings aimed at delivering the same or similar outcomes for less money and income generation. These will enable the Council to deliver our priorities and meet the needs of our residents within the likely funding available to the Council. The budget also include some discretionary investment, particularly to support maintaining capital investment programme. Maintaining the capital programme is a key element of the stimulating economic regeneration including supporting local jobs working on local projects, stimulating housing, tackling congestion, strengthening families and providing facilities to equip young people with the skills they will need to enter the future jobs market.

**Could your proposal impact staff with protected characteristics?**

(i.e. reduction in posts, changes to working hours or locations, changes in pay)

Please outline where there may be significant opportunities or positive impacts, and for whom.

N/A – this is determined at a service or directorate level

Please outline where there may be negative impacts, and for whom.

N/A – this is determined at a service or directorate level

<b>Is a full Equality Impact Assessment required?</b>	
<p>Does the proposal have the potential to impact on people with protected characteristics in the following ways:</p> <ul style="list-style-type: none"> <li>• access to or participation in a service,</li> <li>• levels of representation in our workforce, or</li> <li>• reducing quality of life (i.e. health, education, standard of living) ?</li> </ul>	
<p>Please indicate yes or no. If the answer is yes then a full impact assessment must be carried out. If the answer is no, please provide a justification.</p>	<p>No. The impacts are set out within the individual saving proposals to meet the savings and income generation were proposed within the Council Budget 2018/19. Relevance Checks and EQIAs have been conducted against these individual proposals.</p>
<p>Service Director sign-off and date: <i>Denise Murray 13/01/2020</i></p>	<p>Equalities Officer sign-off and date: <i>Reviewed by Equality and Inclusion Team 13/1/2020</i></p>



# Decision Pathway



**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 21 January 2020

<b>TITLE</b>	<b>2019/20 Budget Recommendations to Full Council</b>	
<b>Ward(s)</b>	All	
<b>Author:</b> Denise Murray	<b>Job title:</b> Director, Finance	
<b>Cabinet lead:</b> Craig Cheney	<b>Statutory officer:</b> Denise Murray, s151 officer	
<b>Proposal origin:</b> <i>Other</i>		
<b>Decision maker:</b> Mayor <b>Decision forum:</b> <i>Cabinet</i>		
<p><b>Purpose of Report:</b> To set out the Mayor's Revenue budget (in light of the decisions made by Council in respect of the Council Tax Base in January 2019), incorporating decisions for:</p> <ul style="list-style-type: none"> <li>• Revenue 2020/21 and future financial years;</li> <li>• Capital Programme 2020/21 to 2024/25;</li> <li>• Treasury Management Strategy which is including prudential indicators to be considered by Cabinet in making recommendations for Council to approve the budget at its meeting on 25<sup>th</sup> February 2020.</li> </ul> <p>It should be noted that, at the time of producing this budget report, the Final 2020/21 Local Government Finance Settlement has not yet been published. The proposals within this budget report have been made on the basis of the latest information regarding the likely details of the settlement. The difference between these estimates and the details in the final settlement is not expected to be significant and will be met by reserve contributions.</p>		
<p><b>Evidence Base:</b></p> <p>An update to the Medium Term Financial Plan (MTFP) was approved by Full Council in December 2018. This report builds on both the detailed and comprehensive work undertaken on the MTFP.</p> <p>As is customary, where appropriate public consultation has been undertaken in relation to the budget proposals and feedback from the consultation process has been taken into account in making these final recommendations.</p> <p>This report proposes a net revenue budget in 20/21 of £395.7 million and a capital budget of £302.9m. There are no new saving proposals outlined in balancing this budget.</p> <p>In the 2020/21 provisional settlement the Government announced that the council tax referendum threshold for Bristol was 4% including the flexibility to apply a social care precept of 2%.</p> <p>After due consideration, this report recommends a 3.99% council tax increase in the Council's band D council tax for 2020/21. This equates to an annual increase of £67.46 per band D household and excludes precepts from the Avon and Somerset Police and Crime Commissioner and the Avon Fire Authority.</p> <p>The Council tracks and monitors performance monthly and any risks are reported through routine management reporting.</p> <p>The report contains a large amount of important information and in order to make this accessible, the report is comprised of a main report and 7 appendices as follows:</p> <p>Appendix A – Budget Report for Full Council</p> <ul style="list-style-type: none"> <li>• Appendix 1 – Detailed budget summary by Directorate</li> <li>• Appendix 2 – Capital Programme</li> <li>• Appendix 3 – Budget Risk Matrix</li> </ul>		

- Appendix 4 – Treasury Management Strategy
- Appendix 5 – Flexible Use of Capital Receipts Strategy
- Appendix 6 – Budget Consultation report
- Appendix 7 – Equalities Relevance Check

**Cabinet Member / Officer Recommendations:**

To Note :

- The report from the Budget Scrutiny will follow after the meeting on 24 January and 6 February
- The categorisation of earmarked reserves and provisions set out in Section 16.
- The advice given by the Chief Finance Officer with respect to the robustness of the budget estimates and the adequacy of the Council’s reserves as set out in Section 15.
- The results of consultation as set out in Section 17 and detailed in Appendix 4.

To agree to recommend to Full Council:

- An overall 3.99% increase in the Council’s element of council tax for 2020/21 with 2% as a precept for Social Care and a 1.99% general increase.
- The General Fund revenue budget for 2020/21, as summarised in Section 6, the detailed budget summary by Directorate as outlined in Appendix 1.
- The Capital Programme as set out in Appendix 2.
- The Treasury Management Strategy, including the Prudential Indicators measuring affordability, capital spending, external debt and treasury management, as set out in Appendix 4.
- That they note the results of consultation as detailed in Appendix 6.

**Delegation of authority**

- To delegate authority to the Director, Finance after consultation with the Deputy Mayor and Cabinet Member for Finance, Governance & Performance and the Mayor, to make any necessary adjustments following receipt of the final settlement information, West of England Combined Authority budget or other technical adjustments to the figures to be submitted to Full Council on 25<sup>th</sup> February 2020.

**Corporate Strategy alignment:**

The Corporate Strategy underpins the Council’s budget.

**City Benefits:**

It is a statutory requirement to set a legal budget

**Consultation Details:**

Details of consultation are included within Appendix 6

<b>Revenue Cost</b>	<b>£ see Full Report</b>	<b>Source of Revenue Funding</b>	Various
<b>Capital Cost</b>	<b>£ see Full Report</b>	<b>Source of Capital Funding</b>	Various
<b>One off cost</b> <input type="checkbox"/>	<b>Ongoing cost</b> <input type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <input type="checkbox"/>

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

**1. Finance Advice:** The Council’s financial position has been set out in this report. Council is under a legal obligation (Local Government Finance Act 1992) to set a balanced budget and in doing so they are obliged, under normal administrative principles, to take into account the various relevant factors, particularly in respect of consultation and equalities.

Members are entitled to exercise their political judgement, paying due regard to the relevant factors rather than being absolutely determined by them.

The budget report sets out a comprehensive picture of the Council's finances over the short and medium term to assist in the decision making process in setting the 2020/21 budget and the forward look for the Council.

**Finance Business Partner:** Tian Ze Hao, 13/01/2020

**2. Legal Advice:** Approval of a balanced budget each year is a statutory responsibility of the Council (Local

Government Finance Act 1972).

The Mayor’s role is to consider the budget recommendations in the report and propose a budget to Full Council to adopt. Cabinet and Full Council must have regard to the report of the Chief Finance (s.151) Officer as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves ( Local Government Act 2003).

Public consultation has taken place in relation to the level of Council tax to be set in 2020/21. In doing so the Council has satisfied its statutory duty to consult with non-domestic rate payers (S65 Local Government Finance Act 1992).

The responses to the consultation must be taken into account by Cabinet. Cabinet should also be satisfied that a proper consultation has taken place in that consultation was undertaken when proposals were at a formative stage and sufficient reasons and time has been given to allow consultees to understand and respond to them properly.

The Budget Consultation report at Appendix 6 of the report sets out the process that was undertaken, detailed responses to consultation and how responses have been taken in to consideration by officers when developing proposals for final decision.

When considering proposals and options, Members must bear in mind their fiduciary duty to the council taxpayers of Bristol. Members must have adequate evidence on which to base their decisions.

The Public Sector Equality duty requires the decision maker to consider the need to promote equality for persons with “protected characteristics” and to have due regard to the need to i) eliminate discrimination, harassment, and victimisation; ii) advance equality of opportunity; and iii) foster good relations between persons who share a relevant protected characteristic and those who do not share it.

The Equalities Impact Check at appendix 7 is designed to assess whether there are any barriers in place that may prevent people with a protected characteristic using a service or benefiting from a policy. The decision maker must take into consideration the information in the check before taking the decision.

**Legal Team Leader:** Nancy Rollason, Head of Legal Service 13/01/2020

**3. Implications on IT:** n/a

**IT Team Leader:** n/a

**4. HR Advice:** The budget proposals for 2020/21 do not include a requirement for workforce reductions. However, some workforce reductions arising from previously agreed savings may still need to be made, but these are not anticipated to be significant. Any requirement for redundancies will be mitigated through pro-active vacancy management and redeployment arrangements. Where workforce reductions or service redesign is required, service managers will consult with employees and trade unions in accordance with agreed HR policies. As an employer, the City Council is under an obligation to avoid redundancies and will use its best endeavours to avoid any job losses.

**HR Partner:** Mark Williams, 13/01/2020

<b>EDM Sign-off</b>	Denise Murray	13/01/2020
<b>Cabinet Member sign-off</b>	Councillor Craig Cheney	13/01/2020
<b>For Key Decisions - Mayor’s Office sign-off</b>	Mayor’s Office	13/01/2020

<b>Appendix A – Further essential background / detail on the proposal</b>	<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>YES</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>YES</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>

<b>Appendix I – Combined Background papers</b>	<b>NO</b>
<b>Appendix J – Exempt Information</b>	<b>NO</b>
<b>Appendix K – HR advice</b>	<b>NO</b>
<b>Appendix L – ICT</b>	<b>NO</b>

Decision Pathway – Report

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**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 21 January 2020

<b>TITLE</b>	<b>HRA Budget proposals for 2020/2021</b>		
<b>Ward(s)</b>	All		
<b>Author:</b> Sarah Spicer	<b>Job title:</b> Business Planning and Service Development Manager		
<b>Cabinet lead:</b> Cllr Paul Smith	<b>Executive Director lead:</b> Stephen Peacock		
<b>Proposal origin:</b> BCC Staff			
<b>Decision maker:</b> Cabinet Member			
<b>Decision forum:</b> Cabinet			
<b>Purpose of Report:</b>			
<ol style="list-style-type: none"> <li>1. The report seeks Cabinet’s endorsement of the proposed 2020/21 Housing Revenue Account (HRA) Budget and planned expenditure. In addition it seeks delegated authority to appoint contractors to support the delivery of these plans, including the Housing Investment Plan and HRA Development (new build and property acquisition) programme.</li> <li>2. To advise of the intention to return to Cabinet in autumn 2020 seeking approval for a revised 30 year HRA business plan in line with the Medium Term Financial Plan. In light of this approval is only being sought for a one year budget.</li> </ol>			
<b>Evidence Base:</b>			
<p>The Housing Revenue Account (HRA) is a separate ring-fenced account and covers all activities of BCC as a landlord of circa 28,500 housing stock (rented and leasehold). The Council has a duty to develop a balanced HRA budget for the next financial year, as well as a sustainable long term business plan, which takes into account both the capital investment needs of its stock and the revenue costs of managing and maintaining it.</p> <p>For 2020/21 a one year budget is being presented for approval. We propose returning to Cabinet in autumn 2020 with a revised 30 year Business Plan that reflects the long term challenges, and opportunities for the HRA service to maximise the use of its financial resources, in the light of the lifting of the HRA borrowing cap.</p> <p>The longer term perspective is crucial to ensure that the HRA can continue with an ambitious development programme and make sure that our primary assets, the housing stock, are fit for purpose and there is sufficient financial capacity to carry out essential repairs and improvements. Work is currently underway on several key areas that will help shape the new business plan:</p> <ul style="list-style-type: none"> <li>• Develop an active Asset Management Strategy, to better understand investment needs and review options for low performing stock (i.e. stock with high investment needs and/or low tenant satisfaction with homes). This strategy needs to address the fact that the HRA has an aging stock that requires significant investment to meet modern standards and tenant expectations</li> <li>• Shape an ambitious programme to increase the provision of new affordable housing, in order to alleviate housing demand and address rising levels of homelessness and rough sleeping.</li> <li>• Identify tenant priorities and improve service provision, recognising the challenge of delivering housing services for over 28,000 households many of whom have complex needs; with consequences for themselves, neighbours and communities.</li> </ul> <p>The one year budget focuses on three main areas of activity: repairing, maintaining and improving existing stock; providing services for council tenants and leaseholders; and the continuation of our development programme.</p> <p>This year (2019/20) was year four of the Government mandated 1% annual rent reduction. Previous HRA budgets have focussed on reducing spending to match the reduced income and capacity. In 2020/21 there is a reversion back to an index-linked rent setting policy, effective from April. The new Rent Standard allows social landlords to increase rents by up to CPI +1% (Consumer Price Index, which is a rate of inflation). It also allows for discretion to set an</p>			

additional 5% to formula rents for general needs housing and 10% for supported housing, which can only be applied when a property is let to a new tenant.

In 2019/20 average rents (excluding service charges) on HRA properties was £78.70, approximately 34% of average market rent levels in Bristol. However, for 2020/21 we are not recommending a rent increase for tenants, though we do seek endorsement to use flexibility to increase formula rents by 5% for general needs and 10% for supported housing where applicable.

Rents and service charges remain the main source of HRA income, for 2020/21 the HRA forecasts a revenue of £119.1m in compromised of:

- **£110.0m** rental income (assuming no housing rent increase)
- Of this a percentage will be lost as no income is received while properties are void (empty) **-£1.2m**
- **£8.2m** service charges (based on actual costs, which are anticipated to rise in line with the pay award which is assumed in the budget to be 2.7%)
- **£2.1m** in charges for other assets, including garages and shops, and interest on balances.

Appendix A1 contains further details regarding the proposed budget, detailing income and expenditure. This includes information relating to levels of reserves.

Appendix A2 provides information regarding the Housing Investment Plan, outlining the expenditure required to maintain and invest in existing homes, whilst responding to Bristol's commitment to become carbon neutral by 2030 and responding to changing regulations relating to building safety.

Appendices A3 and A4 provide additional information regarding the HRA Development Programme. These homes will be comprised of both social rent and low cost homes ownership. This will require funding in the order of £40.8m in 2020/21.

#### **Cabinet Member / Officer Recommendations:**

##### **That Cabinet endorses the following recommendations for approval at Full Council:**

- Approve the 2020/21 HRA budget for revenue which includes the following:
  - No increase in housing rents for 2020/21
    - Increase of 2.7% (CPI +1%) with effect from April 2020 for garage rents
  - £119.1m revenue expenditure, of which £33.0m is detailed in Appendix A2, the Housing Investment Programme (HIP)
  - £33.0m capital expenditure on existing stock as per the HIP
  - £40.8m on the Development Programme as per Appendices A3 and A4
  - £5.0m on improvements to Sandy Park site subject to Business Case being brought back to Cabinet for approval
  - £0.9m for other capital projects including the ICT project.
- Authorise the Director of Housing and Landlord Services, in consultation with the Councillor for Housing and Councillor for Finance, Performance and Governance, to approve the use of flexibility in the rent standard with effect from April 2020, for new tenants only for:
  - up to 5% for housing
  - up to 10% for supported housing
- Authorise the Executive Director of Growth and Regeneration to set service charge budgets in line with the anticipated cost of delivery. The main inflationary increase will be staff salary costs, pay award pending.

##### **That Cabinet:**

- Authorises the Executive Director of Growth and Regeneration in consultation with the Cabinet Member for Housing, section 151 officer and the monitoring officer to take all steps necessary to procure and award contracts during 2020/21 to deliver both the capital and revenue investment plans, plus the acquisition plans as set out in detail in Appendices A2 and A3 notwithstanding that individual contracts may exceed the key decision threshold.
- Notes that the development schemes as per Appendix A4 will be brought back to Cabinet during the year for approval when detailed spending plans are available.
- Approves the movement of previously earmarked HRA reserves into one general HRA reserve as detailed in Appendix A1.

#### **Corporate Strategy alignment:**

1. The HRA business plan and budget proposals ensure a quality housing service contributing to the overall corporate objectives particularly around "fair and inclusive" (decent homes that people can afford) and

“wellbeing” (healthy and more resilient communities).

**City Benefits:**

1. Fifteen percent of housing in Bristol is owned and managed by Bristol City Council, therefore decisions about the HRA budget impact directly on a significant number of households, as well as contributing to delivery of objectives in the Council’s Corporate and Housing strategies.
2. £66.0m of the HRA will re-invested in homes in 2020/21, helping to safeguard the value of HRA assets; positively impact on the well-being of residents; and ensuring health and safety obligations are complied with.
3. An additional £40.8m of HRA money will be used provide new affordable accommodation, by building or acquiring homes, helping to meet housing needs and address homelessness and rough sleeping.

**Consultation Details:**

N/A

**Background Documents:**

[Policy statement on rents for social housing](#)

[Decision Statement: Rent Standard 2020](#)

<b>Revenue Cost</b>	<b>£119.1m</b>	<b>Source of Revenue Funding</b>	<i>Rents, other income and HRA balances.</i>
<b>Capital Cost</b>	<b>£79.7m</b>	<b>Source of Capital Funding</b>	<i>Funded within the HRA.</i>
<b>One off cost</b> <input type="checkbox"/>	<b>Ongoing cost</b> <input checked="" type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <input type="checkbox"/>

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

**1. Finance Advice:** The Council has a duty to agree a balanced HRA budget for the next financial year, as well as maintaining a sustainable long term business plan, which takes account of capital investment needs in its stock and the revenue costs of managing and maintaining it. The HRA budget is ringfenced and must be accounted for separately from the General Fund. The HRA should maintain an appropriate level of reserves which will be used in the longer term to finance capital investment not supported through the annual depreciation charge.

There are significant financial risks to the sustainability of the HRA going forward as set out in the report, particularly with regard to maintaining an aging stock that requires significant investment to meet modern standards and tenants expectations and meeting the demand for housing hence the need to maximise the income generated. During 2020/21 the HRA 30 year business plan will be reviewed in conjunction with the MTFP to ensure an effective balance between investment in stock, associated environmental improvements, revenue management and maintenance costs.

Since the removal of the Debt Cap in 2018, Local Authorities have been free to raise additional financing to assist them with the delivery of additional housing stock, and to deliver key strategic objectives, for example carbon free homes.

However, it is important to note that, like any organisation, the level of debt which can be borne is driven primarily by the financial strength of the organisation.

When assessing the borrowing potential of an organisation, financial institutions use a standard set of metrics (financial covenants), against which the organisation is measured. Two of the most common metrics are:-

**Interest Cover** – The number of times net earnings (before interest payments) are able to cover the cost of servicing their debt. Typically around 1.25%

**Asset Cover (Also known as Loan to Value)** – The number of times the value of the fixed assets (housing stock) is greater than the value of debt. A common level for this type of measure is 50% loan to asset value.

The amount of income an organisation is able to generate is key to both of these measures. For example, the lower the level of income, the lower the amount of surplus which can be generated, adversely affecting net earnings, and reducing the amount of cash available to invest in increasing its asset base.

It is for this reason that it is important to recognise the future impact of these decisions, and the long term effect they can have on meeting future organisational objectives and delivery of strategic aims.

Applying no increase to rents would result in costs increasing by more than income. This erosion of surpluses would impact on both the amount of cash available to invest in homes and/or services, as well as reducing the borrowing capacity within the HRA. This means a reduction in the level of service provision to tenants by £3.4m per annum or

reduction in the number of new homes it is able to deliver reducing this investment by £141m over 30 years. This would equate to a reduction in deliverable units in excess of 1,000 over 30 years, which would further result in an ongoing reduction to stock numbers as more units are lost through RTB than can be replaced.

**Finance Business Partner:** Wendy Welsh, Finance Manager 13/01/2020

**2. Legal Advice:**

The Council is required to maintain, and review annually, a Housing Revenue Account in accordance with the provisions of the Local Government and Housing Act 1989 and directions issued thereunder.

The report seeks endorsement of the proposed budget for approval by Full Council, including its proposed revenue and capital spending plans, and also delegated authority for the Executive Director, Growth & Regeneration to implement those plans, (as summarised in the appendices) including all procurement activities, without further reference to Cabinet and notwithstanding that individual contracts may exceed £500k.

To ensure the implementation of the programme is lawful, all procurement and contracting activities must comply with the appropriate Procurement Regulations and the councils own procurement rules.

Officers must also ensure the programme remains compliant with the Council's budget and policy framework.

The previous requirement to reduce rents annually imposed by Section 213 of the Welfare Reform and Work Act 2016 lasted four years with 2019/2020 being the final year. The Secretary of State for Housing, Communities and Local Government issued a Direction on the Rent Standard 2019 which sets out how rents are to be calculated from April 2020.

**Legal Team Leader:** Eric Andrews, Team Leader, Legal Services, 9 December 2019

**3. Implications on IT:** No anticipated impact on IT Services

**IT Team Leader:** Simon Oliver, Director - Digital Transformation

**4. HR Advice:** There are no HR implications evident

**HR Partner:** Celia Williams, HR Business Partner – Growth and Regeneration

<b>EDM Sign-off</b>	Stephen Peacock	27 <sup>th</sup> Nov 2019
<b>Cabinet Member sign-off</b>	Councillor Paul Smith	10 <sup>th</sup> Dec 2019
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	13 Jan 2020

<b>Appendix A – Further essential background / detail on the proposal</b> <i>A1 – Budget and MTFP</i> <i>A2 – HIP</i> <i>A3 and A4 – Development programme</i>	<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Eco-impact screening/ impact assessment of</b>	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>



## Appendix A1

### The 2020/21 Housing Revenue Account Budget

#### 1. Executive Summary

The Housing Revenue Account (HRA) is a separate ring-fenced account and covers all activities of BCC as landlord of circa 28.5k housing stock (rented and leasehold). The Council has a duty to develop a balanced HRA budget for the next financial year, as well as a sustainable long term business plan, which takes into account both the capital investment needs of its stock and the revenue costs of managing and maintaining it.

For 2020/21 a one year budget is being presented for approval. A revised 30 year Business Plan that reflects the long term challenges, and opportunities, for the HRA service to maximise the use of its financial resources, in the light of the lifting of the HRA borrowing cap will be brought to Cabinet for approval in the Autumn alongside the Council's medium term financial plan.

#### 2. Strategy

The one year budget focuses on three main areas of activity:

- repairing, maintaining and improving existing stock;
- providing services for council tenants and leaseholders;
- and the continuation of our provision of new affordable homes programme.

The longer term perspective is crucial to ensure that the HRA can continue with an ambitious new build programme and make sure that our primary assets, the housing stock, are fit for purpose and there is sufficient financial capacity to carry out essential repairs and improvements. Work is currently underway on several key areas, as set out in the covering report.

#### 3. Assumptions for Budget 2020/21

The assumptions that Cabinet is required to approve are:

- Any change in the rent levels from 2019/20
- Inclusion of flexibility on relets
- Any change in rents for non-dwellings

Other assumptions that underpin the proposed 2020/21 budget have been included for information.

The proposed budget is based on a number of assumptions as detailed in Table 1 below.

Table 1 – Assumptions in the proposed budget for 2020/21

Item	Assumption	Sensitivity
Average stock figure for 2020/21	26,817	Takes into account assumed right to buys and additional units
HRA Debt	£250m	Any increase in debt would result in an additional interest cost of £0.05m per year for every £1m borrowed
Average cost of capital	4.47%	All loans are currently fixed rate, fixed term. Any interest rate risk would impact on future years borrowing (2021/22 onwards)
Rent increase	None	Applying CPI+1% to rents would increase income by circa £3.3m per year. Over 30 years (the Business Planning Period), the compound impact would be £135.5m additional revenue
5% flexibility on formula rents, and 10% flexibility on supported housing	To be considered on relets	Could generate additional £112k rental income
Bad debt provision	£1.8m (1.6% of gross rent)	A 10% increase in Bad Debts (to 1.65%) would increase losses by £0.18m
Void Rate	£1.2m 1.09%	A 10% increase in Voids (to 1.17%) would increase losses by £0.12m
Service Charges	£4.94/week for tenants, £14.11/week for Leaseholders	Service charges income is driven by service costs. Any increase in costs would result in an increase in income.
Housing Units lost through Right to Buy (RTB)	150 (0.6% of stock)	The level of RTB seems to be decreasing though still losing more units than replacing each year
Additional units - new build / acquisitions	113	Each new build unit provides a contribution of circa £3,000 per annum to the business plan
Debt repayment	No provision made for repayment of debt	All debt is currently fixed rate/fixed term debt. Any early repayment would attract a penalty/premia in excess of any future interest cost savings
Use of reserves to fund capital programme	For 2020/21 there will be no new borrowing	Each £1m of borrowing would cost £0.05m per year compared to utilising reserves. Business plan refresh will determine the level of reserves required.
Interest on balances	0.85%	Investment income would reduce by £0.01m for every Basis Point reduction
New developments / acquisitions	Each will be appraised for viability and impact on overall business plan	Units which have a detrimental impact on the business plan should not be considered
HRA Revenue Balance from 2019/20 to be transferred to reserves at year end	£2.1m	This is based on forecast outturn position as at P8

**Rents:** Rents are set following the rent standard within parameters set by Government. Following five years whereby the annual rents were required to be reduced by 1% each year the amount of income in the HRA has been significantly reduced. Approximately £3m has been lost each year compared to previously forecast income.

The proposed no increase in rents would leave average rents at £78.70 per week (lower than Local Housing Allowance rates). It should be noted that if rents were increased by 2.7% (CPI plus 1%) in line with the new Rent Policy and Standard the impact on the 30 year business plan would be an additional income of approximately £135m over the life of the 30 year business plan.

Applying 5% flexibility to formula rents, 10% for supported housing, would potentially generate over £100k in rental income for the year. This flexibility could only be applied on relets and any amendments would have to be justifiable.

A commercial review of non-dwelling assets (garages, commercial units) is planned for 2020 so they are effectively utilised and income is maximised. It is proposed to increase the rent for these by CPI + 1% in line with rent increases.

### Proposed Budget 2020/21

Table 2 shows the proposed HRA budget for revenue and capital expenditure for 2020/21, and the movement from the 2019/20 budget.

Table 2 – Proposed Revenue and Capital Budget for 2020/21

	Budget 2019/20 £000	Proposed Budget 2020/21 £000	Movement £000
<b>Revenue Income</b>			
Gross Rent	(113.3)	(110.0)	3.3
Dwelling Voids	1.5	1.2	(0.3)
Net Service Charges	(8.5)	(8.2)	0.3
Other Revenue Income	(2.5)	(2.1)	0.4
	(122.8)	(119.1)	3.7
<b>Revenue Expenditure</b>			
Revenue Repairs	30.6	33.0	2.4
Management Costs - direct HRA overheads	29.6	31.5	1.9
Service Costs - chargeable to tenants	9.1	9.1	0.0
Debt Costs - interest payments	11.6	11.5	(0.1)
Bad Debt - provision for these	2.9	1.8	(1.1)
Other - council tax, rent and rates on void properties	1.8	0.8	(1.0)
Depreciation	25.6	28.9	3.3
Other revenue financing of capital	11.6	2.7	(8.9)
	122.8	119.1	(0.4)
<b>Net Revenue Budget</b>	<b>0.0</b>	<b>0.0</b>	<b>3.3</b>
<b>Capital Income</b>			
Depreciation	(25.6)	(28.9)	(3.3)
Other revenue funding of capital	(11.6)	(2.7)	8.9
RTB Capital receipts	(9.8)	(12.4)	(2.6)
New Borrowing	(4.8)	0.0	4.8
Capital Receipts from private sales	0.0	(17.3)	(17.3)
Use of reserves	0.0	(18.4)	(18.4)
	(51.8)	(79.7)	(27.9)
<b>Capital Expenditure</b>			
Capital investment in stock	29.9	33.0	3.1
New build and acquisitions	21.0	40.8	19.8
Improvements to Sandy Park site	0.0	5.0	5.0
Other: ICT systems development	0.9	0.9	0.0
	51.8	79.7	27.9
<b>Net Capital Budget</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Rents:** The proposed budget assumes that rents are not increased. The budgeted rent income for 2020/21 is reduced by £3.3m from the 2019/20 level as the 2019/20 budget was based on 53 rent weeks, compared to only 52 in 2020/21.

**Void Homes:** The ambition for 2020/21 is to maintain high quality relet standards, whilst carrying our repairs and lettings more quickly to reduce rental loss on residential properties to £1.2m. Work is planned with external consultants to review and improve ways of working.

**Net Service Charges:** The 2020/21 budget is based on the planned expenditure on the properties.

**Other Revenue Income:** The 2020/21 budget is lower than 2019/20 due to the anticipated level of garage voids and less investment income to be received as the HRA balances (reserves) are reduced.

**Revenue repairs:** The increase in budget for 2020/21 is partly due to the planned programmes in the HIP, particularly the paint programme and also the increased costs of the joinery shop.

**Management costs:** have increased due to increases in establishment which include the new Estate Regeneration team.

**Bad Debt:** - the provision for bad debt has been reduced to 1.6%, which reflects historic performance.

**Depreciation:** is the calculated level of basic re-investment needed to keep homes in reasonable repair (calculated using lifecycles / element costs as per our investment planning approach). This sets the minimum level of revenue funding to capital investment in homes that must be applied in that year (or set aside in a separate reserve account to be invested in homes in the future). Depreciation is shown as an expenditure item in revenue, and an income item in capital.

**Revenue financing of capital** is reduced by £8.9m from 2019/20 as other revenue expenditure has increased, in particular within the Housing Investment Plan (as detailed in Appendix A2).

**Capital receipts:** These are from the sale of council homes under the Right to Buy (RTB) to sitting tenants at a discount. Sales for 2020/21 are forecast to be 150, with an average sale price after discount of £103k. The receipts will be reinvested to build new council homes, enabling a greater percentage to be retained.

The forecast for useable receipts to be applied to fund the 2020/21 capital programme is £12.4m of 'additional 1-4-1 receipts', used to fund 30% of the eligible costs from the new build programme in 2020/21. The remaining receipts will be added to balances and carried forward to help support the capital programme in future years.

In 2018 the Government removed the HRA borrowing cap (a Government set limit determining how much money could be borrowed). With the removal of the headroom cap on local authorities, has opened up the possibility of an accelerated development programme. An evaluation is currently being undertaken to determine the maximum prudential borrowing capacity that the Business Plan can support. For 2020/21 new homes will be financed by a mix of reserves, revenue contributions and income from market sales. The exact mix will be determined as part of the borrowing capacity review.

The capital programme has been increased to reflect the ambition of starting on five new build sites, £5.1m for pre-emptions of former stock, and £3.8m for buy back of former RTB properties. There is also £5m for the improvement to premises in which HRA staff are located. These improvements open up opportunities for the HRA to develop a commercial income, which would supplement other incomes for the benefit of tenants and residents. Further details of the new build and acquisition programmes are set out in Appendices A3 and A4.

The proposed budget incorporates the Housing Investment Plan (HIP) for 2020/21. This is largely based on the second year of the plan that was approved by Cabinet in January 2019. The HIP covers both revenue and capital expenditure and is summarised in Table 3, with further detail in Appendix A2.

**Table 3 – Summary of Proposed HIP for 2020/21**

HIP	Budget 2019/20 £000	Proposed Budget 2020/21 £000	Movement £000
<b>Revenue</b>			
Planned & Cyclical	5,571	<b>5,429</b>	(143)
M&E / Heating	4,485	<b>4,560</b>	75
Repairs & Maintenance	19,510	<b>22,348</b>	2,838
Other	1,076	<b>974</b>	(102)
Charges	(28)	<b>(311)</b>	(283)
Subtotal	30,614	<b>33,000</b>	2,386
<b>Capital</b>			
Planned & Cyclical	4,500	<b>8,418</b>	4,324
M&E / Heating	4,763	<b>4,969</b>	206
PP Major Projects	10,721	<b>9,505</b>	(1,216)
Planning & Commissioning	1,100	<b>600</b>	(500)
New Build	0	<b>75</b>	75
Accessible Homes	2,000	<b>2,000</b>	0
Repairs & Maintenance	3,521	<b>3,321</b>	(200)
Asset Management & Review	150	<b>373</b>	223
Special Projects	1,025	<b>1,070</b>	45
Other	0	<b>150</b>	150
Salaries	2,935	<b>2,468</b>	(467)
Subtotal	30,715	<b>32,951</b>	3,072
<b>Total</b>	<b>61,329</b>	<b>65,951</b>	<b>5,458</b>

*Note the 2019/20 report included New Build as part of the HIP, this is now shown separately.*

### **Risks**

The following risks have been identified in relation to the proposed HRA budget for 2020/21:

<b>Risk</b>	<b>Potential impact</b>	<b>Mitigation</b>
<b>Recruitment and retention of staff</b>	Unable to deliver planned programme, potential additional costs of outsourcing work	2020/21 budget includes a market supplement for some staff groups at risk
<b>Pay award higher than assumed 2.7%</b>	Every additional 1% equates to additional £0.3m cost	The employee budget will have to be managed within the resource envelope available
<b>New Contracts cost more than assumed inflation</b>	Reduced capacity within the Business Plan to deliver services, new homes, and maintain current stock to the required standard.	Robust contract management
<b>Failure of contractors</b>	Impact on cost and delivery of planned programme	Effective contract management and procurement framework.
<b>Bad debt higher than budget assumed and impact of Universal Credit</b>	A 10% increase in Bad Debts (to 1.65%) would increase losses by £0.2m. If tenants have reduction in benefits may affect ability to pay rent.	Early intervention on rising arrears
<b>Interest on debt repayments</b>	Only applicable to non-hedged debt (currently £NIL)	Minimum amount of hedging of debt should be determined
<b>Cost of retro fitting zero carbon</b>	Lack of capacity resulting in either failure to hit target, or inability to fund required repairs/maintenance	Robust business cases and procurement to ensure the option delivering the best Value for Money is selected.
<b>Delays in delivering new units</b>	Reduced rental income. Reputational risk of failing to deliver target number of units	Robust management of development partners to ensure adherence to timescales. Penalty clauses within development agreements to compensate for late/non-delivery
<b>Repayment of right to buy receipts due to level of development required and limited time to use receipts</b>	Loss of income to subsidise delivery of new homes	Forward planning to match 1-4-1 receipts against development programmes
<b>Government policy changes</b>	Not likely for 2020/21, but may impact on 30 year business plan	Business plan to be reviewed mid 2020/21
<b>Zero Carbon</b>	No detailed costs available at present	Options appraisal and strategy development. Need to identify funding source from Government
<b>Brexit</b>	Increased costs, arrears and bad debts	Stringent budget setting/management, Value For Money Reviews of services, robust procurement and contract management, early intervention on rising arrears

**Reserves** – As at the beginning of 2019/20 the HRA reserves were £86.570m. Based on the forecast outturn position for 2019/20 as at P8, it is anticipated that a further £2.1m will be added to the revenue reserve. The application and use of reserves supports the achievement of service delivery and improvements to housing stock.

The 2020/21 budget proposal assumes that £18.4m of the reserves will be utilised in 2020/21 in order to fund the ambitious development programme. This would result in a reserve balance of £69.3m as at 31<sup>st</sup> March 2021. The review of the Business Plan will help to identify the optimum level of reserves to be maintained.

In order to use the reserves effectively it is proposed to move some HRA reserves that were previously earmarked for specific purposes, as shown in Table 4, into a general HRA reserve as they are no longer required to be held for the original specific purpose and can then be used more flexibly as required within the HRA.

**Table 4 - HRA Reserves as at 31/3/19**

	<b>£000</b>
<b>HRA Reserve</b>	<b>78,718</b>
<b>HRA Earmarked reserves</b>	
CCTV Maintenance	419
Energy Efficiency	3,541
Furniture Packs	1,091
Old System Contrats	1,617
Single Change Programme	<u>1,184</u>
	<b>7,852</b>
<b>Total HRA reserves</b>	<b><u><u>86,570</u></u></b>

## Appendix A2

### Housing Investment Plan (HIP) – 2020/21

#### **Introduction**

This report sets out the capital and revenue budget for investment in our homes for 2020/21. There is a detailed list of the ongoing projects and works programmes and the budget requirements, and there is also a list of key procurement projects that will be needed to deliver the programme.

Assumptions in the 30 year HIP are held in the Housing Revenue Account (HRA) Business Plan around future investment requirements to meet the replacement dates and condition needs of our homes. This programme is entirely funded from the ring fenced HRA. The repair and improvement of existing homes is planned using comprehensive house condition and energy performance data, building element life-cycles and accurate costings. Investment planning aims to ensure repairs and replacement of key building elements is undertaken in a timely way so homes continue to meet the government's Decent Homes Standard (currently more than 95% of our homes meet this standard), as well as improvements to our homes. The plan also focusses spend on tenants' priorities such as affordable warmth, kitchens, and health and safety. The budget proposal for 20/21 includes for normal investment and improvement in our homes, key changes in programmes proposed are highlighted below.

Our approach to long term budget forecasting has been revised, and we commissioned Savills to review both the plan and the approach, and they have concluded that our stock condition information is good, and there is a logical, evidence based approach to our plans.

However, the investment assumptions in the HRA BP are set to be challenged over the coming months –

- a comprehensive review of the HRA BP is underway
- we are using a strategic asset management tool to assist in identifying homes which are better/ poorly performing
- Further proactive structural assessments of our blocks are planned to improve confidence in the investment needs of these homes.
- condition and standards for our homes will change – in response to both the outcomes of the Grenfell enquiry and the city's aspiration to be carbon neutral by 2030

#### **Significant changes**

There are significant changes over the coming months, which will result in a re-evaluation of investment proposals.

#### **High Rise blocks**

Investment needs in our blocks of flats is high. The council owns and manages 62 high rise blocks, and 450 other blocks of flats. We have a large stock profile that is of non-traditional construction that has had cladding improvements over the years. Properties with older cladding will need to have this repaired or replaced, particularly the high rise blocks where this needs to be in good condition in order to continue to be safe. We will



also be continuing our investment in fire safety works and we are monitoring the findings and recommendations from the Grenfell Inquiries, as well as our own Fire Risk Assessments and independent checks. Proposals from the Hackitt Review for High Rise Residential buildings are ensuring that social landlords view high rise buildings as different to other stock types. Finally, further proactive structural assessments of our blocks are planned. These changes will all contribute to both improved confidence in the investment needs, and revised standards in terms of investment, compliance and management of these homes.

#### Asset Performance Evaluation

We have further appointed Savills to work with us to use our business data to evaluate our homes – using Savills Housing Asset Performance Evaluation (SHAPE) tool. The tool considers a range of business intelligence and assumptions, including income forecasts and capital investment need per property, as well as social factors such as demand, crime, etc. The initial findings, due later this year, will indicate our better and poorer performing homes not just in a financial context but also in meeting our housing objectives. This will aid us in our strategic decision making in the future. We need to invest in homes with a sustainable future, and identify those homes and areas where alternative options need to be explored to improve the homes we offer, including estate regeneration. The investment plan for 20/21 has been based on current investment needs, and as we evaluate performance of our homes over the coming months, and appraise the outcomes, we will develop new strategic investment priorities.

#### Carbon neutral

The Investment Plan for 20/21 is based on continuing to work towards a target for all council homes to achieve a minimum Energy Performance Certificate (EPC) rating of C by 2030. (Our current EPC average rating is C, and 27% of our homes do not achieve C currently). In response to the Mayors declaration of a Climate Emergency, and the aim for the city to be net-zero carbon by 2030, the Council has commissioned a study on what actions are needed to achieve this, with a particular section focussing on council housing. As a landlord, we are strategically placed to have a direct impact on carbon reductions. The study commissioned is bringing external expertise on the options and opportunities for council housing, as well as costs and funding possibilities. The findings are due at the end of 2019, and will inform our evolving investment priorities and plans. Our priority will be to focus on reducing fuel poverty and tackling the worst performing properties first. This will be aligned to the SHAPE modelling described in point 5].

#### The City Leap Energy Partnership

This is a huge opportunity for council housing, bringing investment, technology and creative solutions to meeting our energy reduction objectives. Through the procurement process for City Leap we will engage and work through the challenges to ensure tenants' rights and standards are protected, fitting it in with our asset strategies and ensure we achieve value for money and the best opportunities for energy efficient homes.

#### Review of the HRA BP

A comprehensive review of the assumptions and allowances in the HRA BP is underway, working with external HRA experts. The reviews to the HRA BP will work together with the emerging changes to investment priorities; the process is iterative as we consider how much we need to spend on our existing homes within the context of funding available to invest. The conclusions of this work could be that some existing homes do not have a sustainable future.

## HRA Investment Proposals 20/21

<b>Capital / Revenue</b>	<b>2020 / 2021 Budget</b>
Capital	£33.0m
Revenue	£33.0m
<b>Total</b>	<b>£66.0m</b>

These figures do not include budgets for new build, or acquisitions.

See spreadsheet below detailing budget requirements, and deliver proposals is appended.

### Key points

1. The budget proposal for 20/21 has changed since the indicative budget for the same year presented as part of the 19/20 budget setting.
  - Construction costs have risen significantly and these costs are reflected in the budget proposals for next year
  - Contracts for replacement kitchens and rewires have ended, a temporary arrangement is in place and estimates for the new contracts are higher.
  - Contractual arrangements for delivery of Responsive Repair service, and works at relets are changing – the estimates for the new contracts are significantly higher, based on market rates.
  - Additional costs are included for repairs to garages, this investment brings significant additional revenue to the HRA
2. The plan shows continued investment in our homes to
  - a. Continue to ensure our homes are decent – warm, weathertight and modern
  - b. Ensure our homes meet safety standards
  - c. Ensure communal facilities in our blocks are safe and in good condition

## **Procurement Summary – 2020/2021**

Much of the Housing Investment Programme is delivered via our in house workforce or existing contracts and frameworks previously approved. Over the coming year some contracts will expire or new contracts will need to be procured to deliver the works programmes arising from the agreed HIP. The table below provides a summary of the required main procurement activity during the year that requires approval. The request is for Cabinet to delegate authority to the Service Director to approve these procurement projects as they are prepared to go to tender, and in line with the Councils approval process and delegated levels of authority.

## **Principles of Housing Repairs and Maintenance procurement and delivery strategy**

1. Co-ordinating works that go together; and sequencing works to prevent waste and disruption
2. Reviewing / standardising product and material specifications based on good practice, market engagement, tenant engagement and lessons learned, - and to prevent maintenance costs ( reducing spares on vans, van sizes, travelling to stores).
3. strategic decision-making around supply and fit verses labour only contracts with materials purchased directly where this can bring savings and standardisation
4. Best use of in-house workforce, supported by external contractors
5. Strategic advantage optimised around when to use internal workforce alongside external contractors for the same works programmes.
6. Good customer standards built into contracts and for the internal teams
7. Strategy to mitigate risk of contractors entering administration
8. Maximising opportunities for Social value contributions
9. Maximise opportunities to utilise the City Leap partner once procured
10. Governance of our approach through Project Boards and the Planned Programme Portfolio Board.
11. Compliance with the Public Contracts Regulations 2015 and the Councils own procurement rules

### Value for money will be achieved by:

- a. Selecting appropriate procurement route to ensure competent contractors can apply and are selected, and the length of contract to ensure contractor commitment and a competitive price.
- b. Using fit for purpose contract documentation prepared with legal services.
- c. Involving tenants in setting standards of customer care and in contractor selection process as an advisory panel
- d. Nominated contract managers accountable for managing the quality and delivery of the contract once let, and engaging tenants in core group meetings.
- e. Select contractors who will have the resources and appropriately skilled workforce to undertake the works, supporting our aims of right first time and increasing customer satisfaction

Opportunities will be proactively explored for each contract type to include for the provision of apprentices working in partnership with On-Site Bristol, where possible. The Council will encourage the successful contractors to use local labour, social value being part of the quality assessment process.

## Procurement List

<u>Programme / Project</u>	<u>Duration</u> (where a range is included this will be informed by analysis of best route to market and best value)	<u>Estimated Annual contract sum / project sum</u> <u>£000</u>	<u>Approach to Market</u>
<b>Response Repairs contracts</b>			
Responsive Repairs and Relet works to properties across the estate.	3 - 6 Years, depending on market assessment.	£9,000	Most of the Responsive Repairs and Relet works are carried out by the in-house teams. This procurement is to select contractor(s) to support this to meet demand and specialist works. Market engagement will help inform strategy which will be either use of a compliant framework, or a direct tender exercise for a contract (s) or framework (s).
Building Materials to support responsive and Relet repairs and improvement programmes By in house workforce, or to support labour only contracts.	3 plus 1 years	£5,000	Use of a suitable compliant framework – mini-tender exercise to set up a contract. If none available run our own compliant tendering exercise Current Contract expires 30 <sup>th</sup> September 2020 for the supply of building, plumbing, electrical and heating materials for our response maintenance direct labour teams and the heating installation contract.
Voids security to properties requiring security across the estate	3 – 6 years depending on market assessment	£80	Expires in May 2021. New procurement process to begin in 2020. Either a mini-tender off an existing compliant framework or direct to market tender process.
Scaffolding, to support responsive works across the housing stock	3 - 6 years depending on market assessment	£100	Either a mini-tender off an existing compliant framework or direct to market tender process.
Damp Proofing & Timber Treatment of various homes across the housing stock	3 - 6 years depending on market assessment	£400-£500	Either a mini-tender off an existing compliant framework or direct to market tender process.
Mould & Ventilation, various homes across the housing stock	3 - 6 years depending on market assessment	£500-£600	Either a mini-tender off an existing compliant framework or direct to market tender process.

<b><u>Programme / Project</u></b>	<b><u>Duration</u></b> <b><u>(where a range is included this will be informed by analysis of best route to market and best value)</u></b>	<b><u>Estimated Annual contract sum / project sum</u></b> <b><u>£000</u></b>	<b><u>Approach to Market</u></b>
<b>M&amp;E contracts</b>			
Laundry materials and spares, possibly including machines, to communal laundries	3 to 6 years depending on route	£100 to £200	Consideration of inclusion in materials contract if best value can be found. Or separate tender to Market. Spare parts for Laundry machines across the city as well as new machines as required. Either a mini-tender off an existing compliant framework or direct to market tender process.
Smoke vents and Fire Alarm maintenance for blocks of flats across the estates	3 to 6 years depending on market assessment	£90-£120	Either open tender exercise, or mini-tender through suitable compliant framework. Contract purpose is service visits for fire alarms and automatic smoke ventilation equipment across the city.
TV aerial maintenance for flats across the estate.	3 to 6 years depending on market assessment	£90-100	Either open tender exercise, or mini-tender through suitable compliant framework. Repairs to TV aerials, sky and Virgin Tv equipment throughout blocks of flats across the city.
Door Entry systems maintenance, in blocks of flats across the estates	3 to 6 years depending on market assessment	£20	RFQ, contract finder through ProContract or call off from compliant frameworks Servicing and repairs to access equipment such as door entry panels, fob readers, electronic door locks across the city
Sprinkler Pilot, and possible subsequent programme, in a pilot block of flats, and then across high rise blocks.	One off tender	£300 for pilot	Installation of sprinkler systems throughout individual dwellings within high rise blocks of housing stock. Pilot block to be selected after consultation with tenants.
Warden call maintenance and installations	3 to 6 years depending on market assessment	£50	Request For Quote, contract finder through ProContract or call off from compliant frameworks. Servicing and repairs to supported housing equipment such as emergency lifelines
Electrical safety testing remedial works, across the housing stock.	4 years	£100	Request For Quote, contract finder through ProContract or call off from compliant frameworks. Repairs to electrical systems below rewire threshold within individual dwellings after domestic testing programme, across city
Electric Night Storage Heater programme replacements due	2 - 4 years depending on market assessment	£1,000 to £2,000 per year.	Engagement with market and new products will inform the procurement approach. Use of compliant frameworks or separate tender process. Possible links to City Leap. Install electric heaters and cylinders to approximately 300 properties across city.

<b><u>Programme / Project</u></b>	<b><u>Duration</u></b> <b><u>(where a range is included this will be informed by analysis of best route to market and best value)</u></b>	<b><u>Estimated Annual contract sum / project sum</u></b> <b><u>£000</u></b>	<b><u>Approach to Market</u></b>
Automatic Opening Vent installation Lansdowne Court	One off tender	£170	Request For Quote, contract finder through ProContract or call off from compliant frameworks. Replace Automatic vent system and windows per floor of Lansdowne court.
Laundry Refurbs at following sites; Greenfinch lodge, mill house, shearwater, PRG, Mary Court, Haweswater, Greenhaven	N/A	£35 each laundry	Call off from existing BCC framework.
Rawnsley House Water Mains, Holroyd House Water main, Twinnell house internal water mains	One off tender	£140	Request For Quote, contract finder through ProContract or call off from compliant frameworks.
Kingsmarsh House Boiler replacement	One off tender	£85	Request For Quote, contract finder through ProContract or call off from compliant frameworks.
Gaywood House Door entry installation	One off tender	£40	Request For Quote, contract finder through ProContract or call off from compliant frameworks.
Replacement roof fans Berchel, Mawdeley, Northfield Houses	One off tender	£18	Request For Quote, contract finder through ProContract or call off from compliant frameworks.
PAC (door entry fob) Controllers citywide in door entry systems	One off tender	£60	Request For Quote, contract finder through ProContract or call off from compliant frameworks.
Lift Refurbishment projects: Hanover House, Rossiter Wood Court, Rosevear House	projects	£295	Call off projects from existing BCC framework

<b><u>Programme / Project</u></b>	<b><u>Duration</u></b> <b><u>(where a range is included this will be informed by analysis of best route to market and best value)</u></b>	<b><u>Estimated Annual contract sum / project sum</u></b> <b><u>£000</u></b>	<b><u>Approach to Market</u></b>
<b>Planned and Cyclical Programmes</b>			
Kitchen installations and Rewires - across the housing stock.	3 - 6 years depending on market assessment.	500 Kitchens & est 125 Rewires with Kitchens, & 220 standalone rewires - £3,385; up to: 750 Kitchens & est 187 rewires with kitchens & 220 standalone rewires - £4,732	Set up Contract to deliver renewal of between 500 & 750 Kitchens per year & 220 stands- alone rewires & estimated 125/187 Rewires with new Kitchens. Direct tender process or Use of external Framework provider to also be considered & utilised where available.
Insulation Works across the housing stock	2 - 4 years depending on market assessment	£165 for first year only (reduces for subsequent years)	Set up Framework/DPS to enable Cavity Wall Insulation Works & Loft Insulation Works to be carried out to properties requiring thermal improvements. Use of external framework provider to be considered & utilised where available.
Roof Replacement - Low rise blocks and houses	Existing Framework in place (3 years with 1 years extension) New Framework to be procured from 2021	£1,528	Take up the year's extension option in current Framework, which is working well with 100% tenant satisfaction. Therefore extend until August 31 <sup>st</sup> 2021. Review current specification & framework during 2020/21 for procuring a new framework from September 1 <sup>st</sup> 2021
External & Communal Maintenance (Lot 3 Projects – call offs / min tenders)	Current framework has 3 years with 1 years extension	£1,394 (estimated total value of projects)	Mini tenders using Lot 3 of the External & Communal Maintenance Framework to cover combined works that can include External Maintenance & Painting, Communal Maintenance & Painting, Replacement Windows & Replacement Roofs to deliver the 2020/21 External Maintenance Programme. Project addresses at present are Millpool Court, Haweswater, Cromwell View,

<u>Programme / Project</u>	<u>Duration</u> <u>(where a range is included this will be informed by analysis of best route to market and best value)</u>	<u>Estimated Annual contract sum / project sum</u> <u>£000</u>	<u>Approach to Market</u>
			Thornycroft Close, Henacre, Standfast Rd, Stradling Rd, Redwick Close, Highridge Green Further project addresses may be added as a result of referrals or works within the External Maintenance Programme requiring combined works, and based on changing property condition.
Fire Safety Works	3 plus 1 year	£1,056	<p>Set up Framework/DPS (or use existing compliant framework) to deliver Fire Safety Improvements/compartmentation works and for 2020/21 programme. This is part of the ongoing 12 year programme of Fire Safety works which started in 2012. This year is 856 Low Rise Flats as listed... Malago Rd, Henbury Ct, Halston Dr, Burnell Dr, Corey Close, Ludlow Close, Beggarswell Close, Francis Hs, Kingsley Hs, St Matthias Hs, Conduit Rd, Langsdown Hs, Gloucester Hs, Somerset Hs, Wessex Hs, Easton Rd, Payne Drive, Pountney Drive, Vining Walk, Walker Close, Highett Drive, Cashmore Hs, Wainbrook Drive, Crabtree Walk, Bell Hill Rd plus any referrals that are required to maintain safety of our blocks/Flats.</p> <p>Other blocks / addresses may be brought forward into the programme depending on condition information / inspection reports.</p> <p>Also to carry out further improvements to High Rise Blocks as identified by ongoing safety inspections that include Gilton House, Moorfields House, Eccleston Hs, Phoenix Hs, Barton Hs, Corbett Hs, Longlands Hs, Ashmead Hs, Castlegate Hs, Barlands Hs, Brookridge Hs &amp; Butler Hs and any improvements to other blocks as identified by Fire Risk Assessments, and any recommendations arising from the Grenfell Inquires.</p> <p>Tendering of works via open contract if delay to setting up Framework/DPS.</p> <p>Use of external Framework provider to also be considered &amp; utilised where available for min tenders.</p>
Windows – various properties across the housing stock as part of cyclical maintenance improvements.	Currently a 2 Year DPS is in place. Possibly 3 plus 1 years.	£1,289 for current year	<p>Window DPS already set up for all works on the 2020/21 Cyclical Programme Of Works..</p> <p>To review this &amp; set up framework/contract for future works with pricelist for standard windows &amp; works for 2021/22</p> <p>Call offs for Window Servicing using this DPS</p> <p>Call offs for Window Supply &amp; Installation using this DPS</p>



<b><u>Programme / Project</u></b>	<b><u>Duration</u></b> <b><u>(where a range is included this will be informed by analysis of best route to market and best value)</u></b>	<b><u>Estimated Annual contract sum / project sum</u></b> <b><u>£000</u></b>	<b><u>Approach to Market</u></b>
<b>External Maintenance and Refurbishment High Rise Projects</b>			
Major Refurbishments	2019 - 2023	£17,000	Use of External Works and Major Refurbishment to Blocks Framework – Lot 4 (Major Refurbishment to Blocks) Phoenix House mini tender (with Ecclestone previously agreed), Replacing old cladding and refurbishment to blocks. Oak, Rowan, Chestnut, Willow and Redwood Blocks in Hartcliffe. Repair / replacement of old cladding and refurbishment of blocks Other blocks may be substituted as priorities emerge , particularly blocks requiring cladding repairs in relation to fire safety
External Cladding Repairs programme - blocks	2020/21	£280	Mini Tender / call off mini tender from of External Maintenance and Refurbishment Framework: Butler, Barlands, Brookridge, and Castlegate Houses Other blocks may be substituted as priorities emerge , particularly blocks requiring cladding repairs in relation to fire safety
Surveying and Fire Safety works Assessments - blocks	projects	£100	Further block/fire safety investigations – inspections on various blocks to bring schemes ready to tender in future, exploring technical solutions. One off requests for quotes, or tenders to procure specialist surveying / consultancy either direct to market or using a compliant framework.
External/ Cyclical Maintenance - blocks	projects	£1,200	Survey and tender projects under Lot 4 of external maintenance and refurbishment framework as mini tenders: Charleton House, Gilton House. Other blocks may be substituted as priorities emerge, condition changes as a result of inspections.
<b>Specialist Projects / Conversions</b>			
Responsive Structural work to houses and blocks across the City.	projects	£500	Mini tender under existing Framework Contract for Responsive Structural works as they occur
Additional Work to Voids – extensions to properties with potential to provide larger homes	projects	£370	Mini tender under existing Framework Contracts for conversion projects work as they occur

<b><u>Programme / Project</u></b>	<b><u>Duration</u></b> <b><u>(where a range is included this will be informed by analysis of best route to market and best value)</u></b>	<b><u>Estimated Annual contract sum / project sum</u></b> <b><u>£000</u></b>	<b><u>Approach to Market</u></b>
Acquired refurbishments projects, across the acquired housing property types, where major specialist repairs needed.	projects	£200	Mini tender under existing Framework Contracts for Responsive refurbishment work as they occur
<b>Other</b>			
Minor Neighbourhood Improvement Works projects	Mini call off projects for the year	Up to total value of £600	Mini tender off an existing framework? projects agreed annually by Neighbourhood investment panel Under Lot 2 of Minor Works contract
Adaptations  New adaptations, stairlifts, repairs to adaptations, and extensions/ Conversions projects	3+1 (4 Years)	£4,000 Capital £575 Revenue	Carry out market engagement to confirm strategy. Consider a BCC Framework / Contract or call off from an existing External Framework DPS or a series of mini tender off compliant framework - all available options to be explored.
Stair Lift Maintenance	3 to 6 years, depending on market engagement	£350	Use of compliant frameworks or separate direct tender process for a single contract.
Block Structural surveys, various blocks according to programme to inform on condition, scopes of work.	One off tenders	£100	One off tenders, or requests for quotes on open market or call off from an existing compliant framework.

## HRA Development Programme 2020/21

### 1. General

Bristol City Council's current new build development programme commenced in 2014, and to date the Housing Delivery Team has completed 146 new council owned homes on twenty schemes across the City.

The lifting of the HRA borrowing cap has given us the opportunity to deliver significantly more council owned homes across the City, and we have ambitions to ramp up delivery. In order to mitigate risk, it is proposed that these will be delivered through a number of work streams (blended approach):

- New Build (Schemes anticipated to start, in 2020/21, and pipeline work for future development phases are detailed in Appendix A4)
- Property Conversions
- Right to Buy 'Buy-Backs'
- Buying 'Section 106 Units' from developers
- Estate Regeneration

The increased programme will help strengthen our Business Plan by moving the net additional homes (after Right to Buy disposals) into a positive position.

The following table summarises starts and completions programmed for 2020/21 (excludes 'right to buy' buybacks and section 106 units):

	Social Rent		Shared Ownership		Market Sale		TOTAL	
	Starts	Comp	Starts	Comp	Starts	Comp	Starts	Comp
<b>2020/21</b>	188	61	54	0	0	71	<b>242</b>	<b>132</b>

The programme will require a range of procured works and services including:

- Construction
- Professional advisors
  - Design
  - Cost consultancy
  - Project management
  - Land use/planning consultancy
  - Sales and marketing
  - Specialist surveys

The proposed budget for 2020/21 is £40.0m and this will be funded through a mixture of right to buy receipts, capital receipts and reserves. There will be £12.4m in right to buy receipts to be utilised in 2020/21.

During 2020/21, work will continue on our largest Housing Revenue Account (HRA) development at Ashton Rise, where 133 homes are on target to be completed (53 Social Rent and 80 Market Sale). £7.7m has been budgeted as gross expenditure on the scheme during this period. There is £17.3m budgeted income in 2020/21 from market sales at Ashton Rise. There will also be £2.1m on continuation of Phase 4 schemes and £0.8m on preparation for Phase 5 sites.

## **2. Property Conversions Programme (£130K)**

The Housing Delivery Team is also working on a property conversion programme of around 6 homes a year. This will see redundant community spaces and other non-residential accommodation converted into new affordable homes for Social Rent.

## **3. Right to Buy (RTB) 'Buy-Back' Programme (£3.8m)**

The HRA is looking to acquire ('buy-back') circa. 15 homes that were former Right to Buy properties. These are existing properties that were formerly in our ownership and that are located on the estates we currently manage. The introduction of such a programme will provide a work stream that can flex more easily than our new build development programme. They will provide an opportunity to respond more quickly to meeting prioritised need, balancing any slippage in development or expanding our property portfolio into areas lacking opportunities for new build development. The proposed programme may also become a more attractive option should market prices deteriorate and building supply costs for new build labour and materials spiral upwards due to Brexit.

The programme could also support other, secondary objectives, for example:

- purchasing market properties in schemes/areas of interest for estate renewal;
- help reduce the number of leaseholders in blocks;
- target homes that support the delivery of the Better Lives at Homes (BLaH) or other specialist initiatives.

## **4. Section 106 Programme (£5.1m)**

As part of the 'blended' development programme approach, and to add further value from our site disposals, the HRA has been successful in securing 'pre-emption' agreements for the affordable housing element on 'policy compliant' land disposals.

The following table summarises the likely number of homes to be on site or in contract through this work stream in 2020/21:

<b>Scheme Name</b>	<b>No.</b>
Romney Hse (S.106) - Social Rent	80
Romney Hse (Additionality) - Shared Ownership	67
Airport Rd (S.106) - Social Rent	44
Airport Rd (S.106) - Shared Ownership	16
Brislington Meadows (S.106) - Social Rent	69
Brislington Meadows (S.106) - Shared Ownership	21
Bonnington Walk (S.106) - Social Rent	46
Bonnington Walk (S.106) - Shared Ownership	14
Bonnington Walk (Additionality)	33
	<b>390</b>

The benefit of these schemes is that they are relatively cheaper and easier to deliver due to the Section 106 Planning restriction and the homes being 'Developer-led'. We have allowed a budget of £5.1m to facilitate these schemes being put in contract with a 10% deposit. The total commitment of all these sites is likely to be circa. £70m gross.

#### **5. Bristol Housing Festival Sites (£0.8m)**

We are working on a number of HRA projects that will be delivered under the umbrella of the Bristol Housing Festival. A number of these sites will need to proceed through to planning in 2020/21, and we have allocated £0.4m for progressing these.

We have also allocated £0.4m for acquisition of land opportunities that can be delivered as part of the Bristol Housing Festival.

#### **6. Estate Regeneration Programme (Nil)**

To help address some of the challenges around housing supply and quality of housing, the HRA intends to embark upon an estate regeneration programme to provide more and better quality, homes for the residents of Bristol. It is unlikely that any capital expenditure will be required in 2020/21.

### HRA Development Programme 2020/21 (£20.4m) for planned start on sites

The proposed new programme will include commencement on-site of the following schemes in 2020/21 (subject to achieving a satisfactory Planning consent, further Cabinet approval and may be substituted by other schemes as required):

- Hengrove Bookends, Hengrove (53)
- Brunel Ford, Horfield (32)
- St Peters House, Manor Farm (28)
- Capel/Oakhanger/Little Mead, Lawrence Weston (53)
- Florence Brown, Knowle (76)

This above means an additional 242 new homes will be under construction during 2020/21 (£20.4m gross required for 2020/21):

Scheme Name	No. of Units	SoS	PC	TSC (Committed Costs)	2020/21 Spend	30% RTB (2020/21 Spend)	Homes England Grant
Lawrence Weston PRC's - Social Rent	50	Oct-20	Dec-21	£ 6,764,345	£ 2,849,558	£ 854,867	N/A
Lawrence Weston PRC's - Shared Ownership	15	Oct-20	Dec-21	£ 2,104,569	£ 868,650	N/A	£ 675,000
Brunel Ford - Social Rent	21	Aug-20	Feb-22	£ 5,723,710	£ 2,671,590	£ 801,477	N/A
Brunel Ford - Shared Ownership	7	Aug-20	Feb-22	£ 2,398,074	£ 744,946	N/A	£ 315,000
St Peters EPH - Social Rent	23	Sep-20	Feb-22	£ 3,904,222	£ 1,556,349	£ 466,904.70	N/A
St Peters EPH - Shared Ownership	7	Sep-20	Feb-22	£ 1,077,182	£ 464,883	N/A	£ 315,000
Hengrove Bookends - Social Rent	45	Sep-20	Dec-21	£ 15,280,819	£ 6,336,729	£ 1,901,019	N/A
Hengrove Bookends - Shared Ownership	14	Sep-20	Dec-21	£ 4,564,400	£ 2,033,051	N/A	£ 630,000
	<b>182</b>			<b>£ 41,817,321</b>	<b>£ 17,525,756</b>	<b>£ 4,024,268</b>	<b>£ 1,935,000</b>
Florence Brown - Social Rent	46	Nov-20	Dec-21	£ 10,582,175	£ 2,194,369	£ 658,311	N/A
Florence Brown - Shared Ownership	14	Nov-20	Dec-21	£ 3,160,858	£ 655,461	N/A	£ 630,000
	<b>242</b>			<b>£ 55,560,354</b>	<b>£ 20,375,586</b>	<b>£ 4,682,579</b>	<b>£ 2,565,000</b>

The team will also continue to work-up a 'pipeline' of schemes for Planning on an additional seven sites with circa. 211 homes:

- Brentry House, Brentry (34)
- Filwood Cinema, Filwood (34)
- Branwhite, Lockleaze (47)
- Greville EPH, Stockwood (30)
- Gaywood Hse, Bedminster (17)
- Coombe Hse, Westbury-on-Trym (16)
- Kingswear, Knowle (33)

By securing Planning Permission on these sites we will be in a better position to react with an "oven-ready" scheme that can be bought into the programme at short notice. £2.9m is the budget required to get all relevant sites to planning and to commence work on the next phase of development.

The types of procurement will vary for each project and will include both Consultant appointments and Construction Procurement.

<b>New Build</b>			
New builds	Various  (Normally 1-3 years in duration)	Various (all estimated to be over £500k)	<p>Priority sites at this stage –</p> <p>St Peters EPH  Florence Brown(Leinster Ave)  Conversion Projects  Coombe EPH  Greville EPH  Brentry EPH  Brunel Ford Site, Horfield  Kingswear  Capel Rd site/ Oakhanger and Little mead sites in Lawrence Weston  Branwhite  Bonnington  Gaywood,  Filwood Cinema  Hengrove Bookends</p> <p>Other sites may be substituted as priorities emerge and as these sites are subject to further feasibility studies, surveys and seeking planning consent.</p> <p>The types of procurement will vary for each project and will include both Consultant appointments and Construction Procurement. We will look to use existing approved frameworks where appropriate and or OJEU compliant procurement process where frameworks are not available to ensure the quality of construction and best value is achieved</p>

## APPENDIX E

### Bristol City Council Equality Impact Assessment Form



Name of proposal	2020/21 HRA Budget Proposal
Directorate and Service Area	Housing and Landlord Services
Name of Lead Officer	Julian Higson

#### Step 1: What is the proposal?

Please explain your proposal in Plain English, avoiding acronyms and jargon. This section should explain how the proposal will impact service users, staff and/or the wider community.

##### 1.1 What is the proposal?

To support the recommendations/proposals for:

- The 2020/21 Housing Revenue Account (HRA) budget
- The Housing Investment Plan and Housing Delivery & Acquisition programme for 2020/21
- The procurement of relevant contractors during 2020/21 to support delivery of these programmes, and delegate the authority to the Strategic Director Neighbourhoods to appoint relevant contractors

##### Background to the Proposal

Housing and Landlord Services (H&LS) budget focusses on:

- repairing, maintaining and improving the existing BCC council housing stock;
- providing services for council tenants and leaseholders;
- and the provision of new affordable homes

The HRA operates in a difficult housing market and environment. Housing costs are high as are levels of homelessness and rough sleeping; the council has an aging stock with high levels of investment need; and many tenants struggle to maintain their tenancies and access the support they require.

The main source of HRA income is the rent paid by council tenants. For the last four years rents have decreased by 1% per year, in line with Government policy. This significantly reduced expected income levels and resulted in cuts in levels of expenditure. The rent reduction wiped millions from both annual and future HRA income.

##### Impact

Some of the key principles for the 2020/21 budget are:

- Rents: remain as social rents with no rent increase for existing tenants moving to formula rent when the property is let and utilising the flexibilities available (5%



for general needs homes and 10% for supported housing).

- Voids: work is underway to improve ways of work, so the quality of homes remains high but repairs are carried out more quickly resulting in a reduction in a loss of rental income while the property is empty.
- Repair & Investment of existing homes: Continue to ensure our homes are decent; warm, weathertight, modern and safe remain key priorities.
- New Homes: a new commitment to provide new affordable homes in order to meet housing need, and address homelessness and rough sleeping.

### **Procurement of Contractors**

The report request approval for delegated authority to procure contractors as necessary to support the delivery of proposed expenditure (including the Housing Investment Plan and New Build & Acquisition programme).

This is a positive impact for the council and our tenants, as this proposal aims to make the procurement of contractors more efficient, meaning work programmes can be started earlier without the need for further approvals which can add additional costs to the budget.

## **Step 2: What information do we have?**

Decisions must be evidence-based, and involve people with protected characteristics that could be affected. Please use this section to demonstrate understanding of who could be affected by the proposal.

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

#### **Demographic of tenants:**

The most current figures available are from October 2019:

H&LS has 30,898 tenants living in 26,523 properties. It is estimated that in total H&LS houses over 60,000 people. In addition, there are 2175 leaseholders leasing 1691 properties.

- The ethnicity of 93.49% of tenants is known, of those: 75.2% are White British (reduction from 77.2% in April 2017), the next largest ethnic groups are; 4.4% White-Other and 4.3% African Somalis.
- A higher proportion of our tenants are female, 62.6%, than male, 37.4%.
- The age of 98.7% of tenants is known, the largest age group are: 21.3% are 45-54 year olds and 24.0% of our tenants are aged over 65.
- 28.8% of our tenants have told us that they have at least one disability. 11.0% of our tenants report mobility problems, 11.2% a long-term illness and 9.6% suffer from mental or emotional distress.
- When compared to the Bristol population as a whole (The Population of Bristol 2019) the differences include:
  - Older people, aged 65+, make up 13% of Bristol's population compared to 24% of BCC tenants

- Women make up 50% of Bristol's population compared to 62.6% of BCC tenants
- Non White British people make up 22% of Bristol's population compared to 24.8% of BCC tenants.

### Response repairs:

In the year 1st October 2018- 1st October 2019 69670 repair requests were raised, an average of 2.25 per tenant. On average 0.34 repairs were cancelled per tenant.

- Younger tenants were more likely to order repairs than middle-aged tenants, with 16-24 year olds requesting an average of 4.67 repair requests per tenant and 25-34 year olds requesting an average of 2.87 repair requests per tenant. Over 75s reported an average of 1.98 repairs per tenant. Younger tenants were also significantly more likely to have had a repair cancelled with an average of 0.65 cancellations per 16-24 year old and 0.56 cancellations per 25-34 year old.
- BME tenants ( on average 2.98 requests per tenant) were more likely to order repairs than White British tenants (on average 2.14 requests per tenant) or White Other tenants (1.73 repairs per tenant) They were also more likely to have had a repair cancelled (0.44 cancellations per BME tenant)
- Disabled tenants (2.33 repairs per tenant) were slightly more likely to request repairs than non-disabled tenants (2.22) The disability group with the most repair requests were those with learning difficulties (2.60 requests per tenant) The group least like to request repairs were those with long-term illnesses, (2.20 requests per tenant). They were no more likely to have had a repair cancelled than non-disabled tenants, but certain groups such as those with learning disabilities were more likely to have had a repair cancelled (0.49 cancellations per tenant)
- Satisfaction with repairs averages 78% satisfaction for both men and women, and disabled and non-disabled people and BME and non-BME tenants, however tenants aged under 34 are less likely to be satisfied with repairs (only 60% satisfaction). 80% of BME tenants were satisfied with the service compared to 77% of non BME tenants. (Source STAR survey 2017)

### Customer feedback:

It has been an aspiration of the business to carry out more detailed consultation with tenants, in addition to existing methods (including service user groups, local housing forums, Housing Management Board). In autumn H&LS have completed a customer insight exercise, seeking tenants' views regarding its overall service and their priorities for improvement. Results are not available at the time of writing this report but will inform service improvements for 2020/21 and beyond.

#### 2.2 Who is missing? Are there any gaps in the data?

Some gaps in customer satisfaction levels, but work is in hand to address this.

#### 2.3 How have we involved, or will we involve, communities and groups that could be affected?

Various methods will be used to communicate with our key stakeholders and involve them in our service transformation plans for 2020/21, some of which are listed below:

- Utilise existing groups set up to involve and engage with tenants (Service user groups, Local Housing Forums and Housing Management Board)
- EIA on specific work activities including future policy changes and strategy development
- Co-design of service improvements with tenants and leaseholders

### Step 3: Who might the proposal impact?

#### 3.1 Does the proposal have any potentially adverse impacts on people with protected characteristics?

There are no proposals to reduce housing management services or responsive repairs, planned maintenance or investment beyond existing levels.

Plans to increase rent levels by CPI plus 1% for existing tenants, and to utilise flexibility on formula rents for new tenants will impact all existing and future tenants. As demonstrated in section two, a significant proportion of council tenants belong to protected characteristic groups.

#### 3.2 Can these impacts be mitigated or justified? If so, how?

HRA income is primarily derived from rents. In 2019/20 the average BCC rent was under £80, approximately 34% of average market rent levels in Bristol. Increasing rents in line with Government guidelines brings in additional funding to provide and improve homes and services, and respond to tenants' priorities identified through our customer engagement activities this year. Rents will remain as social rents, which are significantly lower than market rent and affordable rent products.

We will create a communication plan, utilising accessible forms of communication, to advice tenants of the rent increases. We will signpost and refer tenants for debt and financial support, in-line with our current working practices.

#### 3.3 Does the proposal create any benefits for people with protected characteristics?

This proposal does have some benefits for our tenants in the following ways:

- **Repair & Investment:** continue to focus on our priorities previously identified by tenants including providing warm and reducing fuel poverty, ensuring homes are safe and key elements such as kitchens. This benefits older and disabled tenants for whom the cold may be a particular issue, and recognises that many of the protected characteristic groups are more likely to live below the poverty line.
- **New Homes:** Women, BME and disabled households are overrepresented as both household seeking homelessness prevention advice and on the housing register. Addressing housing needs by providing more homes is therefore beneficial in addressing inequalities. In addition new homes bring in a new income stream, safeguarding future income and service provision for all tenants.
- **Service provision:** continue to focus on provision of low cost housing that supports tenants and focusses services on the most vulnerable whilst considering impacts on estates and neighbourhoods.

- Procurement of Contractors: The city council tendering process will assess potential contractors on a range of factors including how they bring social value and the level of customer care offered.

### 3.4 Can they be maximised? If so, how?

The results of customer insight survey will be analysed, including reviewing different results for groups with protected characteristics and opportunities to address for improvements identified and implemented.

### Step 4: So what?

The Equality Impact Assessment must be able to influence the proposal and decision. This section asks how your understanding of impacts on people with protected characteristics has influenced your proposal, and how the findings of your Equality Impact Assessment can be measured going forward.

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

The equalities impact assessment has reinforced existing knowledge that service provision is not always able to respond flexibly and effectively to the different needs of groups with protected characteristics. Focussing on maximising income, improving services and increasing the provision of homes is a targeted approach to addressing inequalities.

#### 4.2 What actions have been identified going forward?

- Maximise rental income to enable future improvements
- Identify homes that are poor performing (require high levels of future investment and/or have low levels of tenant satisfaction) and carry out option appraisal regarding their future.

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

- Key Performance Indicators will be used to monitor the contractor's performance.
- Monitor the number of complaints received regarding repairs and planned work requests.
- Continue to collect asset intelligence, proactive surveys, identify urgent priorities, assess information and feed into investment plan to ensure we have good sound knowledge and data of our homes.
- Carry out ongoing equalities monitoring and impact assessments for specific projects.

**Service Director Sign-Off:**

**Equalities Officer Sign Off:**

*Reviewed by Equality and Inclusion Team*

Date: 10/06/2019

Date: 3/12/2019

## Eco Impact Checklist

<b>Title of report:</b> Housing Revenue Account 2020/21 Budget Proposals				
<b>Report author:</b> Julian Higson				
<b>Anticipated date of key decision</b> Cabinet January 2020. Full Council February 2020				
<b>Summary of proposals:</b> This cabinet report sets out the proposals for the 2020/21 Housing Revenue Account (HRA) budget; which have been tested within the 30-year financial business plan model and which will ultimately form part of the council's overall budget for 2020/21.				
Will the proposal impact on...	Yes/No	+ive or -ive	If Yes...	
			Briefly describe impact	Briefly describe Mitigation measures
Emission of Climate Changing Gases?	Yes	Both	<p>A number of the proposals contained within this budget such as installing loft and cavity wall insulation and tackling poor heating systems will reduce emissions.</p> <p>Emissions of climate changing gases will also arise through the use of energy, transport fuel and materials during works.</p>	<p>Where practicable, works delivered under these budget proposals will:</p> <ul style="list-style-type: none"> <li>● Use sustainable construction materials</li> <li>● Use local resources and materials</li> <li>● Reduce the energy used during works</li> <li>● Reduce the travel impacts associated with works</li> <li>● Reduce emissions of climate changing gases by improving the energy efficiency of council homes and reducing consumption of fossil fuels.</li> </ul> <p>A-rated windows will be specified unless any additional cost is considered unacceptable.</p>
Bristol's resilience to the effects of climate change?	Yes	+ive	Improvements to energy and water efficiency will improve Bristol's resilience to fuel scarcity & drought.	
Consumption of non-renewable resources?		-ive	Fossil fuels and other non-renewable materials and products will be used in the works delivered by these budget proposals.	All construction materials covered by the BRE Green Guide to Specification must be rated B or above unless there are significant technical or financial reasons why this cannot be achieved. Equivalent ranking schemes will be considered.
		+ive	Improvements to energy efficiency will improve Bristol's	

			<p>resilience to fuel scarcity &amp; reduce fossil fuel consumption.</p> <p>Improvements to water efficiency through replacement bathrooms will improve Bristol's resilience to drought.</p>	<p>All timber and wood-derived products for supply or use in performance of the works delivered under this budget must be from independently verifiable legal and sustainable sources as defined by UK Government guidance.</p> <p>Water efficient products such as showers, dual flush toilets and low flow taps will be specified where appropriate.</p> <p>Durable and recyclable materials and components will be specified where appropriate.</p> <p>Responsive repairs volumes will be monitored to ensure maintenance and replacement cycles are at an appropriate level.</p>
Production, recycling or disposal of waste		-ive	<p>Waste will arise during the delivery of the works delivered by this budget.</p>	<p>Contractors and Direct Labour will be required to take responsibility for their waste, including adhering to the waste duty of care and waste hierarchy by:</p> <ul style="list-style-type: none"> <li>● Reducing waste</li> <li>● Reusing waste where legal and practicable</li> <li>● Using products which are readily recyclable.</li> <li>● Recycling as much waste as possible</li> </ul> <p>Hazardous wastes will be stored and disposed of in a legally compliant manner.</p> <p>Where appropriate contract documents will promote the recycling of scrap metal, with any income returning to Bristol City Council.</p>
The appearance of the city?	Yes	May be +ive	<p>The 2019/20 budget contains a range works which will help maintain the external appearance of existing Council</p>	<p>External maintenance works to Council Housing will aim to improve the appearance of existing council housing.</p>

			<p>Housing and HRA land.</p> <p>It is hoped that new build council housing will enhance the appearance of the city.</p>	<p>Durable materials which maintain homes appearance will be specified where practicable.</p> <p>New build homes will be subject to the planning process.</p>
Pollution to land, water, or air?		-ive	<p>Works delivered under this budget are likely to involve the use and storage of materials that could contaminate land, watercourses and surface water drains, if accidentally released.</p> <p>Works are likely to create dust and noise.</p> <p>Transport to deliver works will create air pollution.</p>	<p>Contractors and Direct Labour will be required to work in accordance with all relevant regulatory guidance and also ensure appropriate procedures and equipment are in place to:</p> <ul style="list-style-type: none"> <li>● Securely store any potentially polluting materials and keep them away from watercourses and surface water drains.</li> <li>● Avoid washing out containers of paint and similar materials into drains.</li> <li>● Ensure correct foul sewer connections are made, rather than to storm drains.</li> <li>● Reduce dust.</li> <li>● Reduce noise pollution.</li> <li>● Contain any spills.</li> </ul> <p>Homes and Landlord Services will continue to build on previous progress made to programme works in a manner which reduces the transport impacts of staff and contractors.</p>
Wildlife and habitats?		-ive	<p>It is possible for works and construction materials associated with this budget to:</p> <ul style="list-style-type: none"> <li>● Impact upon legally protected species or habitats</li> <li>● Impact on priority species or habitats</li> <li>● Remove or damage trees.</li> </ul>	<p>Timber must be used in accordance with the above requirements.</p> <p>Where works have the potential to disturb protected species or impact upon their habitat, guidance from a suitably experienced and qualified ecological consultant will be sought and followed at the earliest opportunity.</p> <p>Any works requiring Planning</p>

				<p>Permission will be reviewed by a Council Ecologist as part of the Planning process.</p> <p>Wherever possible existing trees will be retained and works affecting these trees will be undertaken in accordance with “BS 5837: Trees in relation to design, demolition and construction – Recommendations”</p>
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**Consulted with:** Nicola Hares

**Summary of impacts and Mitigation - to go into the main Cabinet/ Council Report**

**The significant impacts of this proposal are...**

Works delivered under this budget will result in the consumption of non-renewable resources, production of climate changing emissions and production of waste. Works also create the potential for both direct and indirect impacts on wildlife and habitats.

Some works delivered under this budget such as loft and cavity insulation have the potential for reducing consumption of fossil fuels and emissions of greenhouse gases.

**The proposals include the following measures to mitigate the impacts...**

A number of mitigation measures are included in the main ECO Impact Checklist which accompanies this Cabinet Report. In addition, the following mitigation measures will also be implemented:

- A Sustainability Appraisal will be completed as part of any procurement process.
- Homes and Landlord Services will liaise with BCC’s Environmental Performance team during the development of specifications etc.
- Continuously improving asset intelligence will be used to target works where most required on housing stock.

**The net effects of the proposals are:**

Overall positive provided the mitigation measures outlined in this ECO Impact Checklist are successfully implemented.

**Checklist completed by:**

Name:	Matthew Sands
Dept.:	Homes and Landlord Services
Extension:	25545
Date:	09/12/2019
Verified by Environmental Performance Team	Nicola Hares



## Decision Pathway – Report Template

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**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 21 January 2020

<b>TITLE</b>	Dedicated Schools Grant 2020/21 Budget Proposals	
<b>Ward(s)</b>	ALL	
<b>Author:</b> Travis Young	<b>Job title:</b> Principal Accountant	
<b>Cabinet lead:</b> Cllr Craig Cheney and Cllr Anna Keen	<b>Executive Director lead:</b> Denise Murray, Director of Finance, Mike Jackson, Executive Director Resources.	
<b>Proposal origin:</b> BCC Staff		
<b>Decision maker:</b> Mayor		
<b>Decision forum:</b> Cabinet		
<p><b>Timescales:</b> Officers must submit to the Education and Skills Funding Agency (ESFA) formula driven allocations for mainstream schools by 21<sup>st</sup> January 2020, which may be subject to ratification or amendment by Cabinet and Council. Schools Forum is meeting to consider the same issues at its meeting on 15<sup>th</sup> January 2020 and any feedback from that meeting will be conveyed to Cabinet Members, prior to the Cabinet meeting. Officers must publish funding rates for Early Years settings by 28<sup>th</sup> February 2020 and must publish the Council’s overall budget plans for schools no later than 31<sup>st</sup> March 2020.</p>		
<p><b>Purpose of Report:</b> Schools Forum has some limited powers to determine a small number of specific budgets. It must be consulted on all aspects of the use of the Dedicated Schools Grant (DSG) and the School Funding Regulations limit the scope for how funding may be used. Nonetheless, decisions on the amount of funding to distribute to schools and early years settings, the distribution mechanisms, the proposed spend on central services and the High Needs budget are matters to be determined by Cabinet and Council. This report sets out the proposed use of the DSG and how associated grants are to be applied during 2020/21.</p>		
<p><b>Evidence Base:</b> Officers have presented papers to Schools Forum and have consulted with schools and settings to consider the methodology for distributing the funding available for 2020/21 and addressing the financial issues facing Bristol schools, including academies and the pressure in the High Needs Block. This paper reflects the strategy that has been agreed with the Schools Forum in the context of the available funding for 2020/21, subject to decisions and feedback from their meeting on 15<sup>th</sup> January 2020.</p>		
<p>In December 2019, the final allocations of DSG from the ESFA took account of 730 more pupils in October 2019, compared to October 2018. This produces £4.4m more than the indicative Schools Block allocation advised in October 2019, but this funding will substantially be needed to fund schools for those extra pupils. The Growth Fund allocation of £2.6m for 2020/21 is further reduced from the 2019/20 allocation of £3.9m, but the Department for Education (DfE) had provided some details of this and the reduction had been anticipated. Finally, the DfE confirmed the funding for High Needs at £60.7m.</p>		
<p>The key papers submitted to Schools Forum on 15<sup>th</sup> January 2020 are provided as appendices for reference:</p> <ul style="list-style-type: none"> <li>• <b>Appendix A.1: DSG Budget Monitor</b>, explaining the latest budget monitoring position for 2019/20.</li> <li>• <b>Appendix A.2: DSG 2020/21</b>, Details the 2020/2021 funding levels, discusses the use of the four DSG blocks in 2020/2021, the results of the consultation held with schools on the Schools Funding Formula for</li> </ul>		

2020/2021 and on transferring funding from Schools Block to High Needs Block and the use of the Central Services Block for 2020/2021, subject to the approval of Schools Forum. Further detail on the High Needs Block and Early Years is provided below. Use of the Schools Block is covered in more detail in Appendix 3.

- **High Needs Block**, The High Needs Block has received a substantial increase in funding (13%) but this block continues to be under pressure. Current spend levels in 2019/20 indicate that the increased allocation will only just cover spending at the same level as this year and does not provide any additional funding for historic shortfalls which have in many authorities resulted in deficits in the DSG..

When setting the budget for 2019/20 an additional £2.407m was added, to reflect the level of need estimated for 2019/20. This required the acceleration of funding from 2020/21. The level of funding and forecast spend in 2020/21 mean that this advance funding will not be repaid in 2020/21 but will carry forward to future years and a longer term recovery plan will be required..

Bristol's challenges with performance gaps, attendance and fixed-term exclusions are well known as is the system for supporting city-wide SEND. The pursuit of securing the best outcomes for the most vulnerable and disadvantaged children and young people and the ability to respond to the key findings of the Local Area SEND inspection, needs to be at the forefront of the local authority's work. Bristol is required to produce and deliver a Written Statement of Action in order to address the main findings of the inspection. Integral to this will be the delivery of the Education and Skills improvement programme.

The programme will seek to respond to increasing demand and deliver efficient and effective SEND processes and systems, as well as increase support to schools and develop the skills that underpin effective accessibility and inclusion. A significant proportion of the programme is directly related to High Needs, we are looking to move the permitted amount into the High Needs Block from The Schools Block in order to progress the improvements. The ESFA's Schools Revenue Funding Operational Guide authorises a transfer of up to 0.5% in 2020/21 from the Schools Block to other blocks with Schools Forum approval and this flexibility has been optimised. This fund will need to be held in abeyance subject to further information being presented to the Forum on how the money will actually be spent, and milestone / success measured.

The improvement plan will be co-developed with schools and consider the EQIA and also requirements under the Children and Families Act. The plan will be presented to Schools Forum for endorsement.

- **Early Years Block**, The government funding announcement was delayed as a result BCC were unable to carry out any meaningful consultation about the EYNFF in time for this to be ratified by the Schools Forum or Cabinet. Instead will be continuing all existing rate arrangements and supplements as agreed in the previous consultation (agreed by the Schools Forum in January 2019, p.65) into the financial year 2020/2021 with one exception; Bristol City Council will increase the hourly base rate for Eligible 2 Year Olds by £0.08 (increasing the rate from £5.40 to £5.48 from April 2020) after receiving an £0.08 increase from the Department for Education (i.e. BCC are passing through the full increased rate from the DfE).
- **Appendix A.3: Schools Block** sets out how much funding is available and how it should be distributed through the funding formula for mainstream schools. The funding allocations for mainstream schools are paid directly to them each month; the funding allocations for academies and free schools are recouped by the Education and Skills Funding Agency from the DSG before it is received by the City Council. The paper also recommends the creation of a Growth Fund of £2.0m.

In summary, the Schools Budget for 2020/21 is proposed to be as per **Table 1**.

<b>DSG Blocks</b>	<b>Balance brought forward from 2019/20 (forecast) £m</b>	<b>2020/21 DSG £m</b>	<b>Movement between blocks £m</b>	<b>Final DSG budget 2020/21 £m</b>	<b>Estimated spend 2020/21 £m</b>	<b>Carry forward balance at end of 2020/21 £m</b>
Schools block		273.861	(1.369)	272.492	272.492	
De-delegation	(0.414)					(0.414)
Central Services Block		2.719	(0.333)	2.386	2.386	
High Needs Block	3.351	60.674	1.702	62.376	62.376	3.351
Early Years	(1.531)	36.936		36.936	36.936	(1.531)
<b>Total</b>	<b>1.406</b>	<b>374.190</b>	<b>0.000</b>	<b>374.190</b>	<b>374.190</b>	<b>1.406</b>

### Cabinet Member Recommendations:

#### It is recommended that

##### 1. Schools Block (detail in Appendix A.3)

- the Schools Block budget be set at £272.492m for 2020/21, as per Table 1 above, after £1.3m of the overall Schools Block DSG has been transferred to the High Needs Block subject to Schools Forum agreement;
- the basis for distributing the funding to mainstream schools be the basis as preferred by Schools Forum, from the options set out in the Schools Block report to Schools Forum (Appendix A.3)
- the Growth Fund for established schools expanding in September 2020 be set at £2.0m ( a component of the total Schools Block budget);

##### 2. Central School Services Block (detail in Appendix A.2)

- Subject to Schools Forum agreement, the Central School Services Block budget is set at £2.386m for 2020/2021, after £0.333m is transferred to the High Needs Block.

##### 3. High Needs Block (detail in Appendix A2)

- The High Needs Block budget be set at £62.376m for 2020/2021 as per Appendix A2, after receiving transfers of £1.702m from other blocks;
- Members note that this level of budget is estimated to lead to a cumulative deficit in the High Needs Block in the region of £3.3m by the end of March 2021.

##### 4. Early Years Block (detail in Appendix A2)

- the Early Years Block budget be set at £36.936m for 2020/2021), noting that spend and DSG income will vary up or down, according to participation levels in each of the three terms;
- Funding for Early Years should be distributed in line with the arrangements explained in report to Schools Forum (Appendix A2)

##### 5. Overall position

- Members note that school balances are expected to be in the region of £4.9m at the end of 2019/2020, with 12 of 70 maintained schools in deficit, and the DSG position is currently expected to overspend by £1.4m for 2019/2020

**Corporate Strategy alignment:** Funding schools and educational provision appropriately is part of the Fair and Inclusive theme in the Corporate Strategy.

**City Benefits:** The financial strategy aims to use available funding for education to best effect, by distributing resource for early years providers, maintained schools, academies and free schools fairly and sustainably in partnership with Schools Forum.

**Consultation Details: Appendix A2** sets out summary information (with reference to the source of more detailed information) on the consultation exercises relevant to this paper:

- Consultation with schools on Schools Block activities for 2020/2021, with respect to transfers, funding formula and de-delegated items.

<b>Revenue Cost</b>	<b>£374.190m</b>	<b>Source of Revenue Funding</b>	Dedicated Schools Grant 2020/2021
<b>Capital Cost</b>	<b>£Nil</b>	<b>Source of Capital Funding</b>	N/A
<b>One off cost</b> <input type="checkbox"/>	<b>Ongoing cost</b> <input checked="" type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <input type="checkbox"/>

<b>Required information to be completed by Financial/Legal/ICT/ HR partners:</b>
<p><b>1. Finance Advice:</b>  The plans for the DSG for 2020/2021 acknowledge that demands upon the High Needs Block exceed the available funding and if spending is as forecast, the deficit on the High Needs part of the DSG would reach £3.4m by the end of March 2021. The recommendations not to repay the brought forward deficit allows the forecast spend to be fully budgeted. This would be the basis of reporting the budget to the Department for Education and would put Bristol in a suitable place should the DfE choose to undertake any sort of re-baselining exercise during 2020/2021.</p> <p>The strategy for addressing the historic deficit and the on-going shortfall in the High Needs DSG is set out. The High Needs Transformation Programme is at an early stage and it is difficult to know what impact this will have on underlying levels of spending (and when). The opportunities for transferring resources between DSG blocks in the future may be fewer than those which have existed previously: growth funding may reduce further in 2021/2022 and the uncommitted central services funding for ceased historic activities is now unwinding. The strategy will need to be kept under review and changes may be needed if the forecast deficit were to grow.</p> <p>Otherwise, the proposals set out are based on the terms and conditions of the Dedicated Schools Grant and the guidance issued by the Department for Education and the Education and Skills Funding Agency.</p>
<b>Finance Business Partner:</b> Travis Young, Principal Accountant 13 January 2020
<p><b>2. Legal Advice:</b> Consultation has taken place with schools and early years settings and the Schools Forum in relation to the decision to be taken.</p> <p>The responses to the consultation including the report from the Schools Forum must be taken into account by Cabinet when taking the decision. Cabinet should also be satisfied that proper consultation has taken place in that (i) proposals were consulted on are at a formative stage (ii) sufficient reasons have been given for the proposals and (iii) adequate time has been allowed for consideration and response. Appendix B of this report sets out the process that was undertaken and how responses have been taken in to consideration by officers when developing their proposals for final decision.</p> <p>Cabinet must also consider the Public Sector Equality duty which requires the decision maker to consider the need to promote equality for persons with “protected characteristics” and to have due regard to the need to i) eliminate discrimination, harassment, and victimisation; ii) advance equality of opportunity; and iii) foster good relations between persons who share a relevant protected characteristic and those who do not share it.</p> <p>The Equalities Impact Assessment provides an analysis for this purpose and should be carefully considered by Cabinet in making a decision.</p> <p>A decision can be made where there is a negative impact if it is clear that it is necessary, it is not possible to reduce or remove the negative impact by looking at alternatives and the means by which the aim of the decision is being implemented is both necessary and appropriate</p> <p>Cabinet must also have regard to Section 11 of the Children Act 2004 which provides their functions are discharged having regard to the need to safeguard and promote the welfare of children</p>
<b>Legal Team Leader:</b> Nancy Rollason, Head of Legal 13/01/2020
<b>3. Implications on IT:</b> No anticipated impact to IT Services
<b>IT Team Leader:</b> Simon Oliver 13/01/2020
<p><b>4. HR Advice:</b> As the proposals are set out in the Schools Forum report, there are no current HR implications for Bristol City Council employees. However, once the proposals have been agreed and implementation plans are in place we will need to revisit the plans and assess the impact of any changes to services that may affect our</p>

employees.

**HR Partner:** Mark Williams 13/01/2020

<b>EDM Sign-off</b>	Jacqui Jensen	13/01/2020
<b>Cabinet Member sign-off</b>	Cllr Craig Cheney / Cllr Anna Keen	13/01/2020
<b>CLB Sign-off</b>	Jacqui Jensen	13/01/2020
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	13/01/2020

<b>Appendix A – Further essential background / detail on the proposal</b>	<b>YES</b>
<b>Appendix A – Details of consultation carried out - internal and external</b>	<b>YES</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Combined Background papers</b>	<b>NO</b>
<b>Appendix J – Exempt Information</b>	<b>NO</b>
<b>Appendix K – HR advice</b>	<b>NO</b>
<b>Appendix L – ICT</b>	<b>NO</b>

**Bristol Schools Forum**  
**DSG Budget Monitor 2019/20 P8**

<b>Date of meeting:</b>	15 January 2020
<b>Time of meeting:</b>	5.00 pm
<b>Venue:</b>	Writing Room, City Hall

## **1 Purpose of report**

- 1.1 This report provides an update on the forecast financial position for the DSG overall as at Period 8 (to end November 2020).

## **2 Recommendation**

### **2.1 Schools Forum is invited to:**

- a) **note the latest in-year 2019/20 position for the overall DSG.**

## **3 Background**

- 3.1 A DSG Overview paper was presented to Schools Forum on 26 November 2019, giving the financial position as at the end of Period 6 (end of September 2019). At this point the forecast carry forward was a surplus of £2,615m, this included the £2.407m additional budget approved from 2020/21 funding.
- 3.2 The report updates Schools Forum on the position at Period 8 (end of November) 2019/20.

## **4 Budget monitoring 2019/20**

- 4.1 The previously reported position in September 2019 was a forecast £0.653m in-year surplus on the Dedicated Schools Budget at Period 6 2019/20.
- 4.2 This position has moved adversely by £1.614m giving an in-year deficit of £0.961m, taking this from the brought forward balance gives a forecast surplus carry forward at year end of £1.001m. The movements are in the Early Years block and the High Needs block and are detailed below. The Period 8 position is set out in **Table 1** with more detail set out in **Appendix 1**.

**Table 1: Forecast position on overall DSG for 2019/20 at Period 8 (September 2019)**

	<i>b/f</i>	<i>DSG Funding 2019/20</i>	<i>Forecast Outturn Period 08 2019/20</i>	<i>In-year variance</i>	<i>Forecast Carry-forward Period 08 2019/20</i>	<i>Forecast Carry-forward Period 06 2019/20</i>	<i>Movement Period 06 to Period 08</i>
Schools Block		259,445	259,445				
De-delegation	(414)	0			(414)	(414)	0
Schools Central Block		2,329	2,329				
Early Years	(1,115)	36,461	36,045	(416)	(1,531)	(1,874)	343
High Needs Block	(433)	58,904	60,281	1,377	944	(327)	1,271
Funding		(354,732)	(354,732)				
<b>Total</b>	<b>(1,962)</b>	<b>2,407</b>	<b>3,368</b>	<b>961</b>	<b>(1,001)</b>	<b>(2,615)</b>	<b>1,614</b>

Note – the DSG funding column includes £2.407m of accelerated funding from 2020/21.

- 4.3 **Schools Block (Nil variance).** All of the formula funding for maintained schools and academies has been allocated. The only scope for variation is in the growth fund. Spend on the growth fund will depend on the pupil number information included on the October 2019 pupil census, this data has only just been released so any variation will be calculated and reported at the next meeting. The provision is sufficient to cover expected commitments.
- 4.4 **De-delegated resources (-£0.414m forecast underspend).** While this is being reported as not moving during 2019/20, there will be some calls on the Schools in Financial Difficulty balance, but none have so far been included in the forecast.
- 4.5 **School Central Services Block (Nil Variance).** It is expected that all of the services in this block will spend to budget.
- 4.6 **Early Years Block (-£1.874m forecast underspend).** The Early Years DSG income is based on 5/12ths of the January 2019 census and 7/12ths of the January 2020 census. As the profile of participation in 2018/19 generated an underspend in excess of £1m, a similar level of participation will generate a similar underspend.
- 4.7 A 19% reduction in participation for 2 Year Olds has been forecast, which is being pursued by Early Years team. This will reduce funding by £415k (as 7/12ths is derived from the January 2020 census), the related expenditure is calculated at different census points (May, October and January) and is estimated to reduce by £719k.
- 4.8 The expenditure forecast has been updated to take into account the census figures for January and May 2019, further adjustments will be made when the effect of the October census figure is announced, the final position will not be known until the January 2020 census is available.

- 4.9 The block is continuing to forecast an underspend, which reflects falling participation levels. The current in-year underspend is ££0.416m, this figure has reduced by £0.343m since period 6.
- 4.10 The brought forward amount from 2018/19 is £1.115m. £0.517m was earmarked for the local maintained nursery supplement. £0.208m was agreed in May 2019 as an uplift to the SEND rates for early years settings in 2019/20. At the September Forum meeting it was agreed that the remaining £0.390m was able to be spent on improving quality of eligible two year old provision and subsidies for settings that take eligible two year old in areas of disadvantage.
- 4.11 **High Needs Block (£0.327m forecast underspend).** The High Needs block is forecasting an in-year overspend of £1.377m at this stage of the year. The High Needs budget approvals for 2019/20 included £2.407m additional funding from 2020/21 in advance, this will affect the funding available in 2020/21.
- 4.12 There are emerging pressures within the block, particularly in Out of Area Placements and for Alternative Provision, this has resulted in an increase in forecast expenditure of £1.271m since period 6, giving a forecast in-year overspend of £1.377m. At the meeting in November Forum asked for details of AP spend, a breakdown is included in Appendix 2.
- 4.13 **Funding (Nil Variance).** £355.148m is the latest DSG notified by the ESFA, this has been reduced by £0.415m to give a total figure of £354.732m reflecting the expected decrease to the Early Years DSG due to estimated reduced pupil numbers in the January 2020 census.



**Appendix 1 - Forecast position for Overall DSG 2019/20 as at Period 8  
(Block financing position)**

	Brought forward 1.4.19 £'000	Funding 2019/20 £'000	Forecast Outturn Period 08 2019/20 £'000	In-year movement £'000	Carry forward 31.3.20 £'000
Maintained Schools		80,270	80,270		
Academy Recoupment		176,829	176,829		
Growth Fund		2,346	2,346		
<b>Schools Block</b>		<b>259,445</b>	<b>259,445</b>		
<b>De-delegation Services</b>	<b>(414)</b>				<b>(414)</b>
Admissions		351	351		
Centrally Retained		1,978	1,978		
<b>Schools Central Services</b>		<b>2,329</b>	<b>2,329</b>		
National Formula		28,369	28,223	(145)	
2 Year Old Funding		3,722	3,085	(637)	
Pupil Premium (EYPP)		299	312	12	
Additional Support Services		805	809		
SEN Top up		1,250	1,253	4	
Staffing		1,916	2,308	392	
Disability Access Fund		100	55	(45)	
<b>Early Years Block</b>	<b>(1,115)</b>	<b>36,461</b>	<b>36,045</b>	<b>(416)</b>	<b>(1,531)</b>
Commissioned Services		2,499	2,372	(128)	
Core Place Funding		10,514	10,026	(488)	
Staffing		974	919	(54)	
Top Up		26,753	28,694	1,941	
Placements		7,438	7,746	308	
Pupil Support		740	640	(101)	
HOPE Virtual School		236	234	(2)	
Academy Recoupment		9,650	9,650		
<b>High Needs Block</b>	<b>(433)</b>	<b>58,904</b>	<b>60,281</b>	<b>1,377</b>	<b>944</b>
<b>Funding</b>		<b>(354,732)</b>	<b>(354,732)</b>		
<b>Total</b>	<b>(1,962)</b>	<b>2,407</b>	<b>3,368</b>	<b>961</b>	<b>(1,001)</b>

Appendix 2 – Breakdown of Alternative Provision expenditure.

<b>ALP activity</b>			
<b>Type</b>	<b>Establishment</b>	<b>Budget (£)</b>	<b>Forecast (£)</b>
EIB Funding	CLF Nest	150,000	150,000
EIB Funding	Woodstock	150,000	300,000
EIB Funding	Lansdown Park	150,000	150,000
<b>EIB Funding</b>	<b>sub-total</b>	<b>450,000</b>	<b>600,000</b>
BHES	Bristol Hospital Education Service	2,155,000	2,155,000
<b>BHES</b>	<b>sub-total</b>	<b>2,155,000</b>	<b>2,155,000</b>
ALP Block Contracts	BFA [inc in recoupment]		-
ALP Block Contracts	LPW [closed]		52,051
ALP Block Contracts	LPW		105,769
ALP Block Contracts	Include (Catch 22) [closed]		180,923
ALP Block Contracts	Include (Catch 22) [closed]		105,452
ALP Block Contracts	CLF		700,000
<b>ALP Block Contracts</b>	<b>sub-total</b>	<b>1,075,230</b>	<b>1,144,196</b>
ALP Spot Purchasing		943,480	936,148
<b>ALP Spot Purchasing</b>	<b>sub-total</b>	<b>943,480</b>	<b>936,148</b>
PRU Top-up	Lansdown Park		325,193
PRU Top-up	St Matthias		605,512
PRU Top-up	Bristol Futures Academy		480,375
<b>PRU Top-up</b>	<b>sub-total</b>	<b>1,039,130</b>	<b>1,411,081</b>
<b>Pupil Referral Unit place funding, funded via recoupment directly by ESFA from LA HNB gross allocation</b>			
<b>Type</b>	<b>Establishment</b>	<b>Budget</b>	<b>Forecast</b>
PRU Places	Lansdown Park	689,167	689,167
PRU Places	St Matthias	650,000	650,000
PRU Places	Bristol Futures Academy	583,333	583,333
<b>PRU Places</b>	<b>sub-total</b>	<b>1,922,500</b>	<b>1,922,500</b>
<b>TOTAL AP Spend</b>		<b>7,585,340</b>	<b>8,168,925</b>

**Bristol Schools Forum**  
**Dedicated Schools Grant (DSG) 2020/21**

<b>Date of meeting:</b>	15 January 2020
<b>Time of meeting:</b>	5.00 pm
<b>Venue:</b>	Writing Room, City Hall

## **1 Purpose of report**

- 1.1 To give an overview on the DSG for 2020/21 and seek the views of the Schools Forum on the block allocations, taking into account the results of the consultation.
- 1.2 The LA must seek Schools Forum approval for Central Services spend, with the exception of the item relating to school licences which must be repaid to the DfE on behalf of all maintained schools and academies. This report will also seek to obtain Schools Forum approval of the allocation of the Central School Services Block.

## **2 Recommendation**

- 2.1 **Schools Forum is invited to:**
  - a) **note 2020/21 funding levels.**
  - b) **note consultation responses.**
  - c) **approve final transfers between blocks.**
  - d) **note the DSG net Deficit C/fwd from 2019/20**
  - e) **provide feedback, as appropriate, to Cabinet and Council, for their consideration in making final decisions on the Schools Budget for 2020/21.**
  - f) **Agree Central School Services Block allocations**
    - LA Core Functions £0.978m (as per Appendix 2);
    - School Admissions £0.494m;
    - Schools Forum £0.023m;
    - Combined Services £0.599m (as per Appendix 3).

## **3 Background**

- 3.1 Schools Forum considered the emerging position on the DSG for 2020/21 at its meetings in September and November 2019. It agreed, £0.333m could be transferred to the High Needs Block from the Central Services Block and subject to wider support from Schools, 0.5% could be transferred to the High Needs Block from the Schools Block. This fund will need to be held in

abeyance subject to further information being presented to the Forum on how the money will actually be spent, and milestone / success measured.

- 3.2 Following the Forum meeting in November 2019, and in line with DfE Guidance, a consultation with schools was held to gather views on transfers between blocks and the operation of the Local Funding Formula in the Schools Block. The consultation closed at midday on 18 December 2019.
- 3.3 The final data and allocations from the Education and Skills Funding Agency (ESFA) were released on 19 December 2019 and the results of both of these events have informed this report.

#### 4 DSG 2020/21

- 4.1 The funding in the DSG is primarily generated by pupil numbers from the October census. The October 2019 census had 36,150 primary pupils, a decrease of 67 (0.18%) from October 2018, with secondary pupil numbers increasing by 798 (4.34%) to 19,180. Funding per pupil has also increased (by 3.94%), resulting in an overall increase in the DSG funding of £19.039m to £374.190m.

- 4.2 Table 1 shows the funding allocations in each block for 2020/21 compared to 2019/20.

**Table 1: Changes in the DSG sub-block totals between 2019/20 and 2020/21.**

DSG Blocks	2019/20 DSG £m	Increase £m	Total DSG 2020/21 £m	Percentage increase	(Previously reported) Indicative DSG 2020/21 £m
Schools block	261.449	12.412	273.861	5%	269.696
Central Services Block	2.895	(0.176)	2.719	-6%	2.695
High Needs Block	53.931	6.743	60.674	13%	60.531
Early Years	36.876	0.060	36.936	0%	36.876
<b>Total</b>	<b>355.152</b>	<b>19.039</b>	<b>374.190</b>	<b>5%</b>	<b>369.798</b>

- 4.3 **Central Services Block.** This block is funded in two parts, for ongoing and historic responsibilities. The funding for historic commitments has been reduced by 20% (£0.233m) as it has been an aim of ESFA to withdraw this funding over time. Within the historic responsibilities part there is funding of £0.333m for Prudential Borrowing, this initiative ceased in 2017/18, therefore it is proposed to transfer this to the High Needs Block to assist with the level of demand. There are no restrictions on transfers from the Central Services Block to the High Needs Block, other than Schools Forum

must be consulted. Other parts of this block are covered in section 6 of this report.

- 4.4 **High Needs Block.** The High Needs Block has received a substantial increase in funding (13%) but this block continues to be under pressure. Current spend levels in 2019/20 indicate that the increased allocation will only just cover spending at the same level as this year and does provide any additional funding for historic shortfalls which have in many authorities resulted in deficits in the DSG.
- 4.5 When setting the budget for 2019/20 an additional £2.407m was added, to reflect the level of need estimated for 2019/20. This required the acceleration of funding from 2020/21. Table 2 shows the actual block funding position, indicating that this advanced funding is carried forward into 2020/21. The level of funding and forecast spend in 2020/21 mean that this advance funding will not be repaid in 2020/21 but will carry forward to future years and a longer term recovery plan will be required.
- 4.6 Forecast spend in 2019/20 is £1.377m over budget (which includes the £2.407m accelerated funding). Total overspend against actual block funding is £3.784m. In Table 2 the spend forecast for 2020/21 has been increased slightly to reflect potential increases in cost/demand.

**Table 2: High Needs Block showing carry forward amounts**

	2019/20 £m	2020/21 £m
Latest Block Allocation	53.931	60.674
Transfer from CSSB	0.566	0.333
Transfer from Schools Block	2.000	1.369
<b>Total Block Funding</b>	<b>56.497</b>	<b>62.376</b>
Forecast Spend	60.281	61.007
Education Transformation spend		1.369
<b>Total Spend</b>	<b>60.281</b>	<b>62.376</b>
<b>In year over/(under) spend</b>	<b>3.784</b>	<b>(0.000)</b>
Opening Balance b/f	(0.433)	3.351
<b>Closing Balance c/f</b>	<b>3.351</b>	<b>3.351</b>

- 4.7 Bristol's challenges with performance gaps, attendance and fixed-term exclusions are well known as is the system for supporting city-wide SEND. The pursuit of securing the best outcomes for the most vulnerable and

disadvantaged children and young people and the ability to respond to the key findings of the Local Area SEND inspection, needs to be at the forefront of the local authority's work. Bristol is required to produce and deliver a Written Statement of Action in order to address the main findings of the inspection. Integral to this will be the delivery of the Education and Skills improvement programme.

- 4.8 The programme will seek to respond to increasing demand and deliver efficient and effective SEND processes and systems, as well as increase support to schools and develop the skills that underpin effective accessibility and inclusion. A significant proportion of the programme is directly related to High Needs, we are looking to move the permitted amount into the High Needs Block from The Schools Block in order to progress the improvements.
- 4.9 The ESFA's Schools Revenue Funding Operational Guide authorises a transfer of up to 0.5% in 2020/21 from the Schools Block to other blocks with Schools Forum approval and this flexibility has been optimised.
- 4.10 The improvement plan will be Co developed with schools and consider the EQIA and also requirements under the Children and Families Act. The plan will be presented to Schools Forum for endorsement.
- 4.11 **Schools Block** Details on this block are covered in a separate paper on this agenda.
- 4.12 **Early Years Block.** The government funding announcement was delayed and as a result BCC were unable to carry out any meaningful consultation about the EYNFF in time for this to be ratified by the Schools Forum or Cabinet. Instead will be continuing all existing rate arrangements and supplements as agreed in the previous consultation (agreed by the [Schools Forum in January 2019, p.65](#)) into the financial year 2020/2021 with one exception; Bristol City Council will increase the hourly base rate for Eligible 2 Year Olds by £0.08 (increasing the rate from £5.40 to £5.48 from April 2020) after receiving an £0.08 increase from the Department for Education (i.e. BCC are passing through the full increased rate from the DfE).
- 4.13 Table 3 shows the effect on the block funding position and outlines the 2020/21 Budget, it also shows the carry forward amounts against each block.

**Table 3: Block budgets after movements between blocks and carry forward amounts.**

<b>DSG Blocks</b>	<b>Balance brought forward from 2019/20 (forecast) £m</b>	<b>2020/21 DSG £m</b>	<b>Movement between blocks £m</b>	<b>Final DSG budget 2020/21 £m</b>	<b>Estimated spend 2020/21 £m</b>	<b>Carry forward balance at end of 2020/21 £m</b>
Schools block		273.861	(1.369)	272.492	272.492	
De-delegation	(0.414)					(0.414)
Central Services Block		2.719	(0.333)	2.386	2.386	
High Needs Block	3.351	60.674	1.702	62.376	62.376	3.351
Early Years	(1.531)	36.936		36.936	36.936	(1.531)
<b>Total</b>	<b>1.406</b>	<b>374.190</b>	<b>0.000</b>	<b>374.190</b>	<b>374.190</b>	<b>1.406</b>

## 5 Consultation

5.1 In line with guidance all schools within Bristol were consulted on various aspect of the DSG for 2020/21. The consultation was issued on 4 December with a return deadline of 18 December. A total of 39 responses were received representing nearly 25% of the total possible. Table 4 shows which settings responses were received from. The questions with binary answers are summarised below and the free text answers are collected in Appendix 1 for information.

**Table 4: Responses received**

<b>Phase</b>	<b>Total number</b>	<b>Responses received</b>
All-through	3	2
Nursery	12	0
Primary	108	22
Pupil Referral Unit	5	2
Secondary	20	10
Special	10	3
<b>Total</b>	<b>158</b>	<b>39</b>

5.2 The first question asked if a 0.5% transfer from the Schools Block to the High Needs Block was supported. The majority (82%) of responses agreed with the proposal to transfer this funding. A breakdown of responses is shown in Table 5.

**Table 5: Question 1 - Support up to 0.5% transfer?**

<b>Phase</b>	<b>Yes</b>	<b>No</b>
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All-through	2	
Primary	17	5
Pupil Referral Unit	2	
Secondary	8	2
Special	3	
<b>Total</b>	<b>32</b>	<b>7</b>

- 5.3 Question 3 related to the method of distributing the Schools Block funding to schools. This asked for any preference on the calculations within the local funding formula, Forum discussed this at the November 2019 meeting and expressed a preference for using NFF values and the consultation responses echoed this view with 62% expressing a preference for this method. Table 6 shows the responses received.

**Table 6: Question 3 - Preference for distributing the funding**

Phase	AEN	NFF	Other (no preference or not answered)
All-through	1	1	
Primary	8	12	2
Pupil Referral Unit			2
Secondary		10	
Special		1	2
<b>Total</b>	<b>9</b>	<b>24</b>	<b>6</b>

- 5.4 The November forum meeting also discussed the level of MFG, following previous discussions at the Finance Sub-group. A level of 0.5%, which is the minimum allowed in 2020/21, was supported by forum as this means that more schools are funded according to up to date rather than historical pupil characteristics. Question 4 asked for views on this level of MFG and a majority (72%) of responders also agreed with a 0.5% MFG. Table 7 gives the breakdown of answers.

**Table 7: Question 4 - Do you agree with 0.5% MFG?**

Phase	Yes	No	Other (no opinion or not answered)
All-through	2		
Primary	16	6	
Pupil Referral Unit			2
Secondary	9		1
Special	1		2
<b>Total</b>	<b>28</b>	<b>6</b>	<b>5</b>



5.5 The responses for questions 3 and 4 relate to the Schools Block, which is the subject of a separate paper on the agenda.

## 6 Central School Services Block (CSSB)

6.1 The purpose of the CSSB is to provide funding for the statutory duties the LA hold for both maintained schools and academies. The CSSB brings together:

- funding previously allocated through the retained duties element of the Education Services Grant (ESG)
- funding for ongoing central functions, such as admissions, previously top-sliced from the schools block
- residual funding for historic commitments, previously top-sliced from the schools block

6.2 The LA must still seek Schools Forum approval for Central Services spend, apart from the item relating to school licences which must be repaid to the DfE on behalf of all maintained schools and academies.

6.3 **CSSB Budget proposals.** The CSSB allocation for 2020/21 is £2.719m. This total is composed of two distinct components: on-going functions (£1.787m) and historic commitments (£0.932m). Of the historic commitments £0.333m is not required and as per paragraph 4.3 this will be transferred to the High Needs Block. Table 8 shows the funding and proposed 2020/21 budgets.

**Table 8: Composition of Central School Service Block Allocations**

Type of funding	Component	DSG Allocation 2019/20 £'000	2019/20 budget £'000	DSG Allocation 2020/21 £'000	Proposed 2020/21 budget £'000
Formulaic	LA Core functions	947	947	978	978
Formulaic	School Admissions	479	479	494	494
Formulaic	School Licences	281	281	292	292
Formulaic	Schools Forum	23	23	23	23
Historic	Combined Services	599	599	599	599
Historic	Prudential Borrowing	566	0	333	0
<b>Total</b>		<b>2,895</b>	<b>2,329</b>	<b>2,719</b>	<b>2386</b>

- 6.4 **LA Core Functions £0.978m.** Appendix 2 sets out the functions and services that may be included in the LA Core functions budget. The relevant costs for Bristol have been included against these line items. For 2020/21 it is proposed keep all budgets as 2019/20, apart from Education Welfare where the £31k increase in funding is to be allocated (as this aligns to the Education Transformation Programme).
- 6.5 **Admissions £0.494m.** The only change to this budget is that arising from the increase in CSSB generally, due to pupil number increases.
- 6.6 **School Licences £0.292m.** The DfE requires the Authority to pay licences on behalf of all maintained schools, academies and free schools in Bristol, to avoid the administration of delegating funding to and recovering the money from each school. The amount for 2020/21 has been advised as £0.292m. There is no requirement for Schools Forum to specifically approve this line of the budget.
- 6.7 **Schools Forum £23k.** This funding is used to support the writing of papers, clerking and hosting the meetings. It is proposed that this allocation remain at the 2019/20 level.
- 6.8 **Combined Budgets. Appendix 3** re-confirms the analysis of the £0.599m for Combined Services, which Schools Forum has agreed in the past and it is proposed for agreement again for 2020/21.

### Appendix 1: text responses to consultation

Phase	Academy	Question 2 Other comments on the movement to the High Needs Block
Primary	No	If possible, more than 0.5% to be moved. Ideally, at least 0.8% to keep in line with prior transfers in recent years.
Primary	No	Does the transfer of funding ensure Top-up funding continues? Will more specialist provision place be available? If more specialist provision places are being made available, how soon will this be able to happen? What are the funding opportunities being explored?
Primary	No	For the Forum to continue to receive accurate and up to date information regardgin the current processes in Bristol for schools to access Top Up funding and appropriately challenge the LA to ensure there is equity and transparency in all it does when allocating funding and /or proposing changes.
Primary	No	I would like to see funding remaining in the schools block for schools to use towards support high needs children. We support a number of children with high needs but as a result of the changes to top up, it is not worth our time applying for top-up funding unless a child requires Band 3. It would be preferable to have the funding available to schools.
Primary	No	There is absolutely no KS1 provision and a lack of spaces at specialist provision for KS1 pupils. Therefore I would rather we had the money than continue (13 years and counting) deal with the lack of provisionand poos school SEND funding.
Primary	No	1. Value for money is so important and as a school we are aiming to be better at value for money. The High needs block does need this money in order to sustain itself.
Primary	No	We would want to be sure that schools would be able to access additional funding and in a timely manner.
Primary	No	Look at top up values to ensure schools actually receive the funding they need to provide the level of support their pupils with high needs require.
Primary	Yes	I would support a small transfer as has been suggested but this should not be a bottomless pit. We realise the pressure son the High Needs Block but rather than continuously “bailing” out the High Needs budget we would like to see a real strategy by the High Needs team to improve efficiencies including things like reducing the number of placements out of county and into the private sector. And we would like to see the LA support the creation of new places in state schools.
Secondary	Yes	Schools need to be made aware as soon as possible on exactly how the 0.5% is going to be spent and need to be actively involved in the review of the implementation and impact of the project.

Secondary	Yes	<p>We are happy to support this on the basis that the NFF formulas as per the examples provided for each school are used and that schools are not disadvantaged. The government has advised that we would receive more per student to assist with our deficit in funding, funding that has been declining since 2015. In addition, the provision that the council provides to schools for special educational needs is improved as currently it is not good enough.</p> <p>Schools cannot currently gain access to Educational Psychologists for anything other than statutory assessment. Also, the assessment of Education Health Care Plans are not being undertaken in line with statutory timelines, leaving parents, carers and schools in very difficult situations waiting for these outcomes and leaving students with the highest needs without the support that they are entitled to.</p> <p>We recently have had to procure private services to undertake Educational Psychology work with our students who have the highest needs. If deficit budgets are supported by the use of the schools block then the services need to be provided to schools, so that schools are not paying twice and do not have to pay money for services that should already be provided. Otherwise schools would be best placed to not support this transfer, receive higher funding themselves and procure private services to receive a satisfactory service.</p>
Secondary	No	<p>This is a “short term” response to a long term failure to manage High Needs funding effectively. This will not be an option in the future at the point when a “Hard” formula is introduced. Therefore, we need a very clear strategy in place to bring the High Needs budget into balance in the long term without drawing from the Schools Block indefinitely. The Local Authority is expected to receive an additional £6.6m (indicative increase based on 2019-20 pupil numbers) funding for High Needs (Table 1). This represents an additional 12% increase in High Needs funding. ‘£2.4m was accelerated into the 2019/20 budget to recognise projected levels of spend, this will need to be repaid in future years’</p> <p>We understand the pressure the Local Authority is under following the legal case and the recent OFSTED, however, the strategy needs to be clear, sustainable and transparent. We note with interest, the aim of the SEND programme is to deliver efficient and effective processes and systems, as well as increase support to schools and develop the skills that underpin effective accessibility and inclusion (4.3). Unfortunately, the Local Authority has yet to explain in detail this strategy that is ultimately, self-sustaining and does not draw on funding that is earmarked for schools.</p> <p>The Local Authority needs to be aware of the possible implications of the funding unknowns hitting schools, such as unfunded pay increases and pension employer contributions. It is therefore important to maximise the impact of any potential funding increases to provide schools with long term security.</p>
Secondary	No	<p>‘Hard’ NFF will become a reality in the near future and a strategy should be developed to ensure that without transfer from Schools Block to the High Needs Block, children with High Needs can be properly provided for.</p> <p>If a transfer is made all schools ‘lose’ money irrespective of the number of high needs children they have on roll. If such a transfer exists monies should then be reallocated to schools through the development of a formula based on level of need.</p>

Phase	Academy	Question 5 Any other comments about the mainstream funding formula.
Primary	No	We are a school that was asked to increase to 2FE in 2012. We now have a falling roll due to there now not being the need for the additional places on primary across Bristol. In Sept 2019 we had an intake of only 37 but was unaware that this would be the case. Across the school we have 84 places which is taking a significant toll of the school's financial long term sustainability and as such are currently now consulting to reduce our PAN to 30 from September 2021. We would like decision makers to consider additional funding for schools such as ours in this position.
Primary	No	A gradual NFF adoption would be preferred.
Primary	No	The papers provided with the consultation were informative and provided insight into the Forum's strategic thinking and planning particularly around the 'hard' NFF and current position. Thank you.
Primary	No	No strong pref to Q3. Holymead would be slightly better off under NFF but if it puts small + schools with more nned under pressure its not something I want to happen. I do think it needs to move towards NFF gradually so schools are ready when it actually happens.
Primary	No	As a school in North Bristol we have had to 'put up with' our geography dictating what funding we get – we are one of the lowest funded schools in the local authority. Please allow us some extra money to allow our school to function.
Primary	No	Whilst we have agreed to the transfer from School Block to High Needs Block we feel that the High Needs Block should be sufficiently funded so that this is not necessary.
Primary	No	We have experience significant in-year moves. The Sept/Oct census date is prejudicial to our funding. We would urge that January Census should be used. In addition, we need funding to follow pupils for in-year transfers.
Primary	No	<p>We found the consultation paper contents to be a little confusing with references made to out dated information, the minimum per pupil number for primary schools information used was incorrect as per the National funding formulae for schools version October 2019 which is £3750 not £3500 as used in this paper.</p> <p>It was difficult to determine how these options posed would affect the funding we will receive for our school. Therefore, it is felt that moving forward to a “Hard” National Funding formula would hopefully mean the funding system would be fairer and more transparent. We would hope the main changes as detailed on Page 4 of this paper would be implemented.</p> <p>This is a complex system and we would hope in the future consultations will be explained in the first instance verbally by holding a consultation meeting with a wider audience so questions can be asked once things are explained fully. At present with this information, we can only make assumptions.</p>
Primary	Yes	As we move towards the NFF I would support the funding allocations moving towards this now. We appreciate that there is not any option that favours every school and no matter what option is taken there will be some winners and some losers. But in a year when there is an increased level of funding I would support moving towards the NFF.

All-through	Yes	I appreciate the Forum's intent of reducing the impact of the eventual imposition of NFF upon schools but, in my opinion, safeguarding the funding for smaller primary schools should take greater precedence as these are the schools where children's development and outcomes are more at risk from the impact of more limited funding.
Secondary	Yes	It seems logical to move to the NFF at this stage bringing local funding into line with the outcome of DofE Research.
Secondary	Yes	Moving to this seems the best way to ensure all schools are prepared for the implementation of the NFF in the longer term.
Secondary	No	Greater transparency in Schools Forum papers as they were not made very accessible and had errors in the per pupil funding calculations which took considerable time to unpick, identify and communicate to the Local Authority
Secondary	No	All mainstream schools will benefit whether NFF is applied or not and whether transfer is made or not. However more BCC mainstream schools benefit from the immediate move to NFF and since this is the ESFA preferred model and the longer term objective we see no reason not to proceed this way immediately.



## Appendix 2 – CSSB LA Core Functions

Category	Component permitted to be funded from central DSG, subject to Schools Forum agreement	BCC proposal?	Amount 2019/20 £'000	Amount 2020/21 £'000
Statutory & Regulatory	<ul style="list-style-type: none"> <li>Director of children's services and personal staff for director (Sch 2, 15a)</li> <li>Planning for the education service as a whole (Sch 2, 15b)</li> </ul>	Central budgets for education planning that are not already charged to Combined Budgets or elsewhere in the DSG.	17	17
Statutory & Regulatory	<ul style="list-style-type: none"> <li>Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22)</li> <li>Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 2, 15c)</li> <li>Formulation and review of local authority schools funding formula (Sch 2, 15d)</li> </ul>	Accounting and finance staff directly supporting education budget setting and funding for all schools.	250	250
Statutory & Regulatory	<ul style="list-style-type: none"> <li>Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 2, 15e)</li> </ul>	Estimated cost of internal audit time.	25	25
Statutory & Regulatory	<ul style="list-style-type: none"> <li>Consultation costs relating to non-staffing issues (Sch 2, 19)</li> <li>Plans involving collaboration with other LA services or public or voluntary bodies (Sch 2, 15f)</li> </ul>	Estimated cost of public consultation on service development (eg High Needs) and collaborative working.	80	80
Statutory & Regulatory	<ul style="list-style-type: none"> <li>Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17)</li> </ul>	Current budget for SACRE.	10	10
Statutory & Regulatory	<ul style="list-style-type: none"> <li>Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21)</li> </ul>	Legal Services staff support.	60	60
Education Welfare	<ul style="list-style-type: none"> <li>Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)</li> <li>School attendance (Sch 2, 16)</li> <li>Responsibilities regarding the employment of children (Sch 2, 18)</li> </ul>	Current budget for Education Welfare.	335	366
Asset Management	<ul style="list-style-type: none"> <li>Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a)</li> <li>General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b)</li> </ul>	Current budget for education property management and capital programme monitoring.	170	170
<b>TOTAL STATUTORY / REGULATORY FUNCTIONS OF LA</b>			<b>947</b>	<b>978</b>



### Appendix 3 – CSSB Combined Services Budget

Service	Total 2018/19 £'000	Total 2019/20 £'000
Director of Education and Skills	122	122
Equalities	45	45
Governor Support	21	21
HR	25	25
Primary Services	178	178
Pupil Census	35	35
School Place Planning	90	90
Secondary Services	83	83
<b>Grand Total</b>	<b>599</b>	<b>599</b>

**Bristol Schools Forum**  
**Schools Block 2020/21**

<b>Date of meeting:</b>	15 <sup>th</sup> January 2020
<b>Time of meeting:</b>	5:00 pm
<b>Venue:</b>	City Hall

## 1. Purpose of report

- 1.1 To inform and seek agreement of the Schools Forum on the application of the funding formula for mainstream schools and academies for 2020/21, prior to final decision by Cabinet and submission of the Authority Proforma Tool (APT) to the Education and Skills Funding Agency.

## 2. Recommendations

Schools Forum is invited to:

- 2.1 Indicate which of the proposed formula models for the 2020/21 mainstream funding formula is preferred
- 2.2 Endorse the preferred proposed arrangements for the 2020/21 mainstream funding formula, including the amount set aside for the Growth Fund
- 2.3 Provide feedback, as appropriate, to Cabinet and Council, for their consideration in making final decisions on the Schools Budget for 2020/21.

## 3. Funding available

- 3.1 The DSG overview paper elsewhere on this agenda explains the overall strategy for schools finance for 2020/21. This indicates that the funding for Schools Block in 2020/21 is proposed to be £273.9m.
- 3.2 Schools Forum has previously indicated willingness for the transfer of 0.5% of the Schools Block to the High Needs, and expressed a preference for the Minimum Funding Guarantee (MFG) to be set at +0.5%.
- 3.3 A majority of schools responding to the formula consultation have also indicated their agreement to the transfer of 0.5% of Schools Block to the High Needs Block, and for the MFG to be set at +0.5%.
- 3.4 In addition Schools Forum needs to approve the top-slice of Schools Block to create the Growth Fund for 2020/21. Known current commitments in 2020/21 are estimated to be approximately £1.6m, so the LA is recommending a Growth Fund allocation of £2.0m, to meet this expected cost and to allow for any new commitments which may arise as the primary age bulge continues to move into secondary phases.

3.5 **Table 1** sets out how it is proposed that this funding be calculated and applied.

**Table 1: Proposed Schools Block Budget 2020/21**

<b>Funding</b>	<b>£'000</b>	<b>Cost</b>	<b>£'000</b>
Pupil led DSG funding	£261.6	Transfer of 0.5% to HNB	£1.4m
Premises led DSG funding	£9.6m	Growth Fund	£2.0m
Protection funding	£0.0m	Balance remaining for Mainstream Schools formula	£270.5m
Growth funding	£2.6m		
<b>DSG Schools Block Total Allocation</b>	<b>£273.9m</b>	<b>Schools Block Total</b>	<b>£273.9m</b>

3.6 The component elements of the calculation have been refreshed, now that the October 2019 census information has become available. Each of the components is explained below.

3.7 **Pupil led DSG funding £261.6m.** This is the sum allocated to the LA based on the number of pupils recorded in the October 2019 census. Primary age pupils attract unit funding of £4,276.40 and secondary age pupils attract unit funding of £5,578.84. The allocation to Bristol is based on a recorded 36,150.50 primary age pupils and 19,180.67 secondary age pupils.

3.8 **Premises led funding £9.6m.** This is the element of the Schools Block DSG that recognises costs not defined by NFF values, and is derived from the 2019/20 NFF baseline.

3.9 **Protections funding £0.0m.** This element is additional funding awarded to LAs in order to be able to meet minimum funding thresholds. Bristol receives nothing from this factor as the funding received through the pupil and premises led allocations is sufficient to exceed the minimum funding levels.

3.10 **Growth Funding £2.6m.** This element of the DSG Schools Block settlement is calculated by the ESFA based on the observed differences between the October 2018 and October 2019 school censuses. Growth is measured at the level of middle layer super output areas (MSOAs). This allocation is intended to meet the cost of both the growth fund and the additional cost of those pupils in growing schools not yet present in the school census, but can be insufficient as it is based on the historic change and not the anticipated change it is required to fund.

- 3.11 **Schools Block Total £273.9m.** This is the sum of the proposed allocations above.
- 3.12 **Transfer 0.5% of Schools Block to High Needs Block £1.4m** Schools Forum approved the transfer of 0.5% of the Schools Block to the High Needs Block at its meeting in November 2019. 0.5% is the maximum the DfE allows to be agreed locally.
- 3.13 **Growth Fund allocation £2.0m** This funding is the top-slice of the Schools Block taken in order to fund growth expansions in existing schools for the following academic year, separate to the growth commitment in “new and growing” schools” which is funded within the formula mechanism. The commitment for 2020/21 is estimated at £1.6m, leaving £0.4m for new commitments that may arise during the admissions round.
- 3.14 **Balance remaining for Mainstream Schools formula £270.5m.** This is the remainder of the Schools Block allocation available for the mainstream funding formula.
- 3.15 **Schools Block Total £273.9m.** This is the total of the elements above.

#### 4. Growth Fund

- 4.1 The growth funding into the Schools Block is £2.6m, and this intended to support both the “new and growing” schools funded via the APT and create a growth fund to support existing schools that have been expanded..
- 4.2 Officers have estimated the requirement in “new and growing schools” to be for 180 pupils, and this cost is built into the school funding formula.
- 4.3 Officers have also looked at the existing commitments on the Growth Fund and projected these forward for a potential cost in 2020/21. This commitment is anticipated to be in the region of £1.6m.
- 4.4 In addition to the existing known commitments it is possible further expansion may be needed, as the primary age bulge continues to move into secondary schooling. The allowance of £0.4m above the anticipated commitment will provide for approximately 120 additional secondary age pupils for the period September 2020-March 2021 (7/12ths of the financial year).

#### 5. Funding formula

- 5.1 Schools Forum agreed the principles for the operation of the mainstream formula at its meeting in November 2019, including:

- Appropriate allocations are made for rates
  - A Minimum Funding Guarantee of +0.5%
  - No capping
  - The Additional Educational Needs (AEN) factor values to be a function of the available funding
  - An appropriate allocation is set for the Growth Fund
  - The level of de-delegation for maintained primary and secondary schools.
- 5.2 Three options for the Schools Block formula have been modelled within the above constraints:
- Using the 2019-20 formula unit values as the starting point
  - Using the NFF unit values as the starting point, including the NFF lump sum value
  - Using the NFF unit values as the starting point, but keeping the lump sum at £125,000
- 5.3 A majority of schools that responded to the consultation preferred the NFF as the starting point (24, as opposed to 9 preferring the 2019/20 formula, and six schools expressing no preference).
- 5.4 Officers have presented the option to hold the lump sum at £125,000 as it is proportionately more beneficial for smaller schools.
- 5.5 The first option, using the 2019-20 formula unit values as the starting point, directs the most money via the formula factors rather than via the minimum funding guarantees, whilst the second option requires the greatest proportion of the available funding to support minimum funding.
- 5.6 Option 1 favours the most primary schools, but is the least option for most secondary schools, whilst option 2 favours the vast majority of secondary schools but is the worst option for most primary schools. Option 3 is more of a middle ground, being neither the most favourable or the least beneficial option for the majority of schools.
- 5.7 Nineteen schools receive the same level of funding from all three of the proposals.
- 5.8 The range between the best option and the least option for individual school budgets is 3%, with the best allocation being 100% and the least being 97% of the most beneficial allocation.
- 5.9 The detail of the unit values, the allocations against factors and individual school budget shares of each presented model are shown in the appendices.
- Appendix A shows the formula unit values
  - Appendix B shows the distribution of the funding across the relevant factors
  - Appendix C shows the school budget shares as modelled

- Appendix D indicates which model benefits each school the most, on a RAG indicator, along with the difference between the greatest and least budget shares awarded.

## **6. Future funding arrangements**

- 6.1 Whilst two years ago the DfE intended that the hard National Funding Formula should be introduced by 2020/21, this has not happened. There has been a further reduction in local discretion though with the mandatory minimum funding levels, enforced positive MFG and reduced scope to transfer funding between blocks.
- 6.2 Information on future arrangements will be shared with Schools Forum as and when this becomes available.

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FOR REFERENCE  
VALUES PAID IN 2019-20 FORMULA

FOR REFERENCE  
2020-21 NFF VALUES

Scenario 1
2019-20 formula values for AWPU and Lump Sum with AEN uplifted
MFG=0.50%

Scenario 2
2020-21 NFF values for AWPU and Lump Sum with AEN uplifted
MFG=0.50%

Scenario 3
2020-21 NFF values for AWPU only, with AEN uplifted and lump sum preserved at £125k
MFG=0.50%

FOR REFERENCE
2019-20 formula values
MFG=0.00%

FOR REFERENCE
2020-21 NFF VALUES

Factor
Basic Entitlement (Primary)
Basic Entitlement (KS3)
Basic Entitlement (KS4)
Free School Meals (Primary)
Free School Meals(Secondary)
Free School Meals Ever 6 (Primary)
Free School Meals Ever 6(Secondary)
IDACI (P F)
IDACI (P E)
IDACI (P D)
IDACI (P C)
IDACI (P B)
IDACI (P A)
IDACI (S F)
IDACI (S E)
IDACI (S D)
IDACI (S C)
IDACI (S B)
IDACI (S A)
EAL3 (P)
EAL3 (S)
Low Attainment (P)
Low Attainment (S)
Lump Sum P
Lump Sum S

AEN multiplier = 120.19631426249%

109.26%

107.24%

2,868.25
4,091.93
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£451.36
£461.87
£433.60
£630.33
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£491.68
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442.51
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£482.57
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840.00
535.00
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114,400.00

	1	2	3	FOR REFERENCE VALUES PAID IN 2019-20 FORMULA FOR REFERENCE
<b>Scenario 1</b> 2019-20 formula values for AWPU and Lump Sum with AEN uplifted  MFG=0.50%	<b>Scenario 2</b> 2020-21 NFF values for AWPU and Lump Sum with AEN uplifted  MFG=0.50%	<b>Scenario 3</b> 2020-21 NFF values for AWPU only, with AEN uplifted and lump sum preserved at £125k  MFG=0.50%	<b>2019-20 formula values</b>  MFG=0.00%	

	270,491,861	270,491,861	270,491,861	257,845,000
<b>TOTAL COST OF FORMULA</b>				
<b>Basic Entitlement</b>	<b>184,361,675</b>	<b>184,779,296</b>	<b>184,779,296</b>	<b>181,366,849</b>
Basic Entitlement (Primary)	103,974,663	103,566,964	103,566,964	104,277,980
Basic Entitlement (KS3)	50,015,691	49,112,014	49,112,014	47,666,922
Basic Entitlement (KS4)	30,371,320	32,100,318	32,100,318	29,421,947
<b>Deprivation</b>	<b>33,637,614</b>	<b>33,011,042</b>	<b>32,399,675</b>	<b>27,248,426</b>
Free School Meals	5,592,265	6,044,578	5,932,632	4,015,064
Free School Meals (Ever 6)	8,368,701	11,815,983	11,597,151	6,924,425
IDACI ( F)	2,219,255	1,793,955	1,760,731	1,810,543
IDACI ( E)	2,283,675	1,880,762	1,845,930	1,894,397
IDACI ( D)	1,798,971	1,525,301	1,497,052	1,458,155
IDACI ( C)	3,087,464	2,455,672	2,410,193	2,552,566
IDACI ( B)	6,310,973	4,768,611	4,680,296	5,233,540
IDACI ( A)	3,976,310	2,726,180	2,675,691	3,359,735
<b>EAL</b>	<b>3,663,911</b>	<b>3,525,391</b>	<b>3,460,100</b>	<b>3,137,400</b>
EAL3 (P)	2,866,066	2,653,066	2,603,932	2,445,067
EAL3 (S)	797,845	872,324	856,169	692,334
<b>Prior Attainment</b>	<b>20,362,179</b>	<b>21,588,326</b>	<b>21,188,509</b>	<b>17,883,686</b>
Low Attainment (P)	13,216,553	13,954,751	13,696,308	12,141,673
Low Attainment (S)	7,145,627	7,633,576	7,492,202	5,742,013
<b>Lump Sum</b>	<b>16,000,000</b>	<b>14,643,200</b>	<b>16,000,000</b>	<b>15,947,917</b>
<b>Split Sites</b>	<b>585,567</b>	<b>585,567</b>	<b>585,567</b>	<b>580,022</b>
<b>Rates (NDR)</b>	<b>2,594,922</b>	<b>2,594,922</b>	<b>2,594,922</b>	<b>2,574,119</b>
<b>PFI Funding</b>	<b>6,471,336</b>	<b>6,471,336</b>	<b>6,471,336</b>	<b>6,288,955</b>
<b>Minimum Funding</b>	<b>2,814,657</b>	<b>3,292,781</b>	<b>3,012,455</b>	<b>2,817,626</b>
Additional to meet minimum per pupil	2,046,427	2,150,159	2,016,031	n/a
MFG	768,230	1,142,622	996,424	2,817,626



Schools Forum 15th January 2020  
Item 8 Appendix C School budget shares

1	2	3	1 FOR REFERENCE VALUES PAID IN 2019-20 FORMULA FOR REFERENCE
<b>Scenario 1</b> 2019-20 formula values for AWPU and Lump Sum with AEN uplifted  MFG=0.50%	<b>Scenario 2</b> 2020-21 NFF values for AWPU and Lump Sum with AEN uplifted  MFG=0.50%	<b>Scenario 3</b> 2020-21 NFF values for AWPU only, with AEN uplifted and lump sum preserved at £125k  MFG=0.50%	<b>2019-20 formula values</b>  MFG=0.00%

NOR	School Name	Total	270,491,861	270,491,861	270,491,861	257,845,000	NOR
55511							54,823
	407 Brunel Field Primary School		1,624,608	1,624,608	1,624,608	1,599,181	410
	415 Ashley Down Primary School		1,582,379	1,582,379	1,582,379	1,515,872	415
	746 Ashton Gate Primary School		2,897,871	2,897,871	2,897,871	2,542,498	723
	338 Nova Primary School		1,544,043	1,526,306	1,529,203	1,579,417	364
	179 Broomhill Junior School		831,555	825,941	833,119	808,999	179
	358 St Werburgh's Primary School		1,570,952	1,562,670	1,561,713	1,445,404	330
	267 Chester Park Junior School		1,261,820	1,248,316	1,253,297	1,149,994	257
	203 Chester Park Infant School		982,937	979,176	978,149	906,297	186
	410 Hillcrest Primary School		1,568,036	1,568,036	1,568,036	1,452,574	408
	433 Shirehampton Primary School		1,911,923	1,893,192	1,894,752	1,753,009	425
	565 Two Mile Hill Primary School		2,356,052	2,361,675	2,361,501	2,245,973	568
	406 Glenfrome Primary School		1,753,426	1,738,667	1,741,403	1,691,987	402
	268 Henleaze Infant School		1,023,600	1,023,600	1,023,600	1,002,863	271
	239 St Anne's Infant School		1,044,129	1,043,796	1,044,129	1,071,058	248
	175 Sefton Park Infant School		740,667	740,843	740,667	734,633	173
	226 Sefton Park Junior School		866,657	857,297	866,096	845,055	227
	528 Southville Primary School		2,059,827	2,059,827	2,059,827	1,883,453	502
	217 Summerhill Infant School		983,029	965,157	971,825	1,056,426	245
	171 Upper Horfield Primary School		872,525	858,261	864,491	874,760	178
	619 Holymead Primary School		2,393,130	2,395,429	2,397,868	2,272,176	605
	208 Brentry Primary School		967,288	946,691	953,643	903,236	204
	140 Broomhill Infant School		679,852	669,223	677,292	716,313	157
	187 Cabot Primary School		1,027,701	1,027,181	1,026,954	1,010,461	184
	310 Hannah More Primary School		1,605,452	1,571,430	1,571,931	1,609,845	327
	815 Bishop Road Primary School		3,162,667	3,162,667	3,162,667	2,829,223	818
	400 Blaise Primary and Nursery School		1,802,471	1,766,286	1,768,156	1,657,308	380
	417 Fair Furlong Primary School		2,111,369	2,045,779	2,043,256	2,009,104	410
	563 Whitehall Primary School		2,307,680	2,285,657	2,285,047	2,193,216	535
	203 Avonmouth Church of England Primary School		948,564	932,886	939,557	869,158	196
	414 Horfield Church of England Primary School		1,613,427	1,595,919	1,601,621	1,568,246	413
	102 St Barnabas Church of England VC Primary School		604,508	591,466	599,019	780,616	149
	62 St George Church of England Primary School		385,029	375,073	384,180	370,410	62
	496 St Johns Church of England Primary School, Clifton		1,931,578	1,931,578	1,931,578	1,811,362	505
	117 St Michael's on the Mount Church of England Primary		614,718	601,747	609,639	672,908	137
	206 School of Christ The King Catholic Primary		1,074,782	1,044,738	1,044,787	1,049,356	208
	206 Holy Cross RC Primary School		970,256	949,110	955,200	908,189	199
	200 Ss Peter and Paul RC Primary School		829,633	821,931	822,138	836,480	205
	195 St Bernard's Catholic Primary School		856,316	852,738	853,003	871,208	201
	211 St Joseph's Catholic Primary School		913,179	907,313	907,311	907,054	212

Schools Forum 15th January 2020  
 Item 8 Appendix C School budget shares

1	2	3	FOR REFERENCE VALUES PAID IN 2019-20 FORMULA
<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>	<b>FOR REFERENCE</b>
2019-20 formula values for AWPU and Lump Sum with AEN uplifted	2020-21 NFF values for AWPU and Lump Sum with AEN uplifted	2020-21 NFF values for AWPU only, with AEN uplifted and lump sum preserved at £125k	2019-20 formula values
MFG=0.50%	MFG=0.50%	MFG=0.50%	MFG=0.00%

NOR	School Name	Total	270,491,861	270,491,861	270,491,861	257,845,000	NOR
55511							54,823
	211 Our Lady of the Rosary Catholic Primary School, Bristol	966,598	966,598	966,651	966,598	982,583	211
	113 St Pius X RC Primary School	693,290	693,290	672,578	678,783	772,739	137
	204 St Bernadette Catholic Voluntary Aided Primary School	867,987	867,987	868,146	867,987	855,257	202
	404 St Bonaventure's Catholic Primary School	1,520,310	1,520,310	1,520,310	1,520,310	1,488,436	402
	625 Bridge Farm Primary School	2,385,482	2,385,482	2,385,482	2,385,482	2,284,025	623
	614 Knowle Park Primary School	2,444,235	2,444,235	2,435,519	2,435,500	2,436,390	616
	204 Sea Mills Primary School	964,434	964,434	956,554	956,501	951,997	204
	782 Air Balloon Hill Primary School	3,003,326	3,003,326	3,009,568	3,009,006	2,954,755	787
	420 St Peter's Church of England Primary School (VC)	1,920,405	1,920,405	1,879,672	1,880,324	1,827,266	414
	1080 St Mary Redcliffe and Temple School	5,555,549	5,555,549	5,626,247	5,620,689	5,402,450	1,082
	741 St Bernadette Catholic Secondary School	4,045,706	4,045,706	4,096,902	4,092,165	3,832,987	728
	419 Cheddar Grove Primary School	1,727,138	1,727,138	1,701,739	1,705,307	1,652,868	415
	183 Ashton Vale Primary School	798,385	798,385	787,623	795,477	807,208	191
	206 Fonthill Primary Academy	996,523	996,523	977,920	983,491	939,251	201
	566 Begbrook Primary Academy	2,201,087	2,201,087	2,187,897	2,189,519	2,220,837	578
	417 Waycroft Academy	1,606,370	1,606,370	1,591,129	1,596,560	1,555,446	410
	554 Cotham Gardens Primary School	2,134,852	2,134,852	2,124,598	2,124,598	2,000,200	531
	326 Ilminster Avenue E-ACT Academy	1,658,909	1,658,909	1,613,665	1,613,828	1,503,399	310
	587 St Ursula's E-ACT Academy	2,215,060	2,215,060	2,215,060	2,215,060	2,036,818	560
	735 Filton Avenue Primary School	3,158,030	3,158,030	3,135,196	3,129,591	3,201,774	772
	343 Oasis Academy Connaught	1,765,023	1,765,023	1,720,664	1,719,783	1,735,961	356
	376 Henleaze Junior School	1,414,437	1,414,437	1,414,437	1,414,437	1,347,135	380
	193 Hotwells Primary School	785,894	785,894	778,242	786,825	761,512	192
	365 The Dolphin School	1,635,007	1,635,007	1,601,248	1,603,808	1,537,697	358
	178 Oasis Academy Bank Leaze	898,009	898,009	889,952	890,412	924,775	187
	391 Parson Street Primary School	1,765,055	1,765,055	1,747,410	1,748,590	1,737,030	405
	314 Minerva Primary Academy	1,448,224	1,448,224	1,450,490	1,448,224	1,215,407	260
	185 Frome Vale Academy	900,284	900,284	884,409	890,382	826,936	172
	397 Fishponds Church of England Academy	1,720,297	1,720,297	1,708,114	1,710,344	1,649,698	393
	331 Bannerman Road Community Academy	1,670,928	1,670,928	1,643,364	1,643,328	1,578,475	320
	332 Henbury Court Primary Academy	1,545,574	1,545,574	1,528,256	1,530,334	1,478,825	336
	306 Summerhill Academy	1,304,631	1,304,631	1,302,511	1,307,364	1,381,098	333
	131 The Kingfisher School	671,757	671,757	661,598	669,058	668,370	135
	362 Cathedral Primary School	1,551,892	1,551,892	1,552,735	1,551,892	1,447,572	337
	369 Redfield Educate Together Primary Academy	1,610,481	1,610,481	1,612,321	1,610,481	1,390,530	316
	420 Westbury Park Primary School	1,578,679	1,578,679	1,578,679	1,578,679	1,441,112	415
	304 Oasis Academy Marksbury Road	1,286,815	1,286,815	1,271,854	1,268,847	1,017,944	238
	209.25 Fairlawn Primary School	909,675	909,675	911,813	909,675	778,323	175
	402 Oasis Academy Long Cross	1,918,513	1,918,513	1,899,432	1,898,380	1,860,681	409
	416 Headley Park Primary School	1,664,773	1,664,773	1,664,750	1,664,773	1,668,026	419

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 Item 8 Appendix C School budget shares

1	2	3	FOR REFERENCE VALUES PAID IN 2019-20 FORMULA
<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>	<b>FOR REFERENCE</b>
2019-20 formula values for AWPU and Lump Sum with AEN uplifted	2020-21 NFF values for AWPU and Lump Sum with AEN uplifted	2020-21 NFF values for AWPU only, with AEN uplifted and lump sum preserved at £125k	2019-20 formula values
MFG=0.50%	MFG=0.50%	MFG=0.50%	MFG=0.00%

NOR	School Name	Total	270,491,861	270,491,861	270,491,861	257,845,000	NOR
55511			270,491,861	270,491,861	270,491,861	257,845,000	54,823
	414 Easton Church of England Academy		2,120,546	2,119,704	2,120,546	2,291,919	452
	379 Barton Hill Academy		2,000,757	2,000,895	2,000,757	1,976,624	376
	306 Wicklea Academy		1,240,067	1,227,831	1,234,143	1,202,373	307
	181 Woodlands Academy		870,225	859,987	866,411	835,752	181
	374 Hareclive E-ACT Academy		1,987,701	1,928,994	1,929,054	1,938,888	378
	359 Elmlea Junior School		1,350,962	1,350,962	1,350,962	1,283,227	358
	394 St Mary Redcliffe Church of England Primary School		1,701,506	1,678,661	1,681,216	1,603,483	391
	202 Badocks Wood E-ACT Academy		1,059,789	1,051,456	1,055,468	1,074,862	220
	333 Perry Court E-Act Academy		1,562,571	1,547,135	1,548,953	1,520,237	338
	175 Luckwell Primary School		738,450	729,057	737,606	793,944	197
	172 Evergreen Primary Academy		933,351	932,656	933,351	1,008,405	185
	500 May Park Primary School		2,325,093	2,294,243	2,292,370	2,704,792	604
	210 Wansdyke Primary School		938,115	919,838	926,839	873,924	206
	269 Elmlea Infant School		1,021,025	1,021,025	1,021,025	1,006,532	270
	191 Compass Point Primary School		963,304	954,749	959,944	946,130	195
	287 Four Acres Academy		1,413,999	1,382,541	1,384,950	1,367,959	289
	378 Christ Church Church of England Primary School		1,419,289	1,419,289	1,419,289	1,427,575	395
	404 Stoke Bishop Church of England Primary School		1,521,955	1,521,955	1,521,955	1,516,334	410
	413 Westbury-On-Trym Church of England Academy		1,554,054	1,554,054	1,554,054	1,491,289	410
	160 St Nicholas of Tolentine Catholic Primary School		848,495	825,955	831,902	918,740	187
	210 St Patrick's Catholic Primary School		937,004	916,041	922,981	908,454	210
	206 St Teresa's Catholic Primary School		924,790	916,757	916,756	915,557	207
	397 Greenfield E-Act Primary Academy		1,907,752	1,851,514	1,851,043	1,858,748	402
	415 Little Mead Primary Academy		1,829,486	1,804,074	1,805,415	1,763,503	419
	200 Stoke Park Primary School		977,128	963,284	969,082	948,835	202
	228 Oasis Academy New Oak		1,058,810	1,059,455	1,058,810	1,005,278	216
	600 West Town Lane Academy		2,262,260	2,260,353	2,260,353	2,297,671	627
	419 Victoria Park Primary School		1,688,248	1,675,757	1,679,718	1,639,551	413
	927 Bristol Free School		4,661,712	4,733,588	4,731,415	4,382,687	889
	863 Orchard School Bristol		5,638,116	5,753,802	5,737,777	5,276,657	837
	928 Oasis Academy Brislington		6,300,954	6,401,575	6,389,886	5,396,092	795
	852 The City Academy Bristol		5,488,376	5,628,907	5,605,793	4,469,698	714
	1072 Ashton Park School		5,493,394	5,604,229	5,597,768	5,338,197	1,065
	190 Trinity Academy		1,105,550	1,099,721	1,094,246	426,579	70
	771 Blaise High School		5,038,282	5,125,216	5,112,553	4,604,460	733
	1048 Bedminster Down School		6,588,651	6,676,343	6,660,030	6,212,247	1,024
	1131 Cotham School		6,220,020	6,337,912	6,322,896	5,806,864	1,103
	1070 Fairfield High School		5,846,222	5,913,707	5,901,647	5,602,255	1,029
	956 St Bede's Catholic College		4,815,784	4,824,571	4,823,381	4,572,081	934
	1117 Redland Green School		5,647,599	5,647,599	5,647,599	4,995,586	1,077

Schools Forum 15th January 2020  
 Item 8 Appendix C School budget shares

1	2	3	FOR REFERENCE VALUES PAID IN 2019-20 FORMULA FOR REFERENCE
<b>Scenario 1</b> 2019-20 formula values for AWPU and Lump Sum with AEN uplifted  MFG=0.50%	<b>Scenario 2</b> 2020-21 NFF values for AWPU and Lump Sum with AEN uplifted  MFG=0.50%	<b>Scenario 3</b> 2020-21 NFF values for AWPU only, with AEN uplifted and lump sum preserved at £125k  MFG=0.50%	<b>2019-20 formula values</b>  MFG=0.00%

NOR	School Name	Total
55511		
	1145 Bristol Brunel Academy	
	700 Bristol Cathedral Choir School	
	746 Colston's Girls' School	
	852 Oasis Academy John Williams	
	823 Oasis Academy Brightstowe	
	948 Bristol Metropolitan Academy	
	916 Bridge Learning Campus	
	1035 Merchants' Academy	
	308 Avanti Gardens School	

	Scenario 1	Scenario 2	Scenario 3	FOR REFERENCE	NOR
	<b>270,491,861</b>	<b>270,491,861</b>	<b>270,491,861</b>	<b>257,845,000</b>	<b>54,823</b>
	7,726,890	7,889,661	7,872,330	7,248,766	1,094
	3,580,857	3,625,358	3,626,854	3,336,648	669
	3,778,234	3,785,450	3,787,213	3,563,317	721
	4,874,654	4,904,356	4,893,575	4,921,819	865
	5,259,089	5,352,557	5,340,553	4,876,406	789
	6,733,275	6,733,748	6,733,275	6,452,984	912
	5,759,219	5,697,277	5,678,034	5,750,133	962
	6,167,036	6,156,577	6,130,229	5,668,451	1,001
	1,425,953	1,424,293	1,425,953	1,663,371	367

**Schools Forum 15th January 2020**  
**Item 8 Appendix D School budget shares ranked**

1

2

3

Scenario 1
2019-20 formula values for AWPU and Lump Sum with AEN uplifted
MFG=0.50%

Scenario 2
2020-21 NFF values for AWPU applied to 2020-21 formula
MFG=0.50%

Scenario 3
2020-21 NFF values for AWPU only, applied to 2020-21 formula
MFG=0.50%

**Spread**      **% of budget share**

NOR	School Name	Total	270,491,861	270,491,861	270,491,861		
55511							
407	Brunel Field Primary School		1,624,608	1,624,608	1,624,608	-	100%
415	Ashley Down Primary School		1,582,379	1,582,379	1,582,379	-	100%
746	Ashton Gate Primary School		2,897,871	2,897,871	2,897,871	-	100%
338	Nova Primary School		1,544,043	1,526,306	1,529,203	17,736	99%
179	Broomhill Junior School		831,555	825,941	833,119	7,178	99%
358	St Werburgh's Primary School		1,570,952	1,562,670	1,561,713	9,239	99%
267	Chester Park Junior School		1,261,820	1,248,316	1,253,297	13,504	99%
203	Chester Park Infant School		982,937	979,176	978,149	4,788	100%
410	Hillcrest Primary School		1,568,036	1,568,036	1,568,036	-	100%
433	Shirehampton Primary School		1,911,923	1,893,192	1,894,752	18,730	99%
565	Two Mile Hill Primary School		2,356,052	2,361,675	2,361,501	5,623	100%
406	Glenfrome Primary School		1,753,426	1,738,667	1,741,403	14,759	99%
268	Henleaze Infant School		1,023,600	1,023,600	1,023,600	-	100%
239	St Anne's Infant School		1,044,129	1,043,796	1,044,129	334	100%
175	Sefton Park Infant School		740,667	740,843	740,667	176	100%
226	Sefton Park Junior School		866,657	857,297	866,096	9,360	99%
528	Southville Primary School		2,059,827	2,059,827	2,059,827	-	100%
217	Summerhill Infant School		983,029	965,157	971,825	17,872	98%
171	Upper Horfield Primary School		872,525	858,261	864,491	14,264	98%
619	Holymead Primary School		2,393,130	2,395,429	2,397,868	4,738	100%
208	Brentry Primary School		967,288	946,691	953,643	20,596	98%
140	Broomhill Infant School		679,852	669,223	677,292	10,630	98%
187	Cabot Primary School		1,027,701	1,027,181	1,026,954	747	100%
310	Hannah More Primary School		1,605,452	1,571,430	1,571,931	34,022	98%
815	Bishop Road Primary School		3,162,667	3,162,667	3,162,667	-	100%
400	Blaise Primary and Nursery School		1,802,471	1,766,286	1,768,156	36,185	98%
417	Fair Furlong Primary School		2,111,369	2,045,779	2,043,256	68,113	97%
563	Whitehall Primary School		2,307,680	2,285,657	2,285,047	22,633	99%
203	Avonmouth Church of England Primary School		948,564	932,886	939,557	15,678	98%
414	Horfield Church of England Primary School		1,613,427	1,595,919	1,601,621	17,508	99%
102	St Barnabas Church of England VC Primary School		604,508	591,466	599,019	13,042	98%
62	St George Church of England Primary School		385,029	375,073	384,180	9,956	97%
496	St Johns Church of England Primary School, Clifton		1,931,578	1,931,578	1,931,578	-	100%
117	St Michael's on the Mount Church of England Primary School		614,718	601,747	609,639	12,971	98%
206	School of Christ The King Catholic Primary		1,074,782	1,044,738	1,044,787	30,044	97%

Item 8 Appendix D School budget shares ranked

Scenario 1
2019-20 formula values for AWPU and Lump Sum with AEN uplifted
MFG=0.50%

Scenario 2
2020-21 NFF values for AWPU applied to 2020-21 formula
MFG=0.50%

Scenario 3
2020-21 NFF values for AWPU only, applied to 2020-21 formula
MFG=0.50%

Spread % of budget share

NOR	School Name	Total	270,491,861	270,491,861	270,491,861	Spread	% of budget share
55511			270,491,861	270,491,861	270,491,861		
206	Holy Cross RC Primary School		970,256	949,110	955,200	21,146	98%
200	Ss Peter and Paul RC Primary School		829,633	821,931	822,138	7,702	99%
195	St Bernard's Catholic Primary School		856,316	852,738	853,003	3,579	100%
211	St Joseph's Catholic Primary School		913,179	907,313	907,311	5,869	99%
211	Our Lady of the Rosary Catholic Primary School,		966,598	966,651	966,598	53	100%
113	St Pius X RC Primary School		693,290	672,578	678,783	20,713	97%
204	St Bernadette Catholic Voluntary Aided Primary		867,987	868,146	867,987	158	100%
404	St Bonaventure's Catholic Primary School		1,520,310	1,520,310	1,520,310	-	100%
625	Bridge Farm Primary School		2,385,482	2,385,482	2,385,482	-	100%
614	Knowle Park Primary School		2,444,235	2,435,519	2,435,500	8,735	100%
204	Sea Mills Primary School		964,434	956,554	956,501	7,933	99%
782	Air Balloon Hill Primary School		3,003,326	3,009,568	3,009,006	6,242	100%
420	St Peter's Church of England Primary School (VC		1,920,405	1,879,672	1,880,324	40,733	98%
1080	St Mary Redcliffe and Temple School		5,555,549	5,626,247	5,620,689	70,698	99%
741	St Bernadette Catholic Secondary School		4,045,706	4,096,902	4,092,165	51,197	99%
419	Cheddar Grove Primary School		1,727,138	1,701,739	1,705,307	25,399	99%
183	Ashton Vale Primary School		798,385	787,623	795,477	10,762	99%
206	Fonthill Primary Academy		996,523	977,920	983,491	18,604	98%
566	Begbrook Primary Academy		2,201,087	2,187,897	2,189,519	13,190	99%
417	Waycroft Academy		1,606,370	1,591,129	1,596,560	15,241	99%
554	Cotham Gardens Primary School		2,134,852	2,124,598	2,124,598	10,255	100%
326	Ilminster Avenue E-ACT Academy		1,658,909	1,613,665	1,613,828	45,244	97%
587	St Ursula's E-ACT Academy		2,215,060	2,215,060	2,215,060	-	100%
735	Filton Avenue Primary School		3,158,030	3,135,196	3,129,591	28,438	99%
343	Oasis Academy Connaught		1,765,023	1,720,664	1,719,783	45,240	97%
376	Henleaze Junior School		1,414,437	1,414,437	1,414,437	-	100%
193	Hotwells Primary School		785,894	778,242	786,825	8,583	99%
365	The Dolphin School		1,635,007	1,601,248	1,603,808	33,759	98%
178	Oasis Academy Bank Leaze		898,009	889,952	890,412	8,057	99%
391	Parson Street Primary School		1,765,055	1,747,410	1,748,590	17,645	99%
314	Minerva Primary Academy		1,448,224	1,450,490	1,448,224	2,266	100%
185	Frome Vale Academy		900,284	884,409	890,382	15,874	98%
397	Fishponds Church of England Academy		1,720,297	1,708,114	1,710,344	12,184	99%
331	Bannerman Road Community Academy		1,670,928	1,643,364	1,643,328	27,600	98%
332	Henbury Court Primary Academy		1,545,574	1,528,256	1,530,334	17,318	99%
306	Summerhill Academy		1,304,631	1,302,511	1,307,364	4,853	100%

**Item 8 Appendix D School budget shares ranked**

Scenario 1
2019-20 formula values for AWPU and Lump Sum with AEN uplifted
MFG=0.50%

Scenario 2
2020-21 NFF values for AWPU applied to 2020-21 formula
MFG=0.50%

Scenario 3
2020-21 NFF values for AWPU only, applied to 2020-21 formula
MFG=0.50%

**Spread**      **% of budget share**

NOR	School Name	Total	Scenario 1	Scenario 2	Scenario 3	Spread	% of budget share
55511		270,491,861	270,491,861	270,491,861	270,491,861		
131	The Kingfisher School	671,757	671,757	661,598	669,058	10,159	98%
362	Cathedral Primary School	1,551,892	1,551,892	1,552,735	1,551,892	843	100%
369	Redfield Educate Together Primary Academy	1,610,481	1,610,481	1,612,321	1,610,481	1,840	100%
420	Westbury Park Primary School	1,578,679	1,578,679	1,578,679	1,578,679	-	100%
304	Oasis Academy Marksbury Road	1,286,815	1,286,815	1,271,854	1,268,847	17,968	99%
209.25	Fairlawn Primary School	909,675	909,675	911,813	909,675	2,138	100%
402	Oasis Academy Long Cross	1,918,513	1,918,513	1,899,432	1,898,380	20,133	99%
416	Headley Park Primary School	1,664,773	1,664,773	1,664,750	1,664,773	23	100%
414	Easton Church of England Academy	2,120,546	2,120,546	2,119,704	2,120,546	843	100%
379	Barton Hill Academy	2,000,757	2,000,757	2,000,895	2,000,757	138	100%
306	Wicklea Academy	1,240,067	1,240,067	1,227,831	1,234,143	12,236	99%
181	Woodlands Academy	870,225	870,225	859,987	866,411	10,238	99%
374	Hareclive E-ACT Academy	1,987,701	1,987,701	1,928,994	1,929,054	58,707	97%
359	Elmlea Junior School	1,350,962	1,350,962	1,350,962	1,350,962	-	100%
394	St Mary Redcliffe Church of England Primary School	1,701,506	1,701,506	1,678,661	1,681,216	22,845	99%
202	Badocks Wood E-ACT Academy	1,059,789	1,059,789	1,051,456	1,055,468	8,333	99%
333	Perry Court E-Act Academy	1,562,571	1,562,571	1,547,135	1,548,953	15,436	99%
175	Luckwell Primary School	738,450	738,450	729,057	737,606	9,393	99%
172	Evergreen Primary Academy	933,351	933,351	932,656	933,351	696	100%
500	May Park Primary School	2,325,093	2,325,093	2,294,243	2,292,370	32,723	99%
210	Wansdyke Primary School	938,115	938,115	919,838	926,839	18,276	98%
269	Elmlea Infant School	1,021,025	1,021,025	1,021,025	1,021,025	-	100%
191	Compass Point Primary School	963,304	963,304	954,749	959,944	8,555	99%
287	Four Acres Academy	1,413,999	1,413,999	1,382,541	1,384,950	31,458	98%
378	Christ Church Church of England Primary School	1,419,289	1,419,289	1,419,289	1,419,289	-	100%
404	Stoke Bishop Church of England Primary School	1,521,955	1,521,955	1,521,955	1,521,955	-	100%
413	Westbury-On-Trym Church of England Academy	1,554,054	1,554,054	1,554,054	1,554,054	-	100%
160	St Nicholas of Tolentine Catholic Primary School	848,495	848,495	825,955	831,902	22,540	97%
210	St Patrick's Catholic Primary School	937,004	937,004	916,041	922,981	20,964	98%
206	St Teresa's Catholic Primary School	924,790	924,790	916,757	916,756	8,034	99%
397	Greenfield E-Act Primary Academy	1,907,752	1,907,752	1,851,514	1,851,043	56,710	97%
415	Little Mead Primary Academy	1,829,486	1,829,486	1,804,074	1,805,415	25,412	99%
200	Stoke Park Primary School	977,128	977,128	963,284	969,082	13,844	99%
228	Oasis Academy New Oak	1,058,810	1,058,810	1,059,455	1,058,810	645	100%
600	West Town Lane Academy	2,262,260	2,262,260	2,260,353	2,260,353	1,907	100%
419	Victoria Park Primary School	1,688,248	1,688,248	1,675,757	1,679,718	12,491	99%

**Item 8 Appendix D School budget shares ranked**

		Scenario 1 2019-20 formula values for AWPU and Lump Sum with AEN uplifted  MFG=0.50%	Scenario 2 2020-21 NFF values for AWPU applied to 2020-21 formula  MFG=0.50%	Scenario 3 2020-21 NFF values for AWPU only, applied to 2020-21 formula  MFG=0.50%	Spread	% of budget share
	<b>Total</b>	<b>270,491,861</b>	<b>270,491,861</b>	<b>270,491,861</b>		
927	Bristol Free School	4,661,712	4,733,588	4,731,415	71,876	98%
863	Orchard School Bristol	5,638,116	5,753,802	5,737,777	115,687	98%
928	Oasis Academy Brislington	6,300,954	6,401,575	6,389,886	100,622	98%
852	The City Academy Bristol	5,488,376	5,628,907	5,605,793	140,530	98%
1072	Ashton Park School	5,493,394	5,604,229	5,597,768	110,835	98%
190	Trinity Academy	1,105,550	1,099,721	1,094,246	11,304	99%
771	Blaise High School	5,038,282	5,125,216	5,112,553	86,934	98%
1048	Bedminster Down School	6,588,651	6,676,343	6,660,030	87,691	99%
1131	Cotham School	6,220,020	6,337,912	6,322,896	117,892	98%
1070	Fairfield High School	5,846,222	5,913,707	5,901,647	67,485	99%
956	St Bede's Catholic College	4,815,784	4,824,571	4,823,381	8,787	100%
1117	Redland Green School	5,647,599	5,647,599	5,647,599	-	100%
1145	Bristol Brunel Academy	7,726,890	7,889,661	7,872,330	162,771	98%
700	Bristol Cathedral Choir School	3,580,857	3,625,358	3,626,854	45,996	99%
746	Colston's Girls' School	3,778,234	3,785,450	3,787,213	8,979	100%
852	Oasis Academy John Williams	4,874,654	4,904,356	4,893,575	29,702	99%
823	Oasis Academy Brightstowe	5,259,089	5,352,557	5,340,553	93,468	98%
948	Bristol Metropolitan Academy	6,733,275	6,733,748	6,733,275	474	100%
916	Bridge Learning Campus	5,759,219	5,697,277	5,678,034	81,185	99%
1035	Merchants' Academy	6,167,036	6,156,577	6,130,229	36,807	99%
308	Avanti Gardens School	1,425,953	1,424,293	1,425,953	1,660	100%

GREEN indicates option providing highest share of formula funding  
 YELLOW indicates option that provides neither the highest or the lowest share of formula funding  
 RED indicates option providing lowest share of formula funding



# Decision Pathway Report

**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 21 January 2020

<b>TITLE</b>	<b>Cultural Investment programme – Imagination funding</b>		
<b>Ward(s)</b>	<i>Citywide</i>		
<b>Author:</b>	<b>Elise Hurcombe</b>	<b>Job title:</b>	<b>Senior Arts Officer</b>
<b>Cabinet lead:</b>	<b>CLlr Cheney</b>	<b>Executive Director lead:</b>	<b>Stephen Peacock</b>
<b>Proposal origin:</b> <i>BCC Staff</i>			
<b>Decision maker:</b> <b>Cabinet Member</b>			
<b>Decision forum:</b> <i>Cabinet</i>			
<b>Purpose of Report:</b>			
<ol style="list-style-type: none"> <li>1. To note the applications received for the Cultural Investment programme ‘Imagination Funding’ 2020-22.</li> <li>2. To seek approval of the new portfolio of 12 organisations for Imagination Funding for 2020 – 2022 and agree their annual funding allocation as detailed in Appendix 1.</li> <li>3. To note the priorities of the portfolio will be in line with the corporate strategy, the city's cultural strategy and most importantly the known budget position for the next 2 years.</li> </ol>			
<b>Evidence Base:</b>			
<ol style="list-style-type: none"> <li>1. 50 Imagination grant applications were received for the Culture Investment programme. Amount requested: £2,455,131 over the 2 year period 2020/22 break down details is in attached <b>Appendix A1</b></li> <li>2. As agreed in the previous report that went to Cabinet in December 4<sup>th</sup> 2017 - the Mayor’s commitment to make Arts and Culture accessible to all, instigated by the cabinet lead for Culture and following on from the Scrutiny Inquiry day we have, in partnership with the city, redeveloped a cultural strategy for the city- Bristol’s Cultural Futures. In order to support this new strategy and align our process with it and the new corporate strategy for BCC we have renewed our Cultural Investment Programme (formerly known as the Key Arts Provider, Community Festivals and Creative Seed funding).</li> <li>3. There was an overall reduction in funding available to support the city’s arts and cultural sector from current levels, as detailed below.</li> <li>4. Applications were assessed against clear criteria - articulated in the funding prospectus See link to documents in background section.</li> <li>5. The key dates of assessment. Closed for application 30<sup>th</sup> July, w/c 15<sup>th</sup> October officer panel first stage discussion, 29<sup>th</sup> October Cross Party Panel final recommendations.</li> <li>6. The recommendations for the funds that have been agreed by cross party/ independent panel on the 29<sup>th</sup> October – Attached <b>Appendix A1 is an overview of the reach of the new funding in the ward map Appendix A2</b></li> </ol>			
<b>Cabinet Member / Officer Recommendations:</b>			
That Cabinet			
<ol style="list-style-type: none"> <li>1. Approves the recommendations for the allocation of Imagination grant funding for 2020-22 to the organisations as specified in <b>Appendix A1</b>.</li> <li>2. Authorises the Executive Director Growth and Regeneration in consultation with the Cabinet Member Deputy Mayor – Finance, Governance and Performance to award the funding as approved.</li> </ol>			
<b>Corporate Strategy alignment:</b>			
Guidance and fund criteria for all strands of CIP are aligned to the Corporate vision ‘In which everyone benefits from			

the city's success and no-one is left behind' and strategic 5 year commitment: 'we will be a leading cultural city, making culture and sport accessible to all'. Applications assessed against Imagination criteria and put forward for funding demonstrate reach into priority neighbourhoods, embedded partnerships with community, health and well-being partners, and score highly for building a sustainable sector which will be less dependent on BCC funding in the future.

**City Benefits:**

The development of Bristol's Cultural Futures and the alignment of our internal processes and policies linked to Culture are all about increasing access to arts and culture and delivering on the corporate priorities.

We have ensured that health and wellbeing are seen as a key output of our cultural provision and are encouraging our partners to address these through the strategy, our policies and our funding decisions. The new Cultural Investment Programme is linked to the savings proposals outlined in the MTFP. The cultural investment programme has a priority to increase equality and celebrate diversity. Equalities officers are part of the assessment panel. We also have seen more applications from broader diverse groups than in previous years and more applications, this is due to how we have shared the opportunity and held open launch sessions and within that 121 advice sessions.

**Consultation Details:**

1. As agreed in the previous report that went to Cabinet in December 4<sup>th</sup> 2017- DIY Arts Groups, Bristol Festivals and current Key Arts Providers (KAP) were consulted about the Cultural Investment Programme. The input from DIY arts, festival forum and the current KAP lead to the development of the three stream approach and much strong criteria being developed. Groups wanted a 3 tier funding structure that enabled growth and progression from one to the other. We have created a process of application that was clearer and open to enable a wider breath of applicants to apply. **This has been applied to the new funding process.**
2. During this decision making process the recommendations have been presented to a cross party panel and independent chair on the 29<sup>th</sup> October 2019. All political parties were invited to attend.

**Background Documents:**

Link to Arts funding page where you will find the Cultural Investment Programme prospectus and guidance notes: <https://www.bristol.gov.uk/museums-parks-sports-culture/arts-and-culture-funding>

Previously funded organisations map:

<https://bcc.maps.arcgis.com/apps/MapSeries/index.html?appid=d31acfce0114fcd899a9b10a8918999>

<b>Revenue Cost</b>	<u>Overall budget for all three Funds</u> <b>2018-2021</b> £3,113,840 <u>Break down</u> <b>2018/19</b> £825,960 <b>2019/20</b> £825,960 <b>2020/21</b> £825,960 <b>2021/22</b> £635,960	<b>Source of Revenue Funding</b>	<i>general fund contribution cost centre 11179</i>
<b>Capital Cost</b>	£N/A	<b>Source of Capital Funding</b>	N/A
<b>One off cost</b> <input type="checkbox"/> <b>Ongoing cost</b> <input checked="" type="checkbox"/>		<b>Saving Proposal</b> <input type="checkbox"/> <b>Income generation proposal</b> <input type="checkbox"/>	

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

**1. Finance Advice:** The Cultural investment programme annual budget for 2020/21 is currently estimated at £825,960 of which an annual sum of £217,571 is to be allocated towards the grants mentioned in this report. A member of the Finance team was part of the evaluation panel that reviewed the bids; as a result, we are satisfied with the shortlist of those recommended for funding.

There are no new financial implication resulting from this report, and there is a planned reduction in the overall funding planned for 2021/22 which has already been built into the MTFP. The Grant will need to be administered in

line with BCC grant policy.  
 The remaining funds are already programmed to be spent on 2 other funding streams within the Cultural Investment Programme i.e. Originators and Openness, as well as the work on the management and strategic development of the funds.  
 Cabinet approval is being sort to ratify the recommendations of the assessment team.

**Finance Business Partner:** Kayode Olagundoye, Interim Finance Business Partner, Growth and Regeneration, 18/12/19

**2. Legal Advice:**

Procurement

Provided these are genuine grants and not contracts for services, they will not give rise to procurement issues under the Public Contracts Regulations 2015. Client officers will need to seek legal assistance to ensure the arrangements are grant agreements.

Equalities

The Council must comply with the requirements of the Public Sector Equality duty when making any decisions. The duty requires the decision maker to consider the need to promote equality for persons with “protected characteristics” and to have due regard to the need to i) eliminate discrimination, harassment, and victimisation; ii) advance equality of opportunity; and iii) foster good relations between persons who share a relevant protected characteristic and those who do not share it.

In order to do this the decision maker must have sufficient information about the effects of the proposed decision on the aims of the Duty. The Equalities Impact Assessment is designed to assist with compliance with this duty. Its purpose is to assess whether there are any barriers in place that may prevent people with a protected characteristic using a service or benefiting from a policy.

State Aid

Whenever the Council gives a benefit to a third party, there is a risk that benefit may constitute State aid, which is prohibited (unless it falls under one of the available exemptions). Legal advice will need to be sought to ensure that no part of the funding to any third parties constitutes State aid (or alternatively falls under one of the available exemptions, e.g. de minimis).

**Legal Team Leader:** Husinara Jones, Team Leader/Solicitor 13 December 2019

**3. Implications on IT: “No anticipated impact to IT Services”**

**IT Team Leader:** Simon Oliver

**4. HR Advice: ‘There are no HR implications evident’**

**HR Partner:** Celia Williams, HRBP 13.11.2019

<b>EDM Sign-off</b>	Stephen Peacock	20 <sup>th</sup> November 2019
<b>Cabinet Member sign-off</b>	Cllr Cheney and Cllr Craig	28 <sup>th</sup> November 2019
<b>For Key Decisions - Mayor’s Office sign-off</b>	Mayor’s Office	19 <sup>th</sup> December 2019

<b>Appendix A – Further essential background / detail on the proposal</b>	<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>

<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>

# Cultural Investment Funding requests 2020-22

## KEY

	Recommended for funding
	Org the £20k cap affects
	Not recommended for funding

Organisation applying	Currently receiving	Requesting			2020-2022 TOTALS	Recommendation for funding 2020-21	Recommendation for funding 2021-22	Total recommending over 2 years 2020-2022
		2020/21	2021/22	TOTALS				
Theatre Bristol	£20,341.00	£16,000.00	£16,000.00	£32,000.00	£16,000.00	£16,000.00	£32,000.00	
Many Minds		£20,000.00	£20,000.00	£40,000.00	£20,000.00	£20,000.00	£40,000.00	
Handstand Arts CIO		£8,000.00	£21,250.00	£29,250.00	£14,625.00	£14,625.00	£29,250.00	
CreativeShift CIC		£23,670.00	£23,670.00	£47,340.00	£20,000.00	£20,000.00	£40,000.00	
St Pauls Carnival	£34,000.00	£40,000.00	£40,000.00	£80,000.00	£20,000.00	£20,000.00	£40,000.00	
Artspace Lifespace	£14,085.00	£17,502.00	£16,752.00	£34,254.00	£17,127.00	£17,127.00	£34,254.00	
Bristol Festivals	£12,750.00	£14,000.00	£14,000.00	£28,000.00	£14,000.00	£14,000.00	£28,000.00	
Dragonbird Theatre CiC		£15,887.00	£15,750.00	£31,637.00	£15,818.50	£15,818.50	£31,637.00	
Redfest Bristol	£17,000.00	£20,000.00	£20,000.00	£40,000.00	£20,000.00	£20,000.00	£40,000.00	
Community In Partnership Knowle West (often referred to as Filwood Community Centre)		£30,000.00	£30,000.00	£60,000.00	£20,000.00	£20,000.00	£40,000.00	
Bristol Pride	£16,217.00	£24,500.00	£22,500.00	£47,000.00	£20,000.00	£20,000.00	£40,000.00	
The Paraorchestra and Friends		£25,000.00	£25,000.00	£50,000.00	£20,000.00	£20,000.00	£40,000.00	
				<b>TOTAL 2020-22</b>	<b>£217,570.50</b>	<b>£217,570.50</b>	<b>£435,141.00</b>	
Creative Youth Network	£17,000.00	£17,000.00	£17,000.00	£34,000.00				
Ambition Lawrence Weston		£15,000.00	£15,000.00	£30,000.00				
The Architecture Centre	£12,750.00	£15,000.00	£15,000.00	£30,000.00				
Unique Voice		£28,615.00	£29,715.00	£58,330.00				

## Cultural Investment Funding requests 2020-22

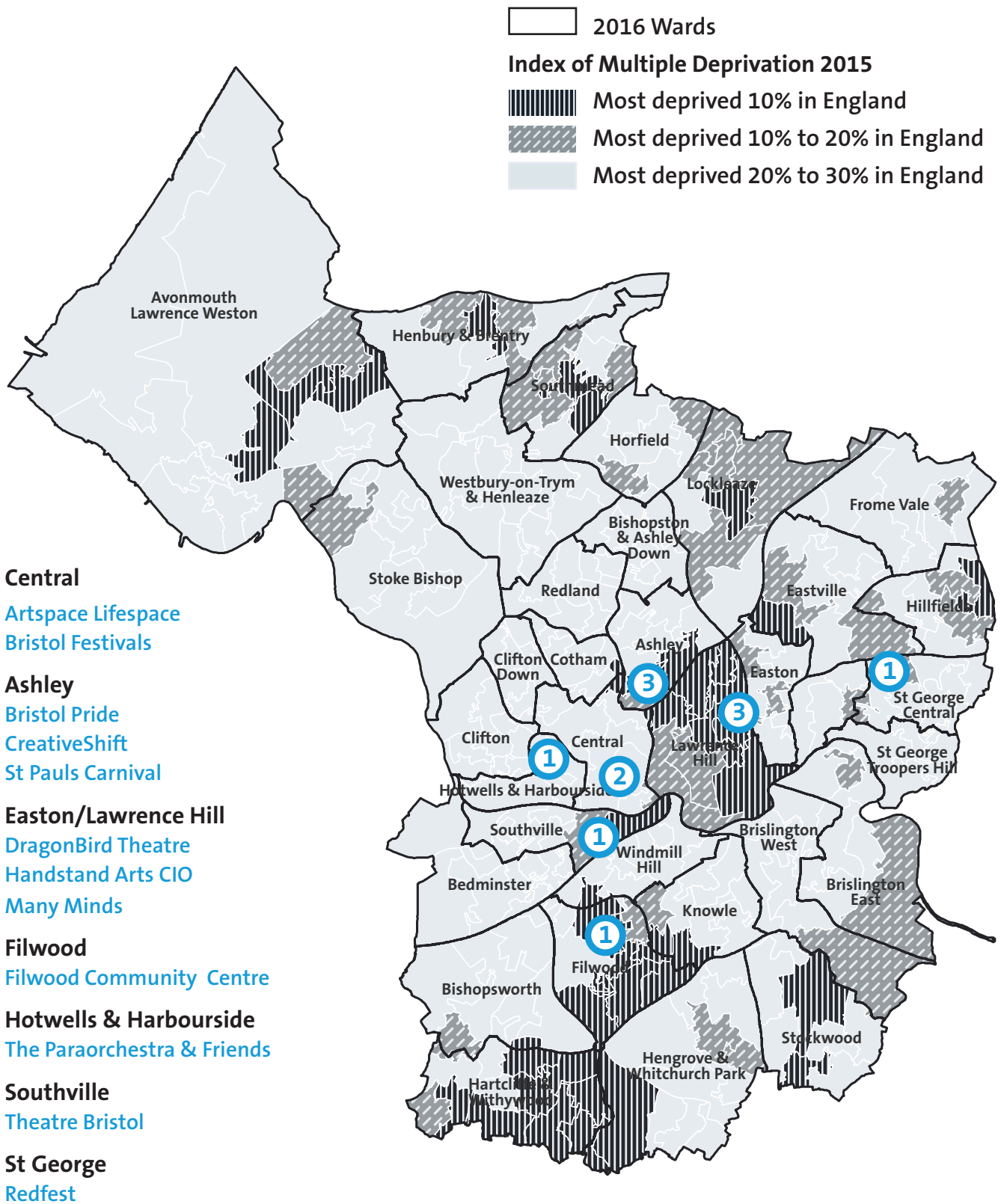
The Wardrobe Theatre		£18,400.00	£16,675.00	£35,075.00
WECIL		£32,535.00	£18,850.00	£51,385.00
Bricks		£22,500.00	£22,500.00	£45,000.00
Brave Bold Drama	£5,000.00	£11,746.00	£11,746.00	£23,493.00
Stepping Out Theatre		£30,000.00	£30,000	£60,000
Black South West Network (BSWN)		£40,000.00	£40,000.00	£80,000.00
Rising Arts Agency	£15,975.00	£18,585.00	£30,450.00	£49,035.00
Martin Parr foundation		£5,002.00	£5,002.00	£10,004.00
Theatre Ad Infinitum (Ad Infinitum)		£40,000.00	£40,000.00	£80,000.00
Bristol Dance futures		£23,558.00	£29,873.00	£53,431.00
Bristol City Centre BID Team		£40,000.00	£40,000.00	£80,000.00
Alive Activities Limited		£29,602.00	£30,064.00	£59,666.00
We're Curious		£30,726.00	£25,649.00	£56,375.00
Icons Black Britons® CIC		£35,000.00	£35,000.00	£70,000.00
Bannerman Road PTA (Friends of Bannerman Road)		£29,750.00	£32,500.00	£62,259.00
Cargo		£20,000.00	£20,000.00	£40,000.00
Big Team		£23,680.00	£23,680.00	£47,360.00
Lockleaze Neighbourhood Trust	£10,315.00	£24,000.00	£24,800.00	£44,800.00
Window Wanderland CIC		£23,500.00	£23,500.00	£47,000.00
Wise Children		£36,206.00	£36,773.00	£72,979.00
Operational name: The Crick Crack Club. Legal name: The Centre for International Storyelling		£35,137.00	£29,978.00	£65,115.00

## Cultural Investment Funding requests 2020-22

Tribe of Doris		£23,287.00	£24,102.00	£47,389.00
Bristol Photo Festival		£30,000.00	£30,000.00	£60,000.00
Bristol Community Ferry Boats		£24,315.00	£24,315.00	£48,630.00
Ujima Radio		£30,000.00	£30,000.00	£60,000.00
Bristol Reggae Orchestra		£10,010.00	£10,010.00	£20,020.00
Cognitive Paths		£28,000.00	£20,000.00	£48,000.00
Bristol International Jazz and Blues Festival		£14,870.00	£15,770.00	£30,640.00
APE Project CIC		£40,000.00	£35,000.00	£75,000.00
Windmill Hill city Farm		£36,967.00	£37,942.00	£74,909.00
Arkbound Foundation		£17,000.00	£23,000.00	£40,000.00
Milestones Trust		£22,573.00	£22,652.00	£45,225.00
Khalsa Heritage Trust		£8,270.00	£8,270.00	£16,540.00
Wonder creation project CIC		£40,000.00	£40,000.00	£80,000.00
<b>TOTAL applied for</b>		<b>£1,225,393.00</b>	<b>£1,229,738.00</b>	<b>£2,455,131.00</b>

1309271

# Recommended Organisations - Imagination



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 Ordnance Survey 100023406.



## Bristol City Council Equality Impact Assessment Form

(Please refer to the Equality Impact Assessment guidance when completing this form)



Name of proposal	Culture Investment Programme
Directorate and Service Area	Place – Bristol Culture
Name of Lead Officer	Elise Hurcombe

### Step 1: What is the proposal?

Please explain your proposal in Plain English, avoiding acronyms and jargon. This section should explain how the proposal will impact service users, staff and/or the wider community.

#### 1.1 What is the proposal?

This proposal explains the decision-making process, and recommends organisations for receipt of Imagination funding 2020-22.

##### **Context:**

Bristol City Council supports cultural organisations and projects with grant funding. In 2014-18 this was through:

- Key Arts Provider (KAP) grants for larger organisations over 3 years
- Creative Seed Funding of up to £3k for projects in 1 funding year
- Community Festival Fund for up to £2k for community events within 1 funding year.

There was a cut in the overall budget for these cultural investment grants from £1,012,000 to £825,690 for 2018-21 and another reduction in investment is planned in 2021-22 to £639,690.

To enable organisations to best manage these cuts and encourage them to be less reliant on local authority investment, as well as supporting a strong and innovative arts and cultural sector to develop, in 2018 the funding was changed to three new funds:

- Openness – 4 year funding of a maximum of 5% of turnover
- Imagination – 2 year funding of between £5k-£40k per annum
- Originator – 1 year funding of up to £5k

We are recommending that out of the 50 organisations that applied for Imagination funding 12 will be funded. The organisations we propose to for 2018-22 investment meet priorities of the portfolio, are in line with our corporate strategy, the city's cultural strategy and most importantly our known budget position for the next 4 years for funding for arts and cultural organisations and projects. In 2017 we received 30 applications for the Imagination fund and funded 16.

## **Aims and Objectives**

The overall aims that all applicants had to respond to are:

- 1.6 Main ways [project or organisation] of making arts & culture accessible for all
- 1.7 Previous work

Below are the selected objectives that focus on advancing diversity and equality in arts and culture:

### AIM 1. Develop Bristol's reputation as one of the UK's leading cultural cities

- 1.2 Develop learning & career pathways within the cultural sector

### AIM 2. Advance diversity and equality in arts and culture

- 2.1 Actively encourage the diversity and fair selection of artistic programme & talent development
- 2.2 Have a strong understanding of your current audience profile & actively addressing barriers to participation in arts & culture
- 2.3 Demonstrate sector leadership in diversity & equality, working proactively to diversify governance, staff & volunteers

### AIM 3. Support the delivery of Bristol City Council's wider Corporate Strategy

- 3.2 Demonstrate the impact of arts & culture on priority groups
- 3.3 Increase participation in arts & culture across the city

Applicants needed to meet two aims under each objective. The overall vision for all the funding is to make arts and culture accessible for all.

## **Step 2: What information do we have?**

Decisions must be evidence-based, and involve people with protected characteristics that could be affected. Please use this section to demonstrate understanding of who could be affected by the proposal.

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

The key focus of the funding is to make art and culture accessible for all, and applicants have detailed who they would be working with and in which areas. The funding objectives and requirements for all the grants recognise that social exclusion and poverty are also areas that need to be addressed. This is in addition to the minimum requirements of ensuring people with protected characteristics are considered and involved in meaningful and realistically deliverable ways.

The organisations and projects selected for the fund are across 15 wards, with higher scores given to organisations working in priority areas and/or projects involving priority groups.

Priority areas: St Pauls; Easton; Lawrence Hill; Knowle West; Hartcliffe and Withywood; Filwood; St Philips; Southmead; Lockleaze; Avonmouth and Lawrence Weston; Stockwood; Ashley; Stokes Croft West – Central.

Priority groups:

BAME; d/Deaf; disabled, neuro-diverse, LGBTQIA+. Refugees & asylum seekers, people with experience of mental ill-health, Families, homeless groups, visually impaired, young women of colour. Adults who experience social isolation, older people (55-69yo), unemployed, people recovering from drug and alcohol addiction. Isolated residents, carers, children and young people. People from lower socio-economic backgrounds. Children and young people (18-25yo), single parents. non-White British. Specifically BAME LGBT+ people, and LGBT+ people with disabilities. Disabled musicians, BAME musicians, young disabled musicians.

2.2 Who is missing? Are there any gaps in the data?

The awards are based on the applications in terms of who they reach. The baselines we will work from will be based on the details they have given for their current audiences. We will offer organisations a template equalities monitoring form that can be used to understand the diversity of their audience.

This information does vary from organisation to organisation as some have very detailed methods of data collection already (it's a requirement for ACE funding so those who get this will already collect this data), whereas those who are newly funded may not or have more limited information.

All of the funds require evaluations and that data is collected around the groups that the funded work reaches. As part of their applications they are asked about their methods of evaluation and data collection.

Additional support for organisations in how to collect useful data is being offered by the User Researcher for museums to strengthen this part for successful applicants who may not have this as their strongest skill or focus and will also support us in being able to identify areas where there are gaps in who is being reached by the council's funding on receipt of their evaluations and on-going monitoring.

2.3 How have we involved, or will we involve, communities and groups that could be affected?

We held an open session advising organisations of the proposed changes and to get feedback on the initial proposals in April 2017 to which all organisations who have previously applied to the three current funds were invited, as well as generally advertised through mailing lists, team networks, the council press team networks and social media. 75 people attended and the information was also circulated to individuals and organisations that got in touch.

This was followed by a launch day in July to detail the new processes in two sessions in the day and evening to enable as many people to attend as possible, 187 people registered for these sessions. The day also included specialist 1-1 sessions with finance and procurement officers, and external bid writers as additional support. Full Q&As for the session and ongoing questions through the application period were made available to the mailing list and online. All those who registered were included on further email updates which were also circulated to individuals and organisations that got in touch.

The arts and events team have created opportunities for organisations and individuals to

attend funding training and attend funds online workshops where they can share broader local and national funds to apply for to support their work. Our aim is to support the sector in writing stronger bids, evaluation and finance. The opportunities have been promoted through the arts and events team mailing lists we have built from organisations who have applied before, BCC communities and neighbourhood team, the BCC press team and the Arts & Events team social media accounts and networks. Our mailing list is also open for anyone to join and we have a sign up prompt on our email headers and out twitter account.

The processes and guidance on applying were developed with the support of Voscur who worked with the neighbourhoods team in developing the Bristol Impact Fund. Additional development and consultation included legal, finance and procurement officers, and equalities and neighbourhood officers.

The applications have been assessed by experts in equalities as well as officers with expertise in arts and events, culture and finance. Senior officers involved in the strategic focus of the council and culture were involved in the first panel assessment, and a second cross-party panel with external independent assessors discussed and agreed the recommendations of the first.

We have a clear communications plan that informs all the applicants successful and unsuccessful and this will be done in a clear way that gives organisations enough time to plan for the impact it may have.

### **Step 3: Who might the proposal impact?**

Analysis of impacts on people with protected characteristics must be rigorous. Please demonstrate your analysis of any impacts in this section, referring to all of the equalities groups as defined in the Equality Act 2010.

3.1 Does the proposal have any potentially adverse impacts on people with protected characteristics?

Some of the 38 applicants we are unable to fund are meeting the needs of priority groups, and the decision not to fund them will have an impact on these organisations and to the communities they work with.

We didn't get applications that specified they work with ex-offenders or children or adults that have suffered from significant trauma at a young age. These are areas in which we can hope to receive through the up and coming originators funding. Although we encourage organisations to work with as broad an intersection of society and targeted groups we can only assess the applications that come to us.

We have distributed an increased proportion of overall funding into smaller funds to support innovative smaller organisations or projects. However having less money for larger organisations may impact on priority groups if outreach is reduced.

The decision has been made to cap the funding for any project to no more than £40,000 over the 2 year funding period. By doing this we can fund more organisations and make sure that we have a spread of project that support arts, events, cultural activity and geographical spread, gaining the largest impact for the fund and supporting as many Bristol Citizens as possible. This may mean they need to increase ticket prices or reduction the outreach work they do (which is often with priority groups and/or in areas of multiple deprivation).

### 3.2 Can these impacts be mitigated or justified? If so, how?

We have ensured that accessibility is a clear requirement throughout the criteria and requirements for the funding. The front-loading of the grants and creation of an additional 2 year fund will increase the likelihood of smaller organisations offering specialist targeted services receiving grants.

Community organisations can apply year on year for local events that support cohesion. These have always scored higher so therefore been more likely to have been funded if they are in areas of multiple deprivations and/or without much cultural activity. The new funding has embedded these requirements further across ALL the funding streams.

Organisations that have applied year on year will be able to apply for 2 year funding and for much more money than in previous years. For example - community focused projects such as Redfest (St George) Many Minds working in Mental health through Access and participation in the arts (Hartcliffe, Withywood, St Pauls, Easton, Lawrence Hill and Knowle West) are being funded over 2 years and this gives them more investment that they can then reinvest directly in to those key priority areas.

### 3.3 Does the proposal create any benefits for people with protected characteristics?

The criteria make accessibility a focus throughout. Bids that demonstrate accessibility and reaching target areas and groups will score higher – and therefore be more likely to be funded. We have prioritised under-represented groups in the decisions that we have made for example BAME and Disability led organisations.

### 3.4 Can they be maximised? If so, how?


These have been maximised through the evaluation process of the bids where the panel has assessed the spread and diversity of the funded programme also balances these aims.

Organisations and individuals will be offered additional support to reach these objectives in their applications, and monitored and supported throughout their funding to ensure that they are – and if not – where realistic, supported to achieve them by the Arts & Events Team.

**Step 4: So what?**

The Equality Impact Assessment must be able to influence the proposal and decision. This section asks how your understanding of impacts on people with protected characteristics has influenced your proposal, and how the findings of your Equality Impact Assessment can be measured going forward.

4.1 How has the equality impact assessment informed or changed the proposal?
All of the accessibility aims are deliverable throughout the funding proposal, and was a key aim prior to the EqIA – The EqIA process has been useful in clarifying the aims and outcomes would look like for a quality application to detail what they would deliver.
4.2 What actions have been identified going forward?
<ul style="list-style-type: none"> <li>• We will liaise with the BCC Equality and Inclusion Team to ensure equality outcomes are embedded in Key Performance Indicators (KPIs) and monitoring, and to advance equality and diversity across the Cultural investment programme.</li> <li>• We will support organisations in developing their recruitment and retention of a diverse workforce</li> <li>• We will offer clear feedback to all unsuccessful bids and signpost to other funding opportunities</li> <li>• We will invite unsuccessful applicants to attend our ‘funds online sessions’ that we run monthly where they can search other funding options and get advice for Arts and Events officers at those sessions.</li> </ul>
4.3 How will the impact of your proposal and actions be measured moving forward?
<ul style="list-style-type: none"> <li>• Clear evaluation, data and measurable targets for each organisation</li> <li>• Review of diversity monitoring</li> <li>• Review of organisations’ Equality Action Plans and KPIs</li> <li>• Ongoing support from the Arts and Events Team to maximise impact</li> </ul>

Service Director Sign-Off: 	Equalities Officer Sign Off: <i>Reviewed by Equality and Inclusion Team</i>
Date: 18/12/19	Date: 18/11/2019

# Decision Pathway Report

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**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 21 January 2020

<b>TITLE</b>	<b>Strategic Partnering Initiative</b>	
<b>Ward(s)</b>	City-wide	
<b>Author:</b> Nigel Owens	<b>Job title:</b> Consultant Project Manager	
<b>Cabinet lead:</b> Cllr Cheney	<b>Executive Director lead:</b> Stephen Peacock / Mike Jackson	
<b>Proposal origin:</b> BCC Staff		
<b>Decision maker:</b> Cabinet Member		
<b>Decision forum:</b> Cabinet		
<b>Purpose of Report:</b>		
<p>This report seeks Cabinet approval to proceed with procurement and engagement of a Strategic Partner to assist in the delivery of the Council’s capital programme. This will enable the Council over time to phase out the current use of more ad hoc external contractor support.</p> <p>The partnership will enable us to better achieve our ambitious aims for the city and its people. It will do this by fully leveraging the capacity and expertise that exists, both within the Council and with our strategic partner, significantly accelerating the pace of delivery of our Corporate Plan priorities and the One City Plan.</p>		
<b>Evidence Base:</b>		
<ul style="list-style-type: none"> <li>• Previous reductions in Council staffing means we do not have the internal capacity to fully deliver the scale of our ambition for Bristol’s development and regeneration. We are consistently underspending our capital budget as a result.</li> <li>• A significant element of the capital programme is externally funded, and we cannot be confident about the security of this funding going forward. It is not appropriate therefore to increase our own permanent staffing levels, even if we could secure the necessary specialist staff in a highly competitive labour market.</li> <li>• At present we are therefore bridging some of this gap with the use of contractor resource on a project by project basis.</li> <li>• A longer-term arrangement with a strategic partner will enable us to plan and manage this external support more efficiently, and bring wider benefits in terms of skill and knowledge transfer (in both directions) and career development opportunities.</li> <li>• A strategic partnering arrangement will therefore put in place much needed flexibility to sustainably manage changing peaks and troughs of future project and initiative activity, responding to funding opportunities more quickly, thereby reducing over time the use of more ad hoc contractor support and achieving more sustainable outcomes for residents and the city.</li> </ul>		
<b>Cabinet Member / Officer Recommendations:</b>		
<p>That cabinet:</p> <ol style="list-style-type: none"> <li>1. Approves the procurement of a suitable organisation as a long-term strategic partner providing the breadth</li> </ol>		

of services detailed in Appendix A.

2. Adopts a governance model in respect of the operation of the proposed partnership in accordance with the structure set out in Appendix A.
3. Approves the use of existing G&R resource as necessary to; set up the partnership, carryout a full 'baseline assessment' and execute risk focussed consultant advisory activities necessary to deliver:
  - a. Project / Strategy Initiation; Outline Business Case preparation and Approvals;
  - b. Best-in class Programme Planning; Value led Procurement and Programme Execution (e.g. Monitoring/Control and Project Closure);
  - c. All sub-advisor / contractor professional services necessary to deliver the SP Service;
  - d. Take all actions necessary to implement a robust training process in order to enhance the professional skills necessary to enable Council colleagues to fully benefit from, and effectively plug-in to, the strategic partnering initiative opportunity.
4. Authorise the Executive Director of Growth and Regeneration (in consultation with the Deputy Mayor with responsibility for Finance, Governance and Performance and the Director Finance) to take all necessary steps to procure the Strategic Partner and conclude the appropriate agreements.

#### **Corporate Strategy alignment:**

The strategic partnership initiative is intended to enable us to better achieve our ambitious aims for the city and its people. It will do this by fully leveraging the capacity and expertise that exists, both within the Council and with our strategic partner, significantly accelerating the pace of delivery of our Corporate Plan priorities and the One City Plan.

#### **City Benefits:**

This proposal benefits the city and improves outcomes for citizens by:

1. Putting in place a highly skilled, expert and suitable organisation for a long term strategic partnership which puts in place best-in class programme planning; value led procurement and project execution expertise necessary to fully deliver the scale of our ambition for Bristol's development and regeneration.
2. Allowing the Council to better explore new effective, efficient and 'at pace' delivery of innovative commercial ideas and opportunities.
3. Moving towards a strategic partnering arrangement which will put in place much needed flexibility to sustainably manage changing peaks and troughs of future project and initiative activity.
4. Allowing the Council to better explore new best-in-class commercial ideas and opportunities and respond to funding opportunities more quickly in order to achieve more sustainable outcomes for residents and the city.
5. Caring for, protecting and enhancing our natural environment by targeting actions necessary to achieve a carbon neutral city.
6. Contributing positively to Bristol's character and identity by creating places/built environment that are high quality, inclusive and adaptable to changing social, technological, economic and environmental conditions.
7. Allowing the Council to retain and enhance its ambition to work together in delivery of joint aspirations as a leading member of the West of England Combined Authority.
8. Building a best-in-class 'One Team' ethos to help shape how capital is efficiently spent by the Council and its investment / funding partners.
9. Fully leverage the benefits of a longer-term arrangement with a strategic partner and leverage wider benefits in terms of staff skill and career development opportunities.
10. Enhancing the Council's strong reputation as a thought leader when working closely with local government



organisations around the country to further influence national policy.

11. Delivering the Council’s ambition to work with the market to enable others to build more homes and public amenities.
12. Creating jobs and contributing to a diverse economy that offers opportunity to all and makes quality work experience and apprenticeships available to every young person.

**Background Documents:**

The strategic partnership initiative is intended to enable us to better achieve our ambitious aims for the city and its people. It will do this by fully leveraging the capacity and expertise that exists, both within the Council and with our strategic partner, significantly accelerating the pace of delivery of our Corporate Plan priorities and the One City Plan.

Web link to background documents:

- <https://www.bristol.gov.uk/policies-plans-strategies/corporate-strategy>
- <https://www.bristolonecity.com/one-city-plan>
- [https://www.bristol.gov.uk/en\\_US/statistics-census-information](https://www.bristol.gov.uk/en_US/statistics-census-information)
- <https://www.bristol.gov.uk/council-spending-performance/council-budgets>

<b>Revenue Cost</b>	<b>£ Existing budgets</b>	<b>Source of Revenue Funding</b>	<b>Existing budgets</b>
<b>Capital Cost</b>	<b>£ Existing budgets</b>	<b>Source of Capital Funding</b>	<b>Existing budgets</b>
<b>One off cost</b> <input type="checkbox"/>	<b>Ongoing cost</b> <input checked="" type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <input checked="" type="checkbox"/>

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

**1. Finance Advice:**

Procurement of a strategic partner for delivery of the capital programme seeks to improve the pace of deliverability of key capital infrastructure schemes within the current capital programme. The current capital programme is funded via variety of sources including prudential borrowing. Increasing delivery of the programme will simply deliver to the ambition currently set in the Capital Strategy and Medium Term Financial Plan and not create any additional funding pressures. In recent years the capital financing budget has underspent due to slippage in the programme therefore increasing delivery to match the budgeted programme won’t impact on on-going capital financing costs.

Any projects supported by the strategic partner will be funded from the existing service revenue budgets for feasibility and early development and charged to the capital scheme where schemes are sufficiently progressed. There will be no contractual obligation on BCC to commit to full project delivery spend at the time the strategic partner is utilised and the Council will retain control on the level and pace at which projects with the partner are initialised and developed.

**Finance Business Partner:** Michael Pilcher 08/01/20

**2. Legal Advice:**

It is currently proposed that the procurement of the Strategic Partner will be achieved through the use of an appropriate Crown Commercial Services (CCS) Framework. CCS frameworks are EU compliant and accordingly their proper use ensures the Council is complying with the Public Contracts Regulations 2015 (PCR). Care will need to be taken in the introduction of any additions or amendments to the call off terms – some Frameworks provide limited scope to do this. In addition in selection of the Framework or Lot, consideration will need to be given to the full range/scope of the services the Council expects from its Strategic Partner to ensure they are all covered.

In the event that the Framework is not deemed suitable for meeting the Council's needs, a formal tender process (again PCR compliant) will be conducted by the Council.

If the Strategic Partner is to be responsible for sourcing any ancillary professional services which may be required, either on a project by project basis or generally, consideration will need to be given to any procurement requirements, either regulatory or Council policy, (including social value) which may need to be addressed.

**Legal Team Leader:** Eric Andrews 09/12/2019

**3. Implications on IT:**

IT is fully supportive of this initiative. Whilst IT do need to determine the final solution to be able to share access to data/files and allow partner staff to be able to act as a BCC resource (against the specific requirements) – we believe the solutions being provided via the IT Transformation Programme will make this far easier and the delivery timescales align with the strategic partnering project timescales. No issues anticipated.

**IT Team Leader:** Simon Oliver 16/12/19

**4. HR Advice:**

The Council does not have the in-house capacity to fully deliver the scale of our ambition for Bristol's development and regeneration. At present we are bridging some of the resource gap with the use of contractor resource on a project by project basis which is not efficient or cost effective. A longer-term arrangement with a strategic partner (SP) will enable us to plan and manage this external support more efficiently. It will also bring wider benefits to the council in terms of skill and knowledge transfer and career development opportunities for own employees. In particular, colleagues will get professional and career benefit from working with the Strategic Partner through:

- Exchange of knowledge ascertained from the review of Council processes, procedures and policies;
- Identification of specific team and individual officer skill gaps through workforce planning;
- Delivery of collaborative training including; Council/SP approach to working in a partnership, enhancement of softer client and contract relationship management skills and planning to achieve continuous professional and process improvement

**HR Partner:** Mark Williams 05/12/19

<b>EDM Sign-off</b>	Executive Director of Growth and Regeneration	20/11/19
<b>Cabinet Member sign-off</b>	Councillor Cheney	19/11/19
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	19/12/19

<b>Appendix A – Further essential background / detail on the proposal</b>	<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>YES</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>YES</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>

<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>

## Appendix A - Further Essential Background

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*The partnership will enable us to better achieve our ambitious aims for the city and its people. It will do this by fully leveraging the capacity and expertise that exists, both within the Council and with our strategic partner, significantly accelerating the pace of delivery of our Corporate Plan priorities and the One City Plan.*



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## Introduction - What we seek to achieve

### Executive Summary

We are putting in place a long term strategic partnership to enable us to plan, access and manage the capacity necessary to fully deliver the scale of our ambition for Bristol's development and regeneration. The partnership will do this by fully leveraging the capacity and expertise that exists, both within the Council and with our strategic partner, significantly accelerating the pace of delivery of our Corporate Plan priorities and the One City Plan.

### Where we are now / drivers for change

We are engaging a strategic partner as previous reductions in Council staffing means we do not have the internal capacity to fully deliver the scale of our ambition for Bristol and its people, and, as a result, we are consistently underspending our capital budget. In addition, a significant element of our capital programme is externally funded and we cannot be confident about the security of this funding going forward. Therefore, It is not appropriate to increase our own permanent staffing levels, even if we could secure the necessary specialist staff in a highly competitive labour market. Meaning, at present we are bridging some of this gap with the use of contractor resource on a project by project basis.

### Where do we want to be / desired outcomes

A longer-term arrangement with a strategic partner will enable us to plan and manage our external support more efficiently, and bring wider benefits in terms of skill and knowledge transfer (in both directions) and career development opportunities.

A strategic partnering arrangement will therefore put in place much needed flexibility to sustainably manage changing peaks and troughs of future project and initiative activity, responding to funding opportunities more quickly, thereby reducing over time the use of more ad hoc contractor support and achieving more sustainable outcomes for residents and the city.



## Vision

### The vision for the strategic partnership

The partnership will enable us to better achieve our ambitious aims for the city and its people. It will do this by fully leveraging the capacity and expertise that exists, both within the Council and with our strategic partner, significantly accelerating the pace of delivery of our Corporate Plan priorities and the One City Plan.

## Objectives

### Key objectives

The key objectives to the Council include:

1. Putting in place a long term strategic partnership to enable us to plan, access and manage the capacity necessary to fully deliver the scale of our ambition for Bristol's development and regeneration;
2. Significantly accelerate the pace of delivery of our Corporate Plan priorities and the One City Plan;
3. Put in place much needed flexibility to manage changing peaks and troughs of future project activity and reduce our reliance on ad hoc contractor support;
4. Maximise the economic, social and environmental benefits arising from the programme of work carried out by the strategic partnership;
5. Ensure that the strategic partnership supports and enables innovation whilst offering an appropriate balance of management of project risk versus planned value outcomes;
6. Provide additional capacity (beyond the Council's own 'client-side' service) through the provision of all advisory resources necessary to deliver quality outcomes;
7. Build competency through knowledge transfer and upskilling of the Council's in-house team, and;
8. Disseminate 'lessons learned' across other regional Unitary Authorities.

## Desired outcomes

### Where do we want to be

The strategic partnership will benefit the city and its citizens by:

1. Putting in place a highly skilled, expert and suitable organisation for a long term strategic partnership which puts in place best-in class programme planning; value led procurement and project execution expertise necessary to fully deliver the scale of our ambition for Bristol's development and regeneration;
2. Allowing the Council to better explore new effective, efficient and 'at pace' delivery of innovative commercial ideas and opportunities;
3. Moving towards a strategic partnering arrangement which will put in place much needed flexibility to sustainably manage changing peaks and troughs of future project and initiative activity;
4. Allowing the Council to better explore new best-in-class commercial ideas and opportunities and respond to funding opportunities more quickly in order to achieve more sustainable outcomes for residents and the city;
5. Caring for, protecting and enhancing our natural environment by targeting actions necessary to achieve a carbon neutral city;
6. Contributing positively to Bristol's character and identity by creating places/built environment that are high quality, inclusive and adaptable to changing social, technological, economic and environmental conditions;
7. Allowing the Council to retain and enhance its ambition to work together in delivery of joint aspirations as a leading member of the West of England Combined Authority;
8. Building a best-in-class 'One Team' ethos to help shape how capital is efficiently spent by the Council and its investment / funding partners;
9. Fully leverage the benefits of a longer-term arrangement with a strategic partner and leverage wider benefits in terms of staff skill and career development opportunities;
10. Enhancing the Council's strong reputation as a thought leader when working closely with local government organisations around the country to further influence national policy;
11. Delivering the Council's ambition to work with the market to enable others to build more homes and public amenities, and;
12. Creating jobs and contributing to a diverse economy that offers opportunity to all and makes quality work experience and apprenticeships available to every young person.



## **Risk Impact Analysis**

The risk management process facilitates identification and mitigation of programme uncertainty:

1. The strategic partner will own risk and issue management process for each/aggregated projects in capital planning programme:
  - 1.1. BCC risk tolerance established prior to SP tender, and;
  - 1.2. Risks and opportunities tracked using standard BCC risk tools.
2. Risk management to be iterative process performed monthly or upon reaching key milestones:
  - 2.1. As project(s) move through contract delivery milestones, new risks, issues or opportunities may be identified from various sources.

## **The strategic partnering proposition**

### **Alignment to the corporate priorities**

1. The role of the strategic partner is to bring an external and informed perspective to both setting and directing strategic plans. This would include, but not be limited to:
  - 1.1. Challenging conventional thinking;
  - 1.2. Exploring the boundaries around the 'art of the possible';
  - 1.3. Bringing ideas and innovation;
  - 1.4. Giving consideration of whole system thinking;
  - 1.5. Applying solution focus to practical outcomes;
  - 1.6. Providing an informed confidential environment as a 'critical friend' to test ideas and concepts;
  - 1.7. Bring a wider up to date knowledge across a range of related strategic challenges.  
Examples include, but are not limited to:
    - Organisational design;
    - Environment and Infrastructure;
    - Streets and Community Cohesion;
    - Construction and design, and;
    - Urban Planning.



## Delivery approach

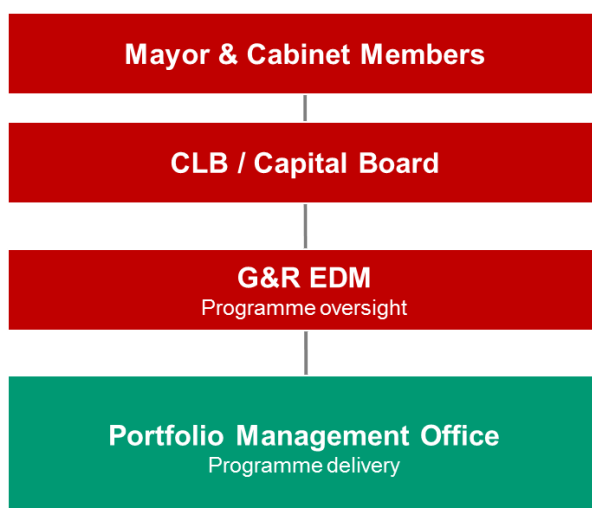
### Strategic partner project scope

1. The strategic partner will deliver against the Council's overall vision and objectives and understands how to work with, and advance, the Council's programme in a way that effectively balances, and takes account of, the individual stakeholder needs and expectations.
2. The strategic partner service necessitates the partner working within the existing Council working practices, processes and governance, including;
  - 2.1. Consultative approach to developing proposals (both team / client service areas);
  - 2.2. Working within existing budget envelope / right sizing to functional fit;
  - 2.3. Clearly aligned strategic partner / BCC roles and responsibilities;
  - 2.4. Category areas aligned throughout contract engagement including operational / transactional, and;
  - 2.5. Building flex and agility through additional support.

## Programme controls

### Governance

The strategic partnering strategy is a 'business as usual' support initiative that existing E&R project governance will control and set strategic direction for the programme. The strategic partner is responsible for delivery of all 'client-side' project services and sub-contractor disciplines necessary to originate / execute strategic portfolio.



Indicative E&R project governance



## **G&R EDM**

Key role and responsibilities include:

1. Being the primary forum for those with delegated authority to make strategic decisions.
2. Facilitation of monthly representation from key Senior Officers (or delegates), including;
  - CFO S151, HoPS and SP Lead Programme Director.
3. Review of strategic partner project progress supported by ad hoc in-house / external technical resource as necessary;
4. Having accountability for:
  - Client requirements, and;
  - Monitor programme progress.

## **The Integrated Portfolio Management Office**

(Team collocated in one location in Bristol)

Key role and responsibilities include:

1. Being the forum which manages day-to-day delivery of full portfolio of project activities and services, including:
  - Project origination / business case preparation, approvals, legal / finance advice, procurement, design / commercial / risk / change management, etc.
  - Appointment of all required sub-consultant services by SP. Be led by the strategic partner, and;
2. Having accountability for:
  - Full project planning, performance and progress;
  - Budget / risk / change management, and;
  - MI and portfolio reporting.

## **Recap**

The strategic partnership initiative will enable the Council to better achieve its ambitious aims for the city and its people. It will do this by fully leveraging the capacity and expertise that exists, both within the Council and with our strategic partner, significantly accelerating the pace of delivery of our Corporate Plan priorities and the One City Plan.

## Schedules

### Schedule 1 - Illustrative project typologies

The following are illustrative of the type of projects that the Strategic Partner (SP) may be involved in and is not an exhaustive typology:

<i>Item</i>	<i>Project Typology</i>	<i>Notes</i>
1	Estate rationalisation and value enhancement	Business Park development requiring restructuring of campus footprint and re-location of a number of anchor tenant functions to new / premium specialist accommodation.
2	Markets and Buildings	Investment to improve Markets infrastructure and buildings as part of wider development opportunities.
3	Urban regeneration, infrastructure maintenance/upgrade, flood mitigation activities and working with strategic partner(s) / developer(s) to deliver large scale mixed use / residential development	Preparatory design works as part of the emerging regeneration strategy. Strategy partner is the developer.
4	Council Core Service update and expansion	Requirement for new crematorium amenity
5	Council Asset and associated Service update and expansion	Investment of essential renewal and improvements of occupied commercial buildings.
6	Estate Regeneration HUBs	Housing Regeneration account. Not revenue funded.
7	Development of City Centre	Development of Scope, stakeholder/public consultations. Option analysis (including funding/partnering strategy, etc), approvals and execution
8	Development	Mixed use scheme - enabling and development monitoring role working closely with private sector delivery / funding partners

## Schedule 2 – CCS Management Consultancy Framework 2 (RM6008 - Lot 4)

Common Procurement Vocabulary (CPV) codes

Lot	CPV	Complex and Transformation Consultancy Services
4	72221000	Business analysis consultancy services
	79400000	Business and management consultancy & related services
	79410000	Business and management consultancy services
	79411100	Business-development consultancy services
	79419000	Evaluation consultancy services
	71241000	Feasibility study, advisory service, analysis
	79411000	General management consultancy services
	72224000	Project management consultancy services
	79996000	Records management
	73220000	Development consultancy services

Procurement timeline (INDICATIVE)

Activity Name	Target Milestone
<b>Cabinet Approval to proceed</b>	<b>21 Jan 2020</b>
The Council invite Suppliers to develop proposals	Q2 2020
<b>Target Award</b>	<b>Q3 2020</b>
Mobilisation	Q3 2020

## Schedule 3 - Alignment to corporate theme(s)

The Strategic Partnering initiative is intended to enable us to achieve our ambitious aims for the city and its people by, significantly accelerating the pace of delivery of our Corporate Plan priorities and the One City Plan.

Web link to background documents:

- <https://www.bristol.gov.uk/policies-plans-strategies/corporate-strategy>
- <https://www.bristolonecity.com/one-city-plan>
- [https://www.bristol.gov.uk/en\\_US/statistics-census-information](https://www.bristol.gov.uk/en_US/statistics-census-information)
- <https://www.bristol.gov.uk/council-spending-performance/council-budgets>

## Strategic Partnering Initiative - Risk Register

### Negative Risks that offer a threat to Strategic Partnering Initiative and its Aims (Aim - Reduce Level of Risk)

Ref	Risk Description	Key Causes	Key Consequence	Status Open / Closed	Strategic Theme	Risk Category	Risk Owner	Key Mitigations	Direction of travel	Current Risk Level			Monetary Impact of £k	Risk Tolerance			
										Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating	Date
R1	Risk that the Strategic Partnering strategy does not achieve full potential and/or does not effectively deliver BCC agreed strategic objectives / aims for programme.	Lack of effective planning, resource and governance	SP fails to meet KPIs, etc and partnership fails to effectively plan, access and manage the capacity necessary to fully deliver the scale of our ambition for Bristol's development and regeneration	Open		Programme / Project Management	Project Manager / Project Board	Plan, document and put in place effective planning, resource and governance	Stable	1	3	3		1	3	3	08/01/20
R2	Risk of failed procurement meaning, unable to appoint a strategic partner	Council failure to have the necessary Council resource required to plan, produce documentation, evaluate supplier responses and close out award process	We will not have the internal capacity to fully deliver the scale of our ambition and are therefore consistently continue to underachieve against our annual capital programme objectives.	Open		Programme / Project Management	Project Manager / Project Board	Council put in place the necessary Council resource required to plan, produce documentation, evaluate supplier responses and close out award process	Stable	1	3	3		1	3	3	08/01/20
R3	Risk of challenge from unsuccessful framework competitors / bidders	Inconsistent approach to bidders, change in scope during the procurement process, requirements tailored towards specific supplier(s), etc	Proper Officer satisfied Call-in valid meaning, procurement process aborted, risk of legal challenge from unsuccessful bidder(s), etc	Open		Legal	Project Manager / Procurement Manager	Finalise, lock-in and get Tech Group / Project Board approval of detailed scope in advance of the procurement process, requirements specific to market achievable processes and outcomes, etc	Decreased	2	3	6		1	3	3	08/01/20
R4	Risk that the Council / SP is unable to convert project examples shown in tender documentation (re quantum of SP Day 1 / Day 2 involvement) into a programme of work.	Council / SP failure to have the necessary / appropriate resource required to execute agreed projects	Unable to significantly accelerating the pace of delivery of our Corporate Plan priorities and the One City Plan	Open		Programme / Project Management	Project Manager / Project Board	Council / SP put in place the necessary / appropriate resource required to execute agreed projects	Stable	1	3	3		1	3	3	08/01/20
R5	Risk that the Council cannot establish a workable process to capitalise SP project services	Failure to find a workable mechanism to capitalise projects originated and delivered by the Strategic Partner	Inability to execute innovative projects and major investment programmes through the SP organisation	Open		Programme / Project Management	Project Manager / Finance	BCC Finance team monitoring	Stable	2	3	6		1	3	3	08/01/20
R6	Risk of economic recession and decreased activity within infrastructure/property/financing sectors	Ongoing risk during, for example, BREXIT process running in tandem with delivery of our Corporate Plan priorities and the One City Plan	Skills shortage and impact on supply chain driven by macro-economic conditions delays development and application of innovative projects in Bristol	Open		Programme / Project Management	Project Board	Monitor outcome of Dec 2019 General Election and carryout earliest review of anticipated impact / direction of travel. Also, closely assess incremental workload impact of scenario where government puts in place fiscal stimulus packages geared to infrastructure provision	Stable	1	3	3		1	3	3	08/01/20
R7	Risk of unexpected cost inflation for projects	Unplanned / unforeseen cost inflation due to unforeseen political and micro / macro economic events	Reduced viability of innovative projects and major investment programmes	Open		Financial Loss / Gain	Project Manager / Project Board	Monitor cost inflation trends and market projections	Stable	1	3	3		1	3	3	08/01/20
R8	Risk related to what activities remain in house (eg legal, finance, property, finance, etc) and quality of sub-contractor external support commissioned by SP	Council failure to have the necessary / appropriate resource and processes in place prior to appointment of the SP / execution of agreed projects	Increase requirement for BCC in-house resource to 'shadow' the service provided by the SP	Open		Service provision	Project Manager / Technical Delivery Group	Council to put in place necessary / appropriate resource and processes prior to appointment of the SP / execution of agreed projects	Decreased	2	3	6		1	3	3	08/01/20

R9	Risk that proposed framework RM6008 is unsuitable for BCC requirements (e.g. modification/enhancement to standard framework T&Cs, base location in Bristol, etc) and that requirements are unattractive to framework suppliers	Council requirements too onerous for standard CCS framework	Not enough tender responses received are viable and/or compliant	Open		Programme / Project Management	Project Manager / Procurement Manager	Council requirements to be substantively aligned with standard CCS framework. Exceptions to be clearly highlighted and discussed prior to tender release	Stable	1	3	3		1	3	3	08/01/20
R10	Risk that BCC do not have the internal capacity to provide data / information to the SP	BCC do not have necessary resource to support / provide the information SP requires on Day 1 and beyond	SP mobilisation compromised. Unable to significantly accelerating the pace of delivery of our Corporate Plan priorities and the One City Plan	Open		Programme / Project Management	Project Board	BCC to allocate necessary resource to support / provide the information SP requires on Day 1 and beyond	Decreased	3	4	12		1	3	3	08/01/20
R11	Risk that the tender documentation fails to clearly define roles and responsibilities of Council / SP and key resource	BCC do not have necessary resource to support / provide the information required to document and communicate a robust and workable R&R matrix	Tender analysis process compromised. Unable to clearly differentiate supplier staffing / resourcing proposals	Open		Programme / Project Management	Project Manager / Procurement Manager / Technical Delivery Group	BCC to allocate necessary resource to support / provide the information required to document and communicate a robust and workable R&R matrix	Stable	2	3	6		1	3	3	08/01/20
R12	Risk that the Council fails to clearly define requirements re: complementary support services supplied by the SP. E.g. Legal / Finance / Property / Procurement / etc	BCC do not have necessary resource to support / provide the information required to document and communicate a robust and workable sub-contractor appointment/engagement matrix	Tender analysis process compromised. Unable to clearly differentiate supplier staffing / resourcing proposals	Open		Programme / Project Management	Project Manager / Technical Delivery Group	BCC put in place resource to support / provide the information required to document and communicate a robust and workable sub-contractor appointment/engagement matrix	Decreased	2	4	8		1	3	3	08/01/20
R13	Risk that the Council fails to clearly define how services provided by the SP are to be budgeted for, agreed, managed, cash flowed and reimbursed.	BCC do not have necessary resource to support / provide the information required to document and communicate a robust and workable commercial structure for the programme	Tender analysis process compromised. BCC unable to clearly differentiate supplier staffing commercial tender proposals. SP withdraws resource if invoicing payments do not consistently achieve contractually agreed payment terms	Open		Financial Loss / Gain	Project Manager / Financial Manager / Technical Delivery Group	BCC put in place resource necessary to support / provide the information required to document and communicate a robust and workable commercial structure for the programme	Decreased	3	4	12		1	3	3	08/01/20
R14	Risk of unclear/incomplete planning, baselining, project requirements/detail and commencement of ongoing portfolio of initiatives to be executed by SP	BCC do not have necessary resource to support / provide the information required to document and communicate cross directorate 'status quo' and 'baseline'	SP mobilisation compromised. Unable to significantly accelerating the pace of delivery of our Corporate Plan priorities and the One City Plan	Open		Programme / Project Management	Project Manager / Technical Delivery Group	BCC put in place all necessary resource to support / provide the information required to document and communicate cross directorate 'status quo' and 'baseline'	Decreased	3	4	12		1	3	3	08/01/20
R15	Risk of BCC staff involved in the strategy not receiving timely upskilling /training	BCC do not execute timely implementation of enhanced skills training necessary to enable BCC staff to fully plug-in to the strategic partnering initiative	BCC colleagues will not fully engage / play their part / participate in the initiative.	Open		Programme / Project Management	HR Manager / Project Manager / Project Board	BCC / HR to plan and execute timely implementation of enhanced skills training necessary to enable BCC staff to fully plug-in to the strategic partnering initiative	Decreased	3	4	12		1	3	3	08/01/20
R16	Risk that the SP is used by the Council for 'reach back' purposes	BCC directorate functions use SP as a 'recruitment' agency to bridge BCC internal short/medium/long term staffing shortfalls	Significant future Council commercial risk and exposure to IR35 liabilities	Open		Financial Loss / Gain	Project Board	BCC directorate functions agree not to use SP as a 'recruitment' agency to bridge BCC internal short/medium/long term staffing shortfalls. Scope documents to reflect this positioning	Decreased	2	5	10		1	3	3	08/01/20

R17	Risk of ineffective cross BCC directorate co-ordination	Directorates fail to allocate the necessary resource to support the process/strategy and post award SP ongoing interface / information requirements	Directorate specific colleagues will not fully engage / play their part / participate in the initiative.	Open		Programme / Project Management	Project Board	Directorates to allocate all necessary resource to support the process/strategy and post award SP ongoing interface / information requirements	Stable	1	3	3		1	3	3	08/01/20
R18	Risk of inadequate post award BCC staff resourcing to deliver project within programme requirements	Council failure to have the necessary / appropriate resource and ongoing funding in place to execute agreed projects	BCC fails to effectively manage the BCC partnership activities necessary to fully deliver the scale of our ambition for Bristol's development and regeneration	Open		Programme / Project Management	Project Board	Council to allocate the necessary / appropriate resource and ongoing funding in place to execute agreed projects	Decreased	3	4	12		1	3	3	08/01/20



## Bristol City Council Equality Impact Relevance Check



This tool will identify the equalities relevance of a proposal, and establish whether a full Equality Impact Assessment will be required. Please read the guidance prior to completing this relevance check.

<b>What is the proposal?</b>	
Name of proposal	<ul style="list-style-type: none"> <li>• <i>Strategic Partnering Initiative</i></li> </ul>
Please outline the proposal.	<ul style="list-style-type: none"> <li>• <i>Engagement of a Strategic Partner to assist in the delivery of the Council's capital programme.</i></li> </ul>
What savings will this proposal achieve?	<ul style="list-style-type: none"> <li>• <i>The strategic partnering arrangement will put in place much needed flexibility to manage changing peaks and troughs of future project activity thereby, reducing the use of ad hoc contractor support.</i></li> </ul>
Name of Lead Officer	<ul style="list-style-type: none"> <li>• <i>Stephen Peacock / Mike Jackson</i></li> </ul>

<b>Could your proposal impact citizens with protected characteristics?</b> (This includes service users and the wider community)
Please outline where there may be significant opportunities or positive impacts, and for whom.
<ul style="list-style-type: none"> <li>• <i>The partnership will enable us to better achieve our ambitious aims for the city and its people. It will do this by fully leveraging the capacity and expertise that exists, both within the Council and with our strategic partner, significantly accelerating the pace of delivery of our Corporate Plan priorities and the One City Plan.</i></li> </ul>
Please outline where there may be significant negative impacts, and for whom.
<ul style="list-style-type: none"> <li>• <i>No negative impact identified.</i></li> <li>• <i>The strategic partnership will be inclusive and target promotion of equality opportunities for people with different needs or who are disadvantaged in some way.</i></li> </ul>

<b>Could your proposal impact staff with protected characteristics?</b> (i.e. reduction in posts, changes to working hours or locations, changes in pay)
Please outline where there may be significant opportunities or positive impacts, and for whom.
<ul style="list-style-type: none"> <li>• <i>At present, the Council bridges some of its internal capacity shortfalls with the use of ad hoc external contractor resource on a project by project basis.</i></li> <li>• <i>The strategic partner will enable us to plan and manage this external support more efficiently, and have the positive impact that it will allow us to effectively level the peaks and troughs of future workloads in the external supplier and not from the internal Council team.</i></li> </ul>

Please outline where there may be negative impacts, and for whom.

- *No negative impact identified.*
- *The strategic partnership will be inclusive and target promotion of equality opportunities for people with different needs or who are disadvantaged in some way.*

**Is a full Equality Impact Assessment required?**

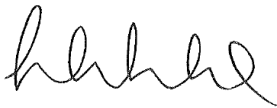
Does the proposal have the potential to impact on people with protected characteristics in the following ways:

- access to or participation in a service,
- levels of representation in our workforce, or
- reducing quality of life (i.e. health, education, standard of living) ?

Please indicate yes or no. If the answer is yes then a full impact assessment must be carried out. If the answer is no, please provide a justification.

*No*

Service Director sign-off and date:



Stephen Peacock  
10.01.2020

Equalities Officer sign-off and date:

## Eco Impact Checklist

<b>Title of report:</b> <i>Strategic Partnering Initiative</i>				
<b>Report author:</b> <i>Nigel Owens</i>				
<b>Anticipated date of key decision:</b> <i>21 January 2020</i>				
<b>Summary of proposals:</b>				
<ul style="list-style-type: none"> <li><i>Engagement of a Strategic Partner to assist in delivery of the Council's capital programme.</i></li> </ul>				
Will the proposal impact on...	Yes/No	+ive or -ive	If Yes...	
			Briefly describe impact	Briefly describe Mitigation measures
Emission of Climate Changing Gases?	No			
Bristol's resilience to the effects of climate change?	No			
Consumption of non-renewable resources?	No			
Production, recycling or disposal of waste	No			
The appearance of the city?	No			
Pollution to land, water, or air?	No			
Wildlife and habitats?	No			
<b>Summary of impacts and Mitigation - <u>to go into the main Cabinet/ Council Report</u></b>				
<p>The significant impacts of this proposal are...</p> <ul style="list-style-type: none"> <li><i>The strategic partnership initiative will enable us to better achieve our ambitious aims for the city and its people. It will do this by fully leveraging the capacity and expertise that exists, both within the Council and with our strategic partner, significantly accelerating the pace of delivery of our Corporate Plan priorities and the One City Plan.</i></li> </ul> <p>The proposals include the following measures to mitigate the impacts...</p> <ul style="list-style-type: none"> <li><i>Putting in place a highly skilled, expert and suitable organisation for a long term strategic partnership which puts in place best-in class programme planning; value led procurement and project execution expertise necessary to fully deliver the scale of our ambition for Bristol's development and regeneration.</i></li> </ul> <p>The net effects of the proposals are...</p> <ul style="list-style-type: none"> <li><i>We will have the capacity necessary to deliver the scale of our development and regeneration ambitions meaning, the citizens of Bristol will realise the sustainable benefits of our ambitious aims for the city.</i></li> </ul>				

<b>Checklist completed by:</b>	
Name:	
Dept.:	
Extension:	
Date:	
Verified by Environmental Performance Team	

# Decision Pathway Report

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**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 21 January 2020

<b>TITLE</b>	The provision and support of Storage Area Network (SAN) using Server/Storage Solutions		
<b>Ward(s)</b>	None		
<b>Author:</b> Sharon Scull	<b>Job title:</b> Lead – Operational Procurement & Finance		
<b>Cabinet lead:</b> Cllr Craig Cheney	<b>Executive Director lead:</b> Mike Jackson		
<b>Proposal origin:</b> BCC Staff			
<b>Decision maker:</b> Cabinet Member			
<b>Decision forum:</b> Cabinet			
<b>Purpose of Report:</b>			
<p>This report identifies the requirement to procure a replacement for our current storage (P750/EMC VNX products). For example the current P750 houses some of the Councils critical systems.</p> <p>Cabinet approves the award of a 5 year contract, through a framework (CCS Framework RM3733 – Technology Products 2), for the supply of the SAN replacement and that authority to award the contract is delegated to Director – Digital Transformation.</p>			
<b>Evidence Base:</b>			
<ol style="list-style-type: none"> <li>1. Current storage product is out of support on 31<sup>st</sup> December 2019. We were notified via email that DELL\EMC will not extend maintenance contract beyond 2019.</li> <li>2. After this date DELL\EMC have confirmed that for first few months that spare parts may be available but may be located elsewhere in the world, therefore that they cannot guarantee spare parts or support and any assistance will be on best endeavours.</li> <li>3. The storage is critical to the Councils internal systems.</li> <li>4. IT recommends purchasing new storage safeguard data and systems.</li> <li>5. We are recommending leasing a component of the storage whilst we migrate a number of systems and data to the cloud. Expected completion time is within two years.</li> <li>6. IT recommends replicating the storage across two sites and this will increase reliability and availability if there is a power outage or other issue at either site. This is evidenced by problem that Western Power had in September 2019 which resulted in power loss in City Hall even though IT staff worked over night to restore systems, the Revenues and Benefits system was not available until mid-day. In 2018 we had 2 outages at different sites which resulted in service outage of over 24 hours. Replication will mitigate outages by providing active-active site resiliency.</li> <li>7. IT recommends using hyper-converged technology due to the modular nature of system. This will allow us to contract or expand hosts and storage when required. Hyper-converged is a type of infrastructure that is software defined, it integrates the compute, storage, networking and software components of virtualized environments. It means that we do not need separate servers to host the virtualisation software and storage that hosts the data. This will decrease complexity of our solution and the foot print. Hyper-converged solutions are highly scalable.</li> <li>8. The investment in new SAN Infrastructure is critical to ensure continued delivery of resilient systems, particularly those which will not be able to be moved to Cloud Infrastructure due to compatibility or latency constraints. The solution will provide an uplift in resilience to current practices. The solution has been sized to maintain future requirements, with a short-term uplift leased to align with the IT Transformation Programme delivery schedule. Not undertaking this procurement would place a number of critical key</li> </ol>			

systems at risk in the short-term, and prevent long-term delivery of some key systems in the future.

**Cabinet Member / Officer Recommendations:**

That Cabinet:

1. Approve the procurement of replacement Storage Area Network server and a 5 year support and maintenance contract at a cost of £1.3m and authorise the Director – Digital Transformation in consultation with the Deputy Mayor – Finance, Governance and Performance to take all steps necessary to procure and award the contract(s).

**Corporate Strategy alignment:**

Within our Corporate Strategy commitments, the replacement of this hardware is part of our IT Transformation Program, but outside of any previous cabinet approvals. Our current storage product becomes end of life December 2019.

**City Benefits:**

There are no specific or direct benefits to the city; there are no identified equalities impacts. However, this will enable IT Services to deliver our service in an effective way.

**Consultation Details:**

No consultation is considered necessary.

**Background Documents:**

Options review and Business Case.

<b>Revenue Cost</b>	£75k	<b>Source of Revenue Funding</b>	11302 (to cover Support & Maintenance costs)
<b>Capital Cost</b>	£950k	<b>Source of Capital Funding</b>	P14900-1002 (this does not include any funds associated with the transition and re-hosting of Revenues & Benefits system)
<b>One off cost</b> <input checked="" type="checkbox"/>		<b>Ongoing cost</b> <input checked="" type="checkbox"/>	
<b>Saving Proposal</b> <input type="checkbox"/>		<b>Income generation proposal</b> <input type="checkbox"/>	

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

**1. Finance Advice:**

This proposal seeks approval to procure a replacement Storage Area Network and to secure a 5 year support and maintenance contract.

The MTFP's Capital Programme 19/20 (approved by Full Council 26/2/19) is confirmed as including budget for this investment against scheme Re01 ICT Refresh.

It is also confirmed that the ongoing costs of support and maintenance can be covered within the IT division's annual Revenue budget.

No savings are expected to arise as a consequence of this investment.

**Finance Business Partner:** Jemma Prince (19/12/19)

**2. Legal Advice:** Whenever the council procures goods or services where the value of the contract is over £181k, it must do so in compliance with The Public Contracts Regulations 2015 unless an exemption is available. The intention is to use CCS framework RM3733 (Technology Products 2) to purchase IT hardware, support and maintenance services (together, by value, "goods" for the purposes of the Regulations). This framework is appropriate for commoditised goods and associated "close to-the-box" IT services e.g. OEM support and maintenance can be provided under a third party contract using the manufacturer's standard terms (referenced in the order form), but the framework terms are not suitable for complex / managed services, hardware as a service (leasing) or consultancy services etc. As the equalities impact assessment in Appendix E refers to "an option to lease additional storage capacity up to a further 100tb (again, replicated across the 2 sites)" the suitability of the terms and the scope to include such option in the call-off contract will need to be checked with CCS and confirmed by legal.

Subject to the point above, this framework, in conjunction with a further competition process, provides a compliant procurement route for the purposes of the Regulations. The framework expires on 31 March 2020 (Lots 1 to 5) and

31 October 2020 (Lot 6), and will be replaced by RM6068 (Technology Products and Associated Services).

The accompanying equalities impact assessment raises no concerns and no public consultation requirement arises in relation to this report.

**Legal Team Leader:** Sinead Willis (Team Leader), 25<sup>th</sup> November 2019

**3. Implications on IT:** This is an essential part of the IT Infrastructure modernisation approach which will safeguard any systems which are unable to be immediately moved into a Cloud environment. IT Services are fully supportive of this essential decision

**IT Team Leader:** Simon Oliver (Director – Digital Transformation), 20<sup>th</sup> November 2019

**4. HR Advice:** No HR implications evident.

**HR Partner:** James Brereton (People & Culture Manager), 19<sup>th</sup> November 2019

<b>EDM Sign-off</b>	Mike Jackson	27/11/2019
<b>Cabinet Member sign-off</b>	Cllr Craig Cheney	02/12/2019
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	19/12/2019

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

## Bristol City Council Equality Impact Assessment Form

(Please refer to the Equality Impact Assessment guidance when completing this form)



Name of proposal	The provision and support of Storage Area Network (SAN) using VxRail and Server/Storage Solutions
Directorate and Service Area	Resources – IT Services
Name of Lead Officer	Simon Oliver

### Step 1: What is the proposal?

Please explain your proposal in Plain English, avoiding acronyms and jargon. This section should explain how the proposal will impact service users, staff and/or the wider community.

#### 1.1 What is the proposal?

The requirement is to purchase a replacement SAN providing replicated storage of 150tb (ie 150tb here at City Hall, replicated to a second 150tb instance at John Cozens House), with support over a 5 year period, with option to lease additional storage capacity up to a further 100tb (again, replicated across the 2 sites)

In order to provide the above we require the following:

2 Site All Flash VxRail Solution  
 10 E560F Nodes, 2 25/100Gb Switches Per Site  
 5 Year Pro-support Plus 4 Hr

### Step 2: What information do we have?

Decisions must be evidence-based, and involve people with protected characteristics that could be affected. Please use this section to demonstrate understanding of who could be affected by the proposal.

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

This proposal is to ensure we have a compliant route to market and run a further competition via CCS framework RM3733 – Technology Products 2 or other compliant framework should it become evident there is a more commercially advantageous route to market available. The suppliers on each framework are already assessed and approved via the Crown Commercial Service

#### 2.2 Who is missing? Are there any gaps in the data?

All suppliers on a framework apply to Crown Commercial Service and are then assessed and



approved for inclusion
2.3 How have we involved, or will we involve, communities and groups that could be affected?
There will be no impact to service whilst we procure a new contract. However I will be pulling the requirements for the procurement together with key stakeholders and CSRM

### Step 3: Who might the proposal impact?

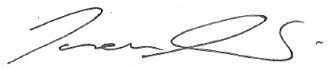
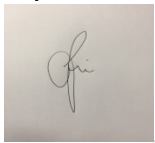
Analysis of impacts on people with protected characteristics must be rigorous. Please demonstrate your analysis of any impacts in this section, referring to all of the equalities groups as defined in the Equality Act 2010.

3.1 Does the proposal have any potentially adverse impacts on people with protected characteristics?
No. This does not affect staff who require the use of Assistive Technology
3.2 Can these impacts be mitigated or justified? If so, how?
N/A
3.3 Does the proposal create any benefits for people with protected characteristics?
No – there will be no change to the service that is currently provided as per 3.1
3.4 Can they be maximised? If so, how?

### Step 4: So what?

The Equality Impact Assessment must be able to influence the proposal and decision. This section asks how your understanding of impacts on people with protected characteristics has influenced your proposal, and how the findings of your Equality Impact Assessment can be measured going forward.

4.1 How has the equality impact assessment informed or changed the proposal?
No impact or changes
4.2 What actions have been identified going forward?
N/A
4.3 How will the impact of your proposal and actions be measured moving forward?
N/A

<p>Service Director Sign-Off:</p> 	<p>Equalities Officer Sign Off:</p>  <p>S.Nelson</p>
<p>Date:12.11.2019</p>	<p>Date: 13.11.19</p>

# Decision Pathway Report

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**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 21 January 2020

<b>TITLE</b>	<b>Procurement of a IT Hardware and Consumables contract</b>	
<b>Ward(s)</b>	None	
<b>Author:</b>	<b>Sharon Scull</b>	<b>Job title: Lead – Operational Procurement &amp; Finance</b>
<b>Cabinet lead:</b>	<b>Cllr Craig Cheney</b>	<b>Executive Director lead: Mike Jackson</b>
<b>Proposal origin:</b> <i>BCC Staff</i>		
<b>Decision maker:</b> Cabinet Member <b>Decision forum:</b> <i>Cabinet</i>		
<b>Purpose of Report:</b> This report identifies the requirement to procure a contract for the supply of IT Hardware and associated consumables that are supplied to the business areas (upon request) across BCC.  Cabinet approves the award of a 2 +1 contract, through a framework, for the supply of a range of IT Hardware and associated consumables and that authority to award the contract is delegated to Director – Digital Transformation.		
<b>Evidence Base:</b> Following a restructure in IT Services, the new Operational Procurement & Finance Lead working with Corporate Procurement, Audit and CSRM undertook a review of spend against IT Hardware and Consumables across the Council inclusive of Traded Services. It was identified that there was a need to put a strategic fit for purpose contract in place for these purchases whilst also ensuring compliance with the Councils procurement regulations. By undertaking a procurement exercise, the intention is to obtain value for money for the Council by ensuring we achieve the best possible prices for the items within our service catalogue. It is also the intention that all IT Hardware and Consumables purchases are to be filtered through IT Services – Operational Procurement & Finance Team, except Traded Services, so that spend against the contract can be monitored whilst also ensuring the intended use of the equipment is compatible with our Network. Examples of the types of Hardware/consumables this will cover is as follows:- Network leads, cables, monitors, keyboards, mice, mobile device accessories, backpacks		
<b>Cabinet Member / Officer Recommendations:</b> <ol style="list-style-type: none"> <li>1. Approve the procurement of a compliant IT Hardware and Consumables Contract for a period of 2 years plus 1 year extension at a cost of up to £750k.</li> <li>2. Authorise the Director – Digital Transformation in consultation with the Deputy Mayor – Finance, Governance &amp; Performance to take all steps necessary to procure and award the contract.</li> </ol>		
<b>Corporate Strategy alignment:</b> There is no direct alignment with Corporate Strategy commitments. However, without a compliant contract, the ability to deliver these products upon request would be severely compromised.		
<b>City Benefits:</b> This will enable IT Services to deliver our service in an effective way.		
<b>Consultation Details:</b> Not applicable		
<b>Background Documents:</b> Review of spend by Audit on IT Hardware		

<b>Revenue Cost</b>	£ up to £750k	<b>Source of Revenue Funding</b>	11304 (Stock) and business specific cost centres (Requests)
<b>Capital Cost</b>	£	<b>Source of Capital Funding</b>	.
<b>One off cost</b> <input type="checkbox"/>	<b>Ongoing cost</b> <input checked="" type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <input type="checkbox"/>

<b>Required information to be completed by Financial/Legal/ICT/ HR partners:</b>		
<b>1. Finance Advice:</b>		
<p>This report requests Cabinet approval both to procure a 2+1 year contract for IT hardware and consumables on behalf of Bristol City Council and to delegate authority to the Director – Digital Transformation to award this contract. Hardware is understood to comprise monitors, keyboards, accessories. It is not intended to include computers. Consolidation of such purchases under one compliant contract should generate opportunity to optimise value. Spend will be within approved budgets. IT revenue cost centre 11304 contains annual budget of £0.15m identified specifically for the purchase of computing hardware. The balance of BCC cost centres contain a total annual budget of £0.35m for the same category of spend.</p>		
<b>Finance Business Partner:</b> Jemma Prince 9/1/20		
<p><b>1. Finance Advice:</b> Although there are restrictions in place with regards to ordering, there is currently no compliant contract in place for IT hardware and consumables so given the level of overall spend this approach is recommended. Annual revenue costs vary but are funded either through the ICT stock cost centre or from the business cost centre requesting the item.</p>		
<b>Finance Business Partner:</b> Kevin Lock (Finance Manager), 21 <sup>st</sup> November 2019		
<p><b>2. Legal Advice:</b> Whenever the council procures goods or services where the value of the contract is over £181k, it must do so in compliance with The Public Contracts Regulations 2015 unless an exemption is available. The intention is to use an unspecified public procurement framework (most probably a CCS framework) to purchase IT hardware and consumables, presumably on an “as required” basis. Essentially the call-off contract would need to be a framework purchasing contract, allowing multiple orders to be placed during its term. CCS framework RM3733, for example, would cover commoditised hardware (including consumables such as memory sticks etc), but it isn’t clear whether reference to “consumables” implies items falling outside of its scope, and there may be some overlap with electronic office supplies, which CCS cover under RM3723 and 3703.</p> <p>The suitability of the preferred framework(s) and the associated call-off terms will need to be considered by legal in due course. However, use of a suitable, compliant framework should provide a compliant procurement route for the purposes of the Regulations.</p> <p>The accompanying equalities impact assessment raises no concerns and no public consultation requirement arises in relation to this report.</p>		
<b>Legal Team Leader:</b> Sinead Willis (Team Leader), 25 <sup>th</sup> November 2019		
<p><b>3. Implications on IT:</b> This approach ensures contractual compliance for this essential ‘business as usual’ activity and the decision is fully supported by IT Services</p>		
<b>IT Team Leader:</b> Simon Oliver (Director – Digital Transformation), 20 <sup>th</sup> November 2019		
<p><b>4. HR Advice:</b> No HR implications evident</p>		
<b>HR Partner:</b> James Brereton (People & Culture Manager), 20 <sup>th</sup> November 2019		
<b>EDM Sign-off</b>	Mike Jackson	27/11/2019
<b>Cabinet Member sign-off</b>	Cllr Craig Cheney	02/12/2019
<b>For Key Decisions - Mayor’s Office sign-off</b>	Mayor’s Office	19/12/2019

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

## Bristol City Council Equality Impact Assessment Form

(Please refer to the Equality Impact Assessment guidance when completing this form)



Name of proposal	Contract for IT Hardware and Consumables
Directorate and Service Area	Resources – IT Services
Name of Lead Officer	Sharon Scull

### Step 1: What is the proposal?

Please explain your proposal in Plain English, avoiding acronyms and jargon. This section should explain how the proposal will impact service users, staff and/or the wider community.

#### 1.1 What is the proposal?

To procure a contract for the supply of IT Hardware and Consumables for the Council and it's traded services (eg TwS)  
Please note - This proposal does not include Laptops for which we already have a compliant contract in place.

### Step 2: What information do we have?

Decisions must be evidence-based, and involve people with protected characteristics that could be affected. Please use this section to demonstrate understanding of who could be affected by the proposal.

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

This proposal is to ensure we have a compliant route to market to purchase IT Hardware and Consumables, so we can continue delivering upon service requests received from the business. As this will inevitably be via a framework, the suppliers on each framework are already assessed and approved via the Crown Commercial Service

#### 2.2 Who is missing? Are there any gaps in the data?

All suppliers on a framework apply to Crown Commercial Service and are then assessed and approved for inclusion

#### 2.3 How have we involved, or will we involve, communities and groups that could be affected?

There will be no impact to service whilst we procure a new contract. However I will be pulling the requirements for the procurement together with key stakeholders and CSR

### Step 3: Who might the proposal impact?

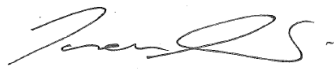
Analysis of impacts on people with protected characteristics must be rigorous. Please demonstrate your analysis of any impacts in this section, referring to all of the equalities groups as defined in the Equality Act 2010.

3.1 Does the proposal have any potentially adverse impacts on people with protected characteristics?
No. This does not affect the purchase of Assistive Technology products as there will be a separate process undertaken for this in due course
3.2 Can these impacts be mitigated or justified? If so, how?
N/A
3.3 Does the proposal create any benefits for people with protected characteristics?
No – there will be no change to the service that is currently provided as per 3.1
3.4 Can they be maximised? If so, how?

### Step 4: So what?

The Equality Impact Assessment must be able to influence the proposal and decision. This section asks how your understanding of impacts on people with protected characteristics has influenced your proposal, and how the findings of your Equality Impact Assessment can be measured going forward.

4.1 How has the equality impact assessment informed or changed the proposal?
No impact or changes
4.2 What actions have been identified going forward?
N/A
4.3 How will the impact of your proposal and actions be measured moving forward?
N/A

Service Director Sign-Off: 	Equalities Officer Sign Off: Simon Nelson
Date: 17/10/2019	Date: 6 <sup>th</sup> Oct 2019





# Decision Pathway Report

**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 21 January 2020

<b>TITLE</b>	<b>South Bristol Sports Centre – Reinstatement Tender – Phase 1</b>		
<b>Ward(s)</b>	<b>Stockwood</b>		
<b>Author:</b> Penny Fell	<b>Job title:</b>		<b>Director: Commercialisation, Citizens and Shareholder Liaison</b>
<b>Cabinet lead:</b> Cllr Craig Cheney	<b>Executive Director lead:</b> Mike Jackson		
<b>Proposal origin:</b> <i>BCC Staff</i>			
<b>Decision maker:</b> Cabinet Member <b>Decision forum:</b> <i>Cabinet</i>			
<b>Purpose of Report:</b>			
<ol style="list-style-type: none"> <li>1. To seek approval for the award of a variation for the completion of the remainder of Phase 1 of the enabling and reinstatement works at South Bristol Sports Centre, to 21 Century Building Services (21CBS), the contractor already delivering Phase 2.</li> </ol>			
<b>Evidence Base:</b>			
<ol style="list-style-type: none"> <li>1. A fire caused substantial damage to part of the South Bristol Sports Centre (SBSC) in May 2018.</li> <li>2. The facility is owned by Bristol City Council (BCC) and operated by a Trust under a Community Asset Transfer Lease from BCC.</li> <li>3. The terms of that Lease oblige the Landlord (BCC) to insure and, in the event of a claim, to apply insurance monies to the reinstatement of the building.</li> <li>4. BCC’s insurers have agreed a settlement for reinstatement works; however, the level of costs has yet to be agreed.</li> <li>5. The Tenant will suffer continued losses from protracted business interruption, but has an insurance policy to cover this that expires on 8 May 2020.</li> <li>6. To reduce the business interruption a two Phase approach was taken to restoring the facilities and bring income streams online as soon as possible.</li> <li>7. The first phase (enabling and reinstatement works to Sports Pavilion, including the reception area) was tendered and Dri-Build was commissioned to provide these works.</li> <li>8. The second Phase was tendered and 21CBS was commissioned to undertake this work, comprising enabling and reinstatement works to the squash courts (Contract value £1,021,486.11)</li> <li>9. In September 2019 Dri-Build went into administration, leaving Phase 1 unfinished.</li> <li>10. The Council is contractually obliged to carry out the works the cost of which should be funded by the insurer.</li> <li>11. It is proposed to use 21CBS to complete the Phase 1 works rather than retender as the delay to reinstatement works and additional costs associated with a retender would outweigh any savings.</li> <li>12. Discussions are ongoing with the Loss Adjustors and Insurers and the full financial situation should be available for Cabinet in January.</li> </ol>			
<p>Cabinet is therefore asked to approve the award of a variation to the existing contract to 21CBS for the completion of Phase 1.</p> <p>It is proposed that this is completed, in line with the Phase 2 programme of works, by 8 May 2020.</p>			
<b>Cabinet Member / Officer Recommendations:</b>			

That Cabinet:

1. Approve the variation to the existing contract to 21CBS to conclude the remaining works for Phase 1 estimated a cost of £750,000 (which includes a contingency); and,
2. Delegate authority to the Executive Director of Resources, (in consultation with the Deputy Mayor with responsibility for finance, governance and performance), to take all necessary steps to appoint 21CBS to complete the remaining works to rebuild the SBSC.

**Corporate Strategy alignment:**

1. The Council as landlord is legally obliged to complete the reinstatement works.

**City Benefits:**

1. The social and health outcomes of the Sports Centre are hugely positive to the local community and wider population.

**Consultation Details:**

1. BCC is in weekly contact with the SBSC Trustees and SBSC representatives, including regular meetings to update them on progress on the project.

**Background Documents:**

1. Cabinet Paper and approval 5 February 2018.

<b>Revenue Cost</b>	<b>£</b>	<b>Source of Revenue Funding</b>	
<b>Capital Cost</b>	<b>£750,000</b>	<b>Source of Capital Funding</b>	<b>Insurance*</b>
<b>One off cost</b> <input type="checkbox"/>	<b>Ongoing cost</b> <input type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <input type="checkbox"/>

**\*Please note: any shortfall to be met from Capital and tenant contribution which is to be confirmed**

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

**1. Finance Advice:** This report seeks approval to award a contract variation to 21CBS of £0.750m for completion of phase 1 of the enabling and reinstatement works at South Bristol Sport Centre. Phase 2 of the programme had already been awarded to 21CBS and work is already underway.

The need for the contract variation has arisen because the original contractor for Phase 1, Dri-Build, went into administration. It has therefore been proposed that the contractor for Phase 2, 21CBS, take over Phase 1 in addition to conducting the works for the Phase 2 contract.

It is intended that the costs of Phases 1 and 2 are to be covered by BCC insurers but as point 12 in the Evidence Base highlights, discussions with the Loss Adjustors and Insurers are on-going. A BCC meeting with the Loss Adjustors on 12 December 2019 highlighted an insurance funding gap in the region of £0.150m. It is confirmed that there is capacity in the Insurance Reserve to cover this current forecast shortfall.

**Finance Business Partner:** Jemma Prince, 12 December 2019

**2. Legal Advice:**

The Report seeks approval to a proposed variation to an existing JCT works contract; the value of the proposed variation (£750,000) is below the EU works threshold. The Council’s procurement rules permit a variation where a predetermined mechanism for objectively establishing the scope, terms, and implications (in particular the pricing implications) of the variation. The JCT contract provides such a mechanism, and accordingly a variation to the existing contract with 21CBS can be made compliantly within the Councils procurement rules.

**Legal Team Leader:** Eric Andrews, Team Leader, Legal Services, 9 December 2019.

**3. Implications on IT:** No anticipated impact on IT Services.

**IT Team Leader:** Simon Oliver, Director - Digital Transformation, Resources – IT, 11 December 2019

<b>4. HR Advice:</b> No HR implications evident		
<b>HR Partner:</b> James Brereton (People & Culture Manager), 10 December 2019		
<b>EDM Sign-off</b>	Mike Jackson	27.11.2019
<b>Cabinet Member sign-off</b>	Craig Cheney	09.12.2019
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	19.12.2019

<b>Appendix A – Further essential background / detail on the proposal</b>	<b>NO</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>NO</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>

# Decision Pathway Report

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**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 21 January 2020

<b>TITLE</b>	<b>Bristol Holding Limited Group Company Business Plans 2020/21 – 2024/25</b>	
<b>Ward(s)</b>	All.	
<b>Author: Penny Fell</b>	<b>Job title: Director Commercialisation, Citizens and Shareholder Liaison</b>	
<b>Cabinet lead: Cabinet Member for Finance, Governance, Performance and Shareholder</b>	<b>Executive Director lead: Executive Director, Resources</b>	
<b>Proposal origin:</b> City Partner		
<b>Decision maker: Cabinet Member</b> <b>Decision forum:</b> Cabinet		
<b>Purpose of Report:</b> To approve the 2020/21 – 2024/25 Business Plans for the Bristol Holding Ltd. Group of Companies.		
<b>Evidence Base:</b> It is intended that the Mayor (or his/her appointee) will make most decisions concerning the Executive’s role in respect of company interests, with the advice of the Shareholder Group. Cabinet approval of a five year rolling Business plan is an annual process, which sets the direction for the future of the companies.  This report seeks approval of Business plans in relation to Bristol Holding Company Limited, Bristol Waste Company Limited, Goram Homes Limited, and Bristol Energy Limited.  In April 2019 Cabinet authorised the provision of a range of cash, credit, collateral, and guarantee support to Bristol Energy (on market terms) and has delegated authority to the council’s s151 officer to negotiate, sign and enter into the necessary contracts and agreements (including appropriate loans and guarantees). This Cabinet Report does not alter the financial limits set in that April 2019 Cabinet Report, that will remain in place for the revised Business plan period of 2020/2021 – 2024/2025.		
<b>Cabinet Member / Officer Recommendations:</b>  <b>That Cabinet:</b>  <b>In relation to Bristol Holding Limited</b> 1. Approves the 2020/2021 Business Plan of Bristol Holding Limited (company number 9302408).  <b>In relation to Bristol Waste Company Limited:</b> 2. Approves the 2020/2021 Business Plan of the Bristol Waste Company Limited (company number 09472624).  <b>In relation to Bristol Energy Limited:</b> 3. Approves the 2019/2020 – 2024/2025 rolling Business Plan of the Bristol Energy Limited (company number 09135084).		

4. Notes that, pursuant to the Bristol Energy Business Plan approved in April 2019 for the period 2019/20-2023/2024, the following approvals remain in place in respect of the revised Business plan period (2020/2021-2024/2025):
- a) a cash funding envelope of £37.7m, to support the core energy supply Business (this total cash funding includes any funding provided to BE to date); and
  - b) a limit of £17.6m on the parent guarantees and collateral support.

**In relation to Goram Homes Limited:**

5. Approves the 2019/2020 – 2024/2025 rolling Business Plan of Goram Homes Limited (company number 11597204).

**Corporate Strategy alignment:**

**Bristol Energy's** Business Plan aligns with the key theme of Wellbeing, supporting Bristol to be on course to be run entirely on clean energy by 2050 through investing in renewable energy generation, and developing innovative products to both reduce domestic fuel consumption, and tackle fuel poverty.

**Bristol Waste's** Business Plan aligns with the key theme of Wellbeing, by both creating environmental improvements to ensure people enjoy cleaner streets, together with moving towards a more 'circular economy', where goods and materials are reused and recycled rather than discarded: effective waste management can also help contribute to protecting both the economy and the environment, with positive wellbeing outcomes.

**Goram Homes** Business Plan supports the 'Fair and Inclusive' commitment to building 2,000 homes per year by 2020.

**City Benefits:**

**Bristol Holding Ltd** will support the Council, through its companies, to achieve the following:

- Putting Citizens at the heart – providing great services that are right for all citizens and customers
- A commercial approach, which secures value for money and optimizes all available resources
- Partnerships and collaboration – to maximise opportunities for joint working, particularly in the context of Bristol City Council, its family of companies and the one City Plan
- Governance, fairness and transparency – implementing robust procedures to ensure regulatory and legal compliance
- Ethical standards – ensuring the well-being and protection of the work forces throughout the companies.
- Innovation and improvement – continuously developing and improving our processes and working innovatively to secure improved outcomes.

**Bristol Energy's** Business Plan will deliver the following benefits to the City:

- Addressing the inequality of the most disadvantaged paying disproportionately more for their energy
- Financial savings for Bristol Citizens
- Strengthening local communities
- Increasing environmental sustainability and supporting Bristol towards a low carbon future
- Making a first step towards the delivery of digital public services.

**Bristol Waste's** Business Plan benefits the City through the added value that BWC brings, working collaboratively with residents, Business customers, partners and the council, to encourage behaviour change, and increase recycling and re-use, helping to make the City measurably cleaner, in both public areas and Business districts.

**Goram Homes** Business Plan will assist with increasing the supply of decent housing that will contribute to the overall health and wellbeing and quality of life for Bristol residents. Currently, demand for housing in the city far exceeds supply, resulting in high rents and house prices. The Goram Homes Plan provides for an increase in the availability and affordability of a range of housing types, creating communities where people want to live and work.

**Consultation Details:**

At the Annual Shareholder Group Meeting on 25 July 2019, the Companies' Boards met the Shareholder Group to

discuss high level company strategies.

Since September, the Companies have been developing their respective rolling Business Plans: each of the Business Plans contained in the Appendix have therefore been through an iterative process, including:

- a. Discussion and challenge at subsidiary board level by Independent Non-Executive Directors
- b. Discussion and challenge at Bristol Holding Ltd Board
- c. Discussion and challenge by statutory officers as well as discussion and review by the Shareholder Group on 18 November 2019.
- d. Review by Resources EDM on 27 November 2019, approval at Cabinet Member briefing on 9 December 2019, and Cabinet Board on 17 December 2019.
- d. Members of Overview and Scrutiny Management Board (OSM) were briefed at their meeting on 18 December 2019, with representatives from both Companies and the Shareholder in attendance.

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

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

**1. Finance Advice:**

**Bristol Holding Limited**

The Business Plan has been reviewed and no significant items have been noted with regard to the financial position set out therein.

The Holding company will recover its costs via management charges to the subsidiary companies and bring the needed degree of scrutiny, control and consistent use of processes and governance arrangements across the group.

**Bristol Energy Limited**

The Business Plan has been reviewed and whilst the challenges facing the company are not insignificant, not least achieving break-even by FY 23-24 no significant items have been noted with regard to the financial position set out therein, save as noted hereunder.

Peak Funding requirements of £37.3m remain within the Cap agreed by Council of £37.7m.

The level of collateral (PCG) required shows a requirement of £19.5m by FY 24-25, which is in excess of the £17.6m approved by Council. This is being addressed with the company.

**Goram Homes Limited**

As Goram Homes is a relatively new company without (as yet) a significant pipeline of properties / developments, the financial position set out within the Business Plan is by its nature high level.

Accordingly, no significant items have been noted with regard to the financial position set out therein.

**Bristol Waste Company Limited**

The Business Plan has been reviewed and no significant items have been noted with regard to the financial position set out therein.

The Plan includes a range of planned Investments, some of which will require Cabinet approval, subject to sign-off and approval of the individual business case(s). It should be noted that no further funding has been earmarked within the MTFP and thus any funding required for innovation / initiatives, will need to be self-financing.

The Plan includes growth in Commercial revenues, predominantly non-Teckal, over the period.

**Finance Business Partner:** Paul Keegan, Interim Finance Business Partner

**Date:** 7<sup>th</sup> January 2020

## 2. Legal Advice:

Approval of the company Business plans is a Reserved Matter and requires Shareholder approval. In addition, insofar as any Business Plan requires a commitment from the Council which would comprise a key decision, (e.g. investment above £500k) then this requires separate approval by Cabinet. As before, it is also important that any support for the companies continues to comply with state aid requirements.

### **Bristol Holding Limited**

Approval of the Bristol Holding Limited Business Plan is a matter reserved to the Council, as Bristol Holding's Shareholder, under Bristol Holding's Articles of Association. Approval of the recommendations in this Cabinet report will constitute such Reserved Matter approval on behalf of the Council, as Shareholder.

Bristol Holding has not identified any other Reserved Matters that require approval as part of this Business plan, and so no other Reserved Matter approvals are being requested or approved at this time.

### **Bristol Energy Limited**

Approval of the Bristol Energy Limited Business Plan is a matter reserved to the Council, as Bristol Energy's ultimate Shareholder, under Bristol Energy's Articles of Association. Approval of the recommendations in this Cabinet report will constitute such Reserved Matter approval on behalf of the Council, as Shareholder.

Bristol Energy has not identified any other Reserved Matters that require approval as part of this Business plan, and so no other Reserved Matter approvals are being requested or approved at this time.

### **Goram Homes Limited**

Approval of the Goram Homes Limited Business Plan is a matter reserved to the Council, as Goram's ultimate Shareholder, under Goram's Articles of Association. Approval of the recommendations in this Cabinet Report will constitute such Reserved Matter approval on behalf of the Council, as Shareholder.

Goram Homes has not identified any other Reserved Matters that require approval as part of this Business Plan, and so no other Reserved Matter approvals are being requested or approved at this time.

### **Bristol Waste Company Limited**

Approval of the Bristol Waste Company Limited Business Plan is a matter reserved to the Council, as Bristol Waste's ultimate Shareholder, under Bristol Waste's Articles of Association. Approval of the recommendations in this Cabinet report will constitute such Reserved Matter approval on behalf of the Council, as Shareholder.

Bristol Waste has not identified any other Reserved Matters that require approval as part of this Business plan, and so no other Reserved Matter approvals are being requested or approved at this time.

Bristol Waste's Teckal status needs to be continually kept under review to ensure that the existing contractual arrangement between BCC and Bristol Waste is adequate from a procurement perspective, as well as taking into account state aid considerations.

**Legal Team Leader:** Husinara Jones, Solicitor and Team Leader – Commercial & Governance Team, Claire Jeffwitz, Solicitor

**Date:** 7 January 2020

## 3. Implications for ICT:

- **Bristol Holding** – Whilst there is no direct impact on IT Services, the improved approach to Governance (that will include IT elements) is very much welcomed.
- **Bristol Energy** - No anticipated impact on IT Services

<ul style="list-style-type: none"> <li>• <b>Bristol Waste</b> - No anticipated impact on IT Services</li> <li>• <b>Goram Homes</b> - No anticipated impact on IT Services</li> </ul>		
<b>ICT Team Leader:</b> Simon Oliver, Director of ICT and Digital Transformation <b>Date:</b> 4 December 2019		
<b>4. HR Advice:</b> No HR implications evident for employees of Bristol City Council. Any impact on employees of the companies will be identified and managed by the companies themselves.		
<b>HR Business Partner:</b> James Brereton, People & Culture Manager <b>Date:</b> 11 December 2019		
<b>EDM Sign-off</b>	<b>Executive Director of Resources</b>	<b>27 November 2019</b>
<b>Cabinet Member sign-off</b>	<b>Cabinet Member for Finance, Governance, Performance and Shareholder</b>	<b>9 December 2019</b>
<b>For Key Decisions - Mayor's Office sign-off</b>	<b>Mayor's Office</b>	<b>19 December 2019</b>

<b>Appendix A – Further essential background / detail on the proposal</b> <ul style="list-style-type: none"> <li>• A1. Bristol Holding Ltd Board – Commentary on Business Plans</li> <li>• A2. Bristol Holding Ltd Board – Business Plan 2020/21</li> <li>• A3. Bristol Energy Business plan - 2020/21 –2024/25</li> <li>• A4. Bristol Waste Company Business plan - 2020/21 –2024/25</li> <li>• A5. Goram Homes Business plan. 2020/21 – 2024/25</li> </ul>	<b>NO</b>
<b>Appendix B – Details of consultation carried out - internal and external</b> <ul style="list-style-type: none"> <li>- Bristol City Council Client functions – commentary on business plans</li> </ul>	<b>YES</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>YES</b>
<b>Appendix G – Financial Advice</b> <ul style="list-style-type: none"> <li>• Financial commentary on Business Plans</li> </ul>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Combined Background papers</b> Previous Business plans of the companies. <ol style="list-style-type: none"> <li>1. Cabinet report 2 April 2018: Business Planning Update: Bristol Holding Ltd 2019/20</li> <li>2. Cabinet report 22 Jan 2019: Business Planning Update: the Bristol Waste Company Ltd 2019/20 – 2021/22</li> <li>3. Cabinet report 2 April 2018: Bristol Energy Limited Business Plan 2019/20 –2023/24</li> <li>4. Cabinet report 4 September 2019: Creation of the Housing Company</li> <li>5. Cabinet report 2 April 2018: Bristol Is Open: Assessment of Next Steps</li> </ol>	
<b>Appendix J – Exempt Information</b> <ol style="list-style-type: none"> <li>1. Exempt Appendix J1. Bristol Holding Ltd Board – Exempt Commentary on Business plans</li> <li>2. Exempt Appendix J2. Exempt appendix to Bristol Energy Business Plan 2020/21 –2024/25</li> <li>3. Exempt Appendix J3. Exempt appendix to Bristol Waste Company Business Plan 2020/21 –2024/25</li> </ol>	<b>YES</b>



<p>4. Exempt Appendix J4. Exempt appendix to Goram Homes Business Plan. 2020/21 – 2024/25</p> <p>5. Exempt Appendix J5. Exempt Financial commentary on Business Plans</p>	
<p><b>Appendix K – HR advice</b></p>	<p><b>NO</b></p>
<p><b>Appendix L – ICT</b></p>	<p><b>NO</b></p>



**BRISTOL HOLDING CO LTD – EXEC CHAIRMAN SUPPORTING COMMENTARY TO CABINET MEETING**  
**21 JANUARY 2020**

The Bristol Holding Company Board offers the following commentary to each of the submitted Business Plans being considered by Cabinet.

**Bristol Holding Company Limited:**

The Bristol Holding Company (HoldCo) Board only stood up in its new form in September and this year's business plan focuses on the first year of transition only, covering 2020/21; it is intended that next year's plan will be a group wide plan covering the full five year outlook. This plan is not contentious and has been developed in collaboration with Bristol Energy, Bristol Waste and Goram Homes board of directors. Although the annual budget is slightly higher than originally anticipated in last year's plan, the uplift has been agreed and budgeted with all of our subsidiaries, who will meet the budget through management charges. In addition, where HoldCo resources are utilised against non HoldCo Group companies work (eg. City Leap), we will recover costs through the specific council Dept. /project.

**Bristol Energy:**

Bristol Energy (BE) continues to face significant challenges throughout the period of this BP. Importantly, the break-even point remains at 2023/24, and the company are neither seeking new investments nor increased collateral in this BP.

**See Exempt appendix J1.**

Both the BE and HoldCo Board will continue to scrutinise performance to ensure dedicated management focus is maintained in delivering these plans. In addition, Bristol Energy recognises that the energy retail business will remain challenging so it has taken action to diversify into energy services, starting with heat as a service from 2020/21. This is aligned to the City Leap journey and should ensure that the company remains attractive to potential strategic partners in due course.

**Bristol Waste:**

Overall, Bristol Waste is in good shape and has continued to deliver surplus to the council in this financial year. Going forward as outlined in their BP, the company continues to return an overall surplus throughout the BP period with significant growth in non-teckal commercial business. However, the Hartcliffe HRRC running costs now included in BP, impact the teckal surplus in outgoing years. Key risks to the BP include waste disposal costs increasing and failure to grow the commercial business at the planned levels; both the BWC and HoldCo Boards will continue to monitor this area to ensure that the company leadership continue to take effective and timely action to deliver the expected growth.

**Goram Homes:**

Goram Homes is now established with a new MD since Sept. The company have selected their first JV partners and are moving forward to develop the Romney and Baltic Wharf sites. This is the first Goram BP and has been agreed with the council housing team, who act as client. As highlighted in the BP, delivering a financial return in the long term is dependent on a council enabled development pipeline that supports a timely delivery programme

**See Exempt appendix J1.**

This key risk will continue to be mitigated by maintaining a close engagement between Goram and the council housing team.

Peter Beange

Executive Chairman  
Bristol Holding Company Limited.

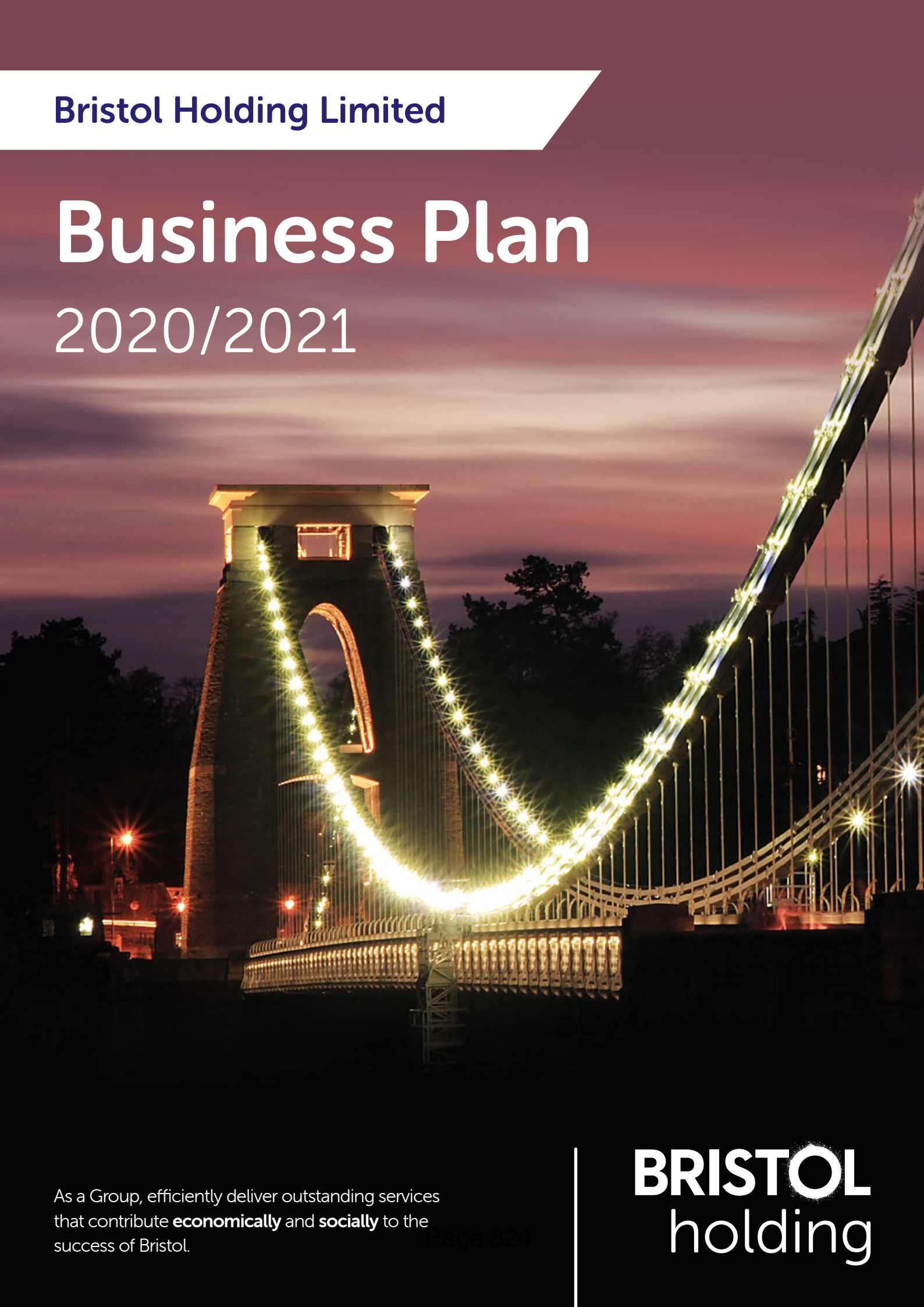
Bristol Holding Limited

# Business Plan

2020/2021

As a Group, efficiently deliver outstanding services that contribute **economically** and **socially** to the success of Bristol.

**BRISTOL**  
holding





## Bristol Holding Limited

# Business Plan 2020/2021

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# Foreword

## By Peter Beange

Executive Chair,  
Bristol Holding Co Ltd

I am delighted to introduce this year's business plan. As readers may already know, Bristol City Council (BCC) owns a diverse set of companies and the Bristol Holding Company (BHL) has been established to manage its interests across this group of companies.

It is very early days and this year's plan focuses on the transition period as we start up BHL and establish effective governance and oversight functions across the Group of companies. The BHL Board has ambition and is clear in what needs to be done as we work together with our BCC Shareholder and subsidiary companies to deliver change and position the Group for future growth.



"This plan sets our vision and priorities to ensure we deliver for Bristol, its communities and meet the ambitions of BCC."

# Background

Councils continue to face budget challenges and BCC in common with many other Local Authorities has set up commercial trading companies to deliver services or add value.

When council budgets are under pressure Local Authority Trading Companies (LATCOs) can provide cost effective and efficient ways of providing services. Bristol Energy (BE) and Bristol Waste Company (BWC) have operated for over three years and Goram Homes has recently joined the BHL Group. Each of the three subsidiaries in the Group deliver specific services in their own fields of expertise.

The BHL Group of companies will deliver a return to Bristol in several ways: -

- **Financially** - direct financial returns to the Council
- **Investing in Bristol** - through capital investments
- **Productivity and efficiency** - through modernising the businesses, shared services, more efficient processes and agile working
- **Employment and skills** - today 827 staff are employed across the Group, approx 80% live in a Bristol postcode. Our companies invest in skills and training of our people.
- **Expenditure** - our staff and business contribute to the GVA of Bristol.
- **Environment** - our companies are focussed on minimising the adverse impact to the environment
- **Local communities** - our businesses consider carefully how they can contribute social value and add community benefits across their operations

As we develop the BHL Group we will quantify these benefits and embed clear objectives in all of these important areas across the companies.

# Introduction

In April 2019 the BCC Cabinet approved the 2019/2020 business plan to re-launch the concept of a council owned holding company to support the Shareholder in managing its current and future interests in its companies more effectively.

The Executive Chairman of the Holding Company was recruited in August and the newly structured Holding Company Board (See Appendix 1) held its first meeting in September this year. Although it is very early in the transition to a fully effective holding company, our vision and thoughts for the future are ambitious, and aim to create efficiencies and opportunities and ensure successful company performance within the Group.

# Strategic Alignment



The Council wishes to ensure that, wherever possible depending on each company's legal status, that the core of each business is aligned around the same core values:

- **Citizens at the heart** – providing great services that are right for all citizens and customers.
- **A commercial approach**, which secures value for money and optimizes all available resources.
- **Partnerships and collaboration** – to maximise opportunities for joint working, particularly in the context of BCC, its family of companies and the One City Plan<sup>2</sup>.
- **Governance, fairness and transparency** – implementing robust procedures to ensure regulatory and legal compliance.
- **Ethical standards** – ensuring the well-being and protection of the work forces throughout the companies.
- **Innovation and improvement** – continuously developing and improving our processes and working innovatively to secure improved outcomes.

# Our Vision for the Group

BHL has been established to drive greater effectiveness of the Council companies as a group, so our vision is rightly concerned with the Group, rather than just the holding company, per se. The Board's ambition is that by working together with BCC, its Shareholder Group (SHG) and subsidiary business leaders, we can create a commercial organisation that sets the foundations for the future. A group model that will be seen to be effective in delivering quality services in a commercially effective and efficient manner, whilst ensuring a strong contribution to improving social value. By doing so, we will be judged by others as a centre of excellence within the City of Bristol, attracting further commercialisation of existing BCC services.

**We are Dedicated**  
We strive to make a difference

**We are Curious**  
We ask questions and explore possibilities

**We show Respect**  
We treat each other fairly

**We take Ownership**  
We accept personal accountability

**We are Collaborative**  
We come together to reach shared goals

<sup>1</sup> Bristol Energy, Bristol Waste, Goram Homes and Bristol is Open.

<sup>2</sup> In January 2019 BCC published its first ever One City Plan. It is the product of our city's commitment to come together to agree and work for the future we want to see by 2050. [www.bristoloncity.com](http://www.bristoloncity.com)





The Board's ambition is that by working together with BCC, its Shareholder Group (SHG) and subsidiary business leaders, we can create a commercial organisation that sets the foundations for the future.

## The Group's Mission



As a Group, efficiently deliver outstanding services that contribute economically and socially to the success of Bristol.

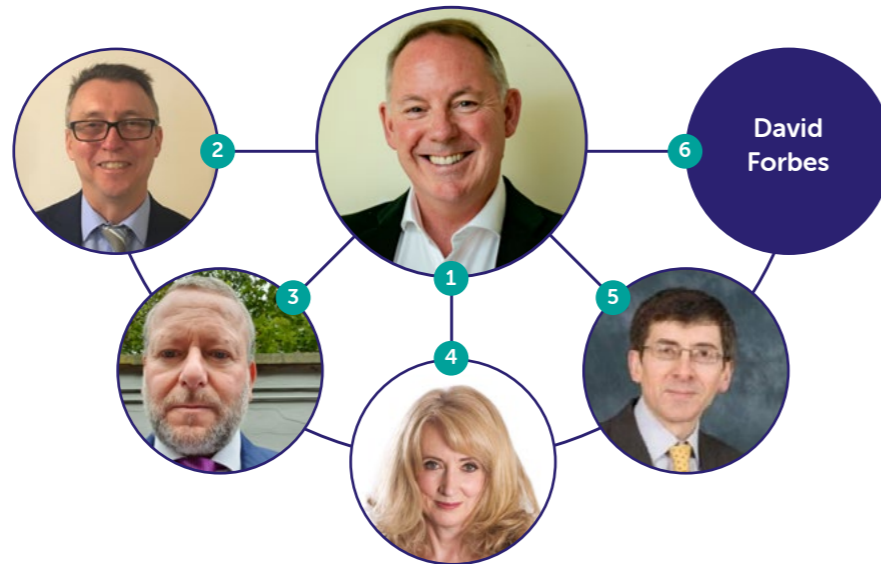
As outlined above, our purpose as a holding company is to lead and shape the wider group of companies to more effectively and efficiently deliver services. Thus, we see our mission as a group intent.

## Values and Behaviours

As a BCC partner organisation, we will embrace the Council's values and behaviours.

As we establish BHL and build a collaborative approach to working across the Group, we will ensure that the Group's values and behaviours build on BCC Values and behaviours.

## Our Board



1. **Peter Beange** | Executive Chairman
2. **Chris Holmes** | Group Finance Director
3. **Councillor Mark Bradshaw** | Council Nominated Non-Executive Director
4. **Elaine Holt** | Independent Senior Non-Executive Director
5. **Alex Wiseman** | Independent Non-Executive Non-Director
6. **David Forbes** | Company Secretariat





## Bristol Holding Company Ltd (BHL) Purpose

Each of the three subsidiaries within the BHL Group deliver business specific services in their own fields of expertise<sup>3</sup>. BHL has been established to perform several specific governance and oversight functions necessary to ensure the continuing effectiveness of the Council along with regulatory compliance and effective management of risk.

First and foremost, BHL provides the necessary governance, scrutiny and assurance that the Council's strategic objectives on each subsidiary are being delivered, and that the individual subsidiaries are being run correctly. Next, and in order to relieve the Council of the day-to-day supervision of their companies, it is vital that BHL ensures there is consistency in reporting and oversight of the subsidiaries despite the significant differences across the businesses.

In the longer-term, we aspire to also save costs and thus increase returns across the Group and ensure compliance through a range of back-office shared services for, and on behalf of, the individual subsidiaries.

<sup>3</sup>At the time of writing, Bristol Energy; Bristol Waste and Goram Homes are already wholly owned subsidiaries of BHL. Under current plans, Bristol is Open may transfer to BHL in 2020.



"We aspire to also save costs and thus increase returns across the Group and ensure compliance through a range of back-office shared services for, and on behalf of, the individual subsidiaries."

## Role

Historically, there has been extensive ongoing engagement between BCC and their companies.

However, this has required the Shareholder and various council officers to dedicate a considerable amount of effort and resource to managing the subsidiaries. In order to support the Shareholder in managing its current and future interests in its companies more effectively, BHL is now established to provide the following roles:

- Build & maintain strong links between BHL companies, the Shareholder, councillors and wider stakeholder community
- Implementing and auditing controls to ensure strong governance and effective oversight of the Group performance
- Ensuring effective Risk Management across the Group
- Achieve the strategic vision and delivering optimal performance across Group
- Determine strategic direction for BHL and providing strategic guidance/context to the Group
- Look at opportunities to grow profit for the Group
- Work with MDs to ensure a people-centric business in line with BHL Group Values
- Champion innovation and continuous improvement, challenging status quo in order to drive operational and service excellence
- Enable sustainable growth across the Group
- Build Shareholder's trust & confidence in all Group companies
- Create an environment whereby the companies can focus on operations with more freedom and agility
- Ensuring a safe and compliant environment across the group of companies.

## Longer term Plan

To achieve our vision, the BHL Board needs to work together with subsidiaries and wider stakeholders to transform the way we do business today. There is much to be done and we envisage that it will require several years to achieve our overall intent.

Whilst in future business plans, we envisage setting out our plans as one group, 2020 is judged to be a transition year in building the foundations across the group; including the establishment of effective governance, performance and risk management, and starting to build a centralised shared service approach. We are also acutely aware that we need to minimise additional cost to the business, and that whilst we need the support and involvement of the subsidiary businesses, we also need to ensure that they remain focused on delivery of their services and execution of their own business plans.

This represents a significant business and operational challenge; however, the BHL Board has the necessary commercial background and wider business experience to ensure success. We are unified in our commitment towards achieving this vision.

## BHL Transition Year

As outlined above, this year's business plan is focused on building the foundations for success in what is a transition year for BHL.

The remaining sections of this year's business plan set out the Governance and Risk Management approach, before detailing the budgetary resources that will be required. Next, we outline a range of operational targets that will need to be delivered this year. Finally, this plan outlines a selection of high-level risks that will need to be managed in the business.





## Governance and Risk Management

The existing BHL Group governance structure and delegation of functions was developed in discussion with members of the Council's Shareholder Group over the latter part of 2018 and approved in the BHL 2019/20 Business Plan.

The Risk Management approach varies across the Group today. All subsidiaries have some form of risk register and some businesses also operate Audit & Risk Committees. The BCC Internal Audit team have also carried out audits on various subsidiaries over the last few years and additionally, subsidiaries have commissioned their own more technical audits.



"The BCC Internal Audit team have also carried out audits on various subsidiaries over the last few years and additionally, subsidiaries have commissioned their own more technical audits."

## Governance

**BHL is already moving forward to lead the Group in regard to establishing more effective oversight and governance of the business.**

Working together with the Council and subsidiaries, 2020 will include a full legal review of the existing governance arrangements and levels of delegation with consideration to better enable BHL to operate more directly with subsidiaries across the Group, whilst protecting the Shareholder and BCC's interests.

## Risk Management

**The BHL Board is establishing group wide committees<sup>4</sup>, including an Audit and Risk Committee (ARC).**

Whilst identification and management of the risks associated with each subsidiary within the Group will remain the responsibility of the respective business Board, the BHL ARC will be responsible for assisting the BHL Board in fulfilling its oversight responsibilities by reviewing and monitoring:

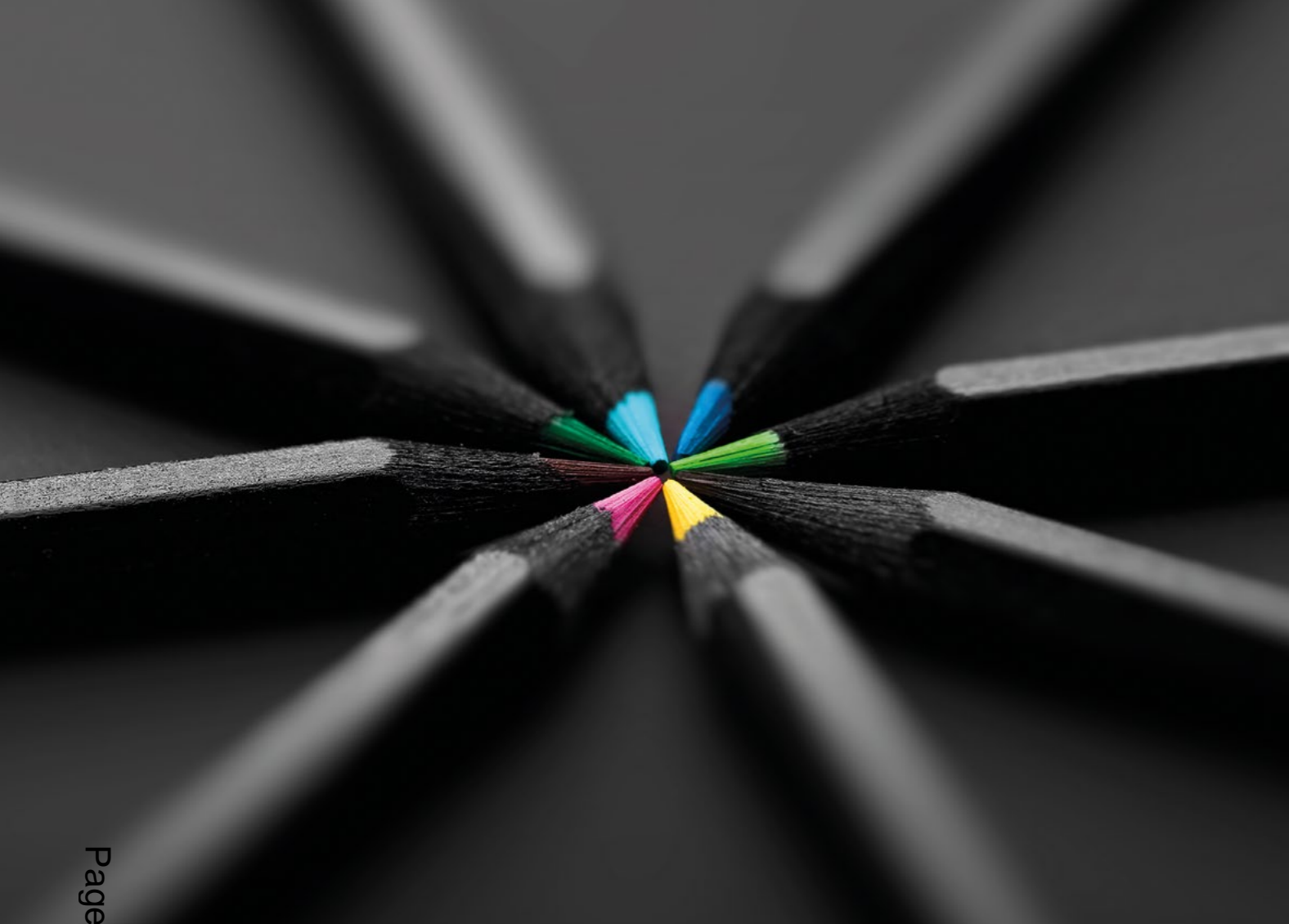
- the Group level risk register to identify and ensure mitigation of the most critical risks;
- the integrity of the financial information provided to BHL Board and BCC;
- the Company's and the Group's systems for internal controls and risk management;
- the internal and external audit process and auditors; and
- the process for compliance with laws, regulations and ethical codes of practice.

Although the BHL Board has yet to fully review risk and develop our own risk register, the risks at Appendix 3 are deemed to represent some of the key risks that impact BHL and delivery of this business plan and will need managing throughout the period.



BHL is already moving forward to lead the Group in regard to establishing more effective oversight and governance of the business.

<sup>4</sup> Audit and Risk, Remuneration and Nomination Committees are being established at Group level.



## BHL Transition Year - Delivery Focus

Since formation, BHL's priority has been to engage stakeholders and to assist subsidiary business Boards to ensure the successful performance of each group company.

It is important that each company within the group focuses on improving the quality, value and scope of their business, whilst BHL starts to address governance, centralised services and adoption of consistent processes across the group.

Consequently, our approach in this first year Business Plan is to build solid foundations and establish the key activities over the coming year, ensure that enough resource is made available, and that we understand and manage the associated risk. Working in partnership with each of the Group's subsidiary business boards, we will establish a governance structure with BCC and the subsidiary business Boards that provides the appropriate level of strategy, scrutiny and assurance at both the subsidiary and Group level. The skill sets of the subsidiary Boards are aligned to the specific skills required for that business activity. Whereas at the BHL Group level the skills mix is more aligned to the overall strategy and oversight of the group as a whole and to the wider strategic opportunities within Bristol and beyond.



"Consequently, our approach in this first year Business Plan is to build solid foundations and establish the key activities over the coming year, ensure that enough resource is made available, and that we understand and manage the associated risk."

## Our Targets This Year

For 2020/21, it is intended that each of the BHL Group of companies will continue to track their progress and measure success against individual business plans and an agreed set of Key Performance Indicators (KPIs).

As mentioned above, in future years we will bring a Group Business Plan forward with agreed cross cutting objectives, as well as key individual subsidiary business targets.

Appendix 1 is a summary of BHL's key targets for the period of this plan.

## Finance

As BHL transitions to full operational capability, its resource requirement will increase accordingly.

This will be kept under constant review to ensure value is maximised both to its subsidiaries and shareholder. We will evaluate the mitigating savings and efficiencies that can be generated from improved financing arrangements, joint procurement opportunities and shared services, with the aim of over the medium term, being in a positive sot/benefit position compared to 2018/19.

The gross budget for 2020/21 is estimated to be £608k, which will be charged primarily to existing and new prospective businesses as follows:

Bristol Holding Draft Budget 2020/21			
Original Budget 2019/20 £		Revised Budget 2019/20 £	Draft Budget 2020/21 £
	<b>Income</b>		
17,500	Charges to BCC	10,000	17,500
522,000	Recharges to Subsidiaries	529,500	590,000
<b>539,500</b>	<b>Total</b>	<b>539,500</b>	<b>607,500</b>
	<b>Expenditure</b>		
363,500	Employees	300,000	407,000
	<i>Recharges from BCC/Subsidiaries</i>		
120,000	Finance, Audit and Insurance	156,500	145,000
-	Management and Support	25,000	
5,000	Legal	20,000	17,500
50,000	HR	35,000	35,000
1,000	ICT	3,000	3,000
<b>539,500</b>	<b>Total Cost</b>	<b>539,500</b>	<b>607,500</b>

A method for allocation of charges for 2019/20 has been agreed with the subsidiaries reflecting both the size and additional resource requirements required for each. Going forward the charges will need to reflect, from the outset, development costs associated with prospective new companies. The involvement of BHL in the planning and set up of new ventures are intended to be costed into future projects and generating an income stream from supporting new ventures. This will be reviewed as part of our 2020/21 activities.

## BHL Transition Year

As outlined above, this year's business plan is focused on building the foundations for success in what is a transition year for BHL.

The remaining sections of this year's business plan set out the Governance and Risk Management approach, before detailing the budgetary resources that will be required. Next, we outline a range of operational targets that will need to be delivered this year. Finally, this plan outlines a selection of high-level risks that will need to be managed in the business.

Initial work to date has focussed on delivery of some key financial governance frameworks for utilisation across existing subsidiaries and as a standard for any new companies coming under the ownership of BHL. These have included risk assurance, whistleblowing, anti-fraud, bribery, and corruption strategies and policies, for consideration and review by the new BHL ARC, replacing existing Committees within Bristol Energy and Bristol Waste. A Group Social Value Policy for BHL and its subsidiaries, which will be a key determinant of our value for money assessments, will also be finalised within 2020. This will include a methodology for quantifying additionality of economic, social and environmental impacts

**||** "A key priority for the year ahead will be development of shared financial systems, processes and services."

Greater harmonisation and utilisation of financial resources of all BHL subsidiaries will enable the Group to deliver efficiencies, maximise capital investment, treasury management and procurement opportunities as well as taking a more holistic overview of projects that have synergy with and are relevant and interconnected with each of the subsidiaries. Other associated opportunities will also be evaluated.

## How the Shareholder can help success

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**BCC, our Shareholder and client are integral to the success of the Group. We have common goals to ensure the delivery of quality services and social value in which our group of companies are engaged, and success will be measured by our effectiveness in building a partnership based on trust, confidence and collaboration.**

This business plan sets out our initial plans and activities as the BHL Group transitions to become an effective and successful commercial model for the City of Bristol. There are key areas where BCC can help towards this success.

Successful transition to the intended Group operating model will require all parties to operate within the agreed governance arrangements. It is important that the BHL Board and executive have appropriate levels of delegation across the Group, and the recent update to BHL's levels of delegation is key to success. Finally, it will become increasingly important that longer term planning by the Council is forthcoming (e.g. Commercialisation Strategy, pipeline of potential housing) is available against which the BHL Group can better understand BCC's emerging plans to shape the appropriate strategy for growth.

**||** "We will continue to do our part in building a spirit of partnership with all our stakeholders and commit to working collaboratively to ensure our group of companies delivers the necessary performance, whilst positioning for growth and further financial returns."





## Summary

This business plan represents a starting place for BHL as it re-launches and starts to establish the necessary governance, structures and resources to deliver against BCC's expectations. Successful delivery of this plan will require close collaboration with BCC and the BHL Group set of companies. We are confident in our ability to deliver this change programme as we transition to operate as a group.

At the end of this year's plan, BHL will not only be working across its group of companies to ensure delivery and performance against their separate plans, but we will have established a more commercially effective environment; ensuring compliance and effective risk management, consistent reporting and starting to progress selective centralised services. Within the year we will be operating within a BHL Group organisation that is different from today but one that will be better structured, more agile and starting to deliver real value and benefit to the City of Bristol.



"Within the year we will be operating within a BHL Group organisation that is different from today but one that will be better structured, more agile and starting to deliver real value and benefit to the City of Bristol."

## Appendix 1 - Biographies - BHL Board of Directors



### Peter Beange

Executive Chairman & Chair of Group Nomination Committee

Peter Beange is a senior executive who has enjoyed a successful career in Defence and Security, both in the public and private sector.

After almost thirty years in the Ministry of Defence leading large teams and delivering complex equipment programmes, he re-entered industry in 2011 initially working for Airbus leading their Cybersecurity product and service business in the UK, before joining Northrop Grumman Corporation in London as their European Director of Corporate Operations. Peter is the first Exec Chairman for Bristol Holding Co. and joined in August 2019.



### Elaine Holt

Senior Independent Non-Executive Director & Chair of Group Remuneration Committee

Elaine has extensive board level experience and a track record of business turnaround and sustained commercial success in a wide range of organisations including PLCs and a major Government Department.

Elaine currently has a portfolio of non-executive director roles. She has been on the Board of Highways England since 2014 as a Non-Executive Director and is chair its remuneration committee, she has also been chair of Cormac a large infrastructure and highways company and was previously an Independent Shareholder Advisor to Bristol City Council on its commercial companies.



### Alex Wiseman

Independent Non-Executive Director & Chair Group Audit & Risk Committee

Alex is a finance and strategy professional with a background in regulated utilities. His last full-time role was Regulation Director for a £1.5bn gas network, and prior to that he was Head of Strategy at United Utilities.

Alex has over 20 years' non-executive experience across Government, local authority and private companies. Alex was NED at Bristol Energy for over 3 years, including 6 months as interim chairman; Alex also chaired their Audit and Risk Committee. Alex's other current non-executive roles are for the Northern Ireland Utility Regulator and for a construction company that is listed on the Alternative Investment Market Stock Market.



### Mark Bradshaw

Council Elected Non-Executive Director

Mark has been the elected city councillor for the Bedminster Ward in Bristol since May 2006, and has also been a cabinet member and deputy labour group leader during his tenure.

In addition to his council responsibilities, Mark manages policy and public affairs for the HAE trade body in the UK.

## Appendix 2 - BHL 2020/21 Targets

KPI	Metric	Timescale (Calendar Year)	Dependency	Timescale (Calendar Year)
<b>Governance</b>				
BHL Board is meeting and operating effectively	Board self-assessment and review by NEDs.	Exec Chair BHL	BHL Board	Dec 20
2021 Group Business Plan Process agreed and executed successfully	<ul style="list-style-type: none"> <li>Annual process agreed and published</li> <li>All Group BPs developed, scrutinised and submitted to BCC on time and quality</li> </ul>	BHL Board	All MDs	Mar 20 Nov 20
Uniform and compliant performance reporting is established up to SHG level	SHG receiving appropriate consistent reporting on quarterly basis	BHL Gp FD	All MDs	Sept 20
Group approach to audit and risk management operational across the Group	Key business risks identified and being properly managed	Chair BHL Gp ARC	All MDs	Jul 20
Review of BHL and Subsidiary policies and procedures complete	BCC and BHL and Subsidiary Board(s) sign-off	BCC Legal, BHL & Subs Chairs	BCC Legal, Subsidiary Boards	Mar 20
All BHL and Subs Policies and Procedures aligned as appropriate, across the Group	<ul style="list-style-type: none"> <li>Review by BHL ARC</li> <li>BCC Internal Audit review</li> </ul>	BHL Gp CoSec	Subsidiary Boards	Apr 20 Dec 20
Adopting a consistent Group approach to Remuneration and senior appointment nominations	Group Remuneration and Nominations Committees fully operational	Chairs Gp RemCo and NomCo.	Subsidiary Boards	Mar 20
Clear level of Governance and oversight by Shareholder in place	SHG/Companies review of governance documents complete	BHL Gp CoSEC	SHG, BCC Legal	Mar 20
Group Social Value Policy for BHL and its subsidiaries published	Policy agreed and published across the Group	BHL Gp FD	BCC Social Value Policy	Jul 20
Centralised Group Finance Function approach operating effectively	<ul style="list-style-type: none"> <li>Operating model defined</li> <li>Implementation underway</li> </ul>	BHL Gp FD	All MDs	Jun 20 Oct 20
<b>Resources</b>				
BHL 2020 Resource plan completed	BHL Board approval	Exec Chair BHL	BHL BP approval	Mar 20
Full-time Group FD in place	Recruitment process complete and incumbent in place	Exec Chair BHL	SHG approval	Mar 20
BHL ICT Strategy Determined	BHL Board approval	Exec Chair BHL	BCC Dir Dig Transformation	Apr 20
BHL Website/Information Portal operational	Initial capability in place	BHL Gp FD	BCC Dir Dig Transformation	Jul 20
<b>Stakeholders</b>				
BCC Shareholder Satisfied with BHL Effectiveness	Shareholder Satisfaction Survey	Shareholder Liaison Team	SHG	Dec 20
Effective cross-Chair engagement	Self-assessment by all Chairs	Exec Chair BHL	All Chairs	Ongoing
Company joint operational working group delivering value	<ul style="list-style-type: none"> <li>BHL joint working group meeting monthly</li> <li>Effectiveness review by members.</li> </ul>	Exec Chair BHL	All MDs	Ongoing Dec 20

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## Appendix 3 - Top BHL Risks

Category	Title	Pre-Mitigation		Mitigation	Pre-Mitigation		Owner
		Prob	Impact		Prob	Impact	
Financial	Centralised functional shared service approach fails to deliver	Medium	Medium	<ul style="list-style-type: none"> <li>Strong collaboration with BCC Finance and subsidiaries leadership to clarify roles &amp; responsibilities.</li> <li>BHL NomCom<sup>5</sup> and RemCom<sup>6</sup> involvement with recruitment process</li> <li>Effective operation and governance across centralised function</li> </ul>	Low	Low	BHL Group FD
	BHL Companies fail to deliver against Business Plan	Medium	High	<ul style="list-style-type: none"> <li>Effective scrutiny by BHL Board</li> <li>Active engagement by BHL executive staff</li> <li>BCC officers deliver against dependencies, as appropriate</li> </ul>	Low	Low	BHL Board
Organisational	BHL fails to deliver benefit to BCC and/or subsidiaries	High	High	<ul style="list-style-type: none"> <li>Identify targets and benefits in tangible terms and then measure and agree progress with stakeholders throughout year</li> <li>Utilise NEDS to complete independent surveys</li> </ul>	Low	Low	BHL Board
Legal & Compliance	Lack of and/or misalignment of BCC/BHL regs, standards, reserved matters, policies, procedures	Medium	High	<ul style="list-style-type: none"> <li>Ensure there is a clear set of regs, standards and that reserved matters, policies and procedures are consistent and appropriate</li> <li>Joint review by BCC, BHL and Subsidiaries</li> <li>Internal and external audits</li> </ul>	Low	Low	BHL CoSec
Operational	Insufficient budget to execute plan	Medium	Medium	<ul style="list-style-type: none"> <li>Set and gain approval for appropriate budget at start of year</li> <li>Monitor/manage expenditure during year</li> <li>Execute re-charge function effectively</li> </ul>	Low	Low	BHL Group FD
	Insufficient manpower to execute plan	High	High	<ul style="list-style-type: none"> <li>Complete BC for new roles against a Resource Plan</li> <li>Collaborate with BCC and subsidiaries to utilise existing resources</li> </ul>	Medium	Medium	Exec Chair BHL
	Incoherent operational approach across BHL and subsidiaries	Medium	Medium	<ul style="list-style-type: none"> <li>Establish and effectively manage a cross-subsidiary operational group to share best practise and ensure a coherent approach across the Group</li> </ul>	Low	Low	Exec Chair BHL
Reputation	BHL Board/ executive fail to gain confidence/trust of stakeholders	Medium	High	<ul style="list-style-type: none"> <li>Consistent and effective oversight in regards subsidiary performance, supporting and influencing improvement</li> <li>Keep key stakeholders apprised of key issues and action plans</li> <li>Ensure BHL has the right mix of skills to achieve goals</li> </ul>	Low	Medium	BHL Board and Exec
Safety	Health Safety Risks in business	Low	High	<ul style="list-style-type: none"> <li>Effective oversight and scrutiny of subsidiary performance throughout year</li> <li>Internal/external audits</li> </ul>	Low	Low	BHL Board
Strategic	Lack of BHL strategy and/or misalignment with BCC and/or subsidiaries	Medium	Medium	<ul style="list-style-type: none"> <li>Ensure strategy understood across stakeholders</li> <li>Ongoing oversight at subsidiary boards</li> <li>Effective independent NEDs on all boards</li> </ul>	Q1	Q4	BHL and Subs Boards
Stakeholder Management	Confusion/ overlap roles and responsibilities between Shareholder and BHL	High	Medium	<ul style="list-style-type: none"> <li>Review and document agree roles and responsibilities across stakeholder community (RACI)</li> <li>Monitor and challenge when teams/individuals fail to operate in accordance with RACI</li> </ul>	Medium	Medium	SHG, BHL and Subs Boards
	Ineffective/negative relationship at Chair/MD level across group	Low	High	<ul style="list-style-type: none"> <li>Maintain regular engagement; responsiveness to calls for help</li> <li>Support/challenge in equal measure</li> <li>Protect confidential matters</li> <li>Open/transparent ways of working together</li> </ul>	Low	Low	BHL Exec Chair

<sup>5</sup> Group Nomination Committee chaired by Exec Chair BHL

<sup>6</sup> Group Remuneration Committee chaired by Senior NED BHL







2020/21

# Business Plan





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# Welcome



“ If you're not already a Bristol Energy customer, why not? This is your energy company, helping to make Bristol a cleaner, greener, healthier place to live. ”

We were pleased to report growth in our residential and business customer numbers in 2019, as well as an increase in the amount of social value we invested back into Bristol; an expected £8m in financial year 2019/20. For the new financial year 2020/21 we are forecasting to invest nearly £10m in social value back into the city, as well as looking to increase our Bristol based residential and business customer numbers.

In summer 2019, we reached our 100,000 customer milestone and in September 2019 we turned our energy 100% green, working with around 65 generators to deliver clean, renewable energy to our customers in Bristol and around the UK.

We partnered with Bristol City Council as they launched the ambitious City Leap programme; a programme of investment which will help make Bristol a cleaner, greener and healthier place to live and will transform Bristol's energy system from dirty, fossil fuels to clean, green, renewable energy.

Bristol Energy will be the glue that holds all of the disparate new technologies and innovations together and Bristol Energy will play a central role to develop, deliver and operate new energy projects in the City Leap programme and would look forward to seeing this come to fruition at the end of 2020.

Businesses helping 'green up' the city with Bristol Energy include Bristol City Council, Bristol Waste, Avon Fire & Rescue Service, Bristol Zoo Gardens and We The Curious.

If you're not already a Bristol Energy customer, why not? This is your energy company which helps to make Bristol a cleaner, greener, healthier and ultimately, a better place to live.

Marek Majewicz  
Managing Director, Bristol Energy



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# Our ambition for 2020/21

Our business plan will deliver significant gains, aligned with the five priorities we set out last year.



Double the social value created for Bristol



Support Bristol to meet its carbon neutral targets



Achieve profitability



Build service propositions that meet our customer needs and deliver additional value



Be recognised as a leader in distributed, local energy markets

## Our vision



We will create a sustainable energy company with social value at its heart.



## Our values



Our sole reason for being is to create profit for purpose. We are relentlessly focused on our purpose and have a clear direction to help us get there. We take care to create exceptional work which focuses on the customer at all times.



We dare to be different. We are brave enough to ask questions and challenge the status quo. We are courageous; embracing new opportunities and trying new and creative ways of doing things.



Our community is connected across teams, cultures and geographies. Online, over the phone and face to face, we come together and collaborate to solve problems. Together, we will help forge a sustainable and environmental legacy for Bristol and beyond.

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# Stepping up our social good in Bristol

We define social value as the way in which we can have local economic, social and environmental impact.

Since our launch in 2015 we have delivered over £12m of social value into the city of Bristol. At the end of our 2018/19 financial year we gave back £7m of social value and this is expected to increase to over £8m in 2019/20. In this new financial year, 2020/21 we forecast to deliver nearly £10m of social value to Bristol.

This can be by employing local people, purchasing goods and services from local companies, working with local charities and protecting our local environment by working with tree planting schemes and offering only green energy to our customers. We could do things differently, like sell dirty, fossil fuels but we don't.

We will continue to drive decarbonisation for Bristol and beyond, saving 1.9 million tonnes of CO<sub>2</sub>e by 2025 through our green tariffs. We will also generate £3m to invest in local carbon reduction.

By FY 24/25, we will have delivered £78m of this kind of social value back to our home city of Bristol, since our launch.



Our work will have a real impact on society and our local communities in Bristol.

Our new 100% green tariffs will generate an additional £300k in FY20/21 and £3m in total by FY24/25 which will be spent on carbon reduction initiatives in Bristol helping the city get to their target of being carbon neutral by 2030.

We will continue to work with local Bristol and South West renewable generators to provide an income for local generators and to ensure we are able to provide locally sourced, renewable power for the city.



# Helping businesses create a cleaner, greener, healthier Bristol

In 2020 we will remain focussed on growing our Bristol business customer base, by building strong, partnership led relationships with our customers. We hope this will help us more than double our B2B revenue to £42m by 2025.

We want to work with business customers who truly share our vision and values, so will move away from third party, energy agreements and engage directly with the Bristol and South West business community to help them bring down their own carbon footprint and bring more businesses on board with making Bristol a cleaner, greener, healthier place to live.

We welcomed some iconic Bristol businesses to our community in 2019 including Avon Fire & Rescue, We The Curious and Bristol Zoo Gardens. Our business partnerships are helping these businesses on their journey to sustainability and are powering some of Bristol's most loved attractions and visitor destinations with natural, renewable energy..

We continue to supply Bristol City Council with 100% green electricity and low carbon gas, helping the city get to its target of being carbon neutral by 2030.



Annabel Harford  
Environmental Officer  
Avon Fire and Rescue

“ Changing our energy supply to a renewable one is a simple way to help us become more sustainable.

Bristol Energy's renewable tariff was better value than other suppliers' when we went through the procurement process, so it was an easy choice to make. We see the value in using local suppliers like Bristol Energy that support the city and go over and above simply supplying power.

So far they've been great, with a quick response time compared to other energy suppliers, and the billing process has been simple. ”





## Serving the people of Bristol

Having reached our 100,000 customer milestone in summer 2019, we will continue to focus our efforts on recruiting more Bristol based customers and will more than double our residential customer numbers to over 200,000 customers by 2025. We want Bristol residents to know this is their energy company and the work we do directly supports the local community.

Bristolians currently account for 11.5% of our customer base and we have an ambition to grow this in FY 2020/21. We will encourage more Bristolians to make the change and switch to support their city, and to do so, we will offer a unique Bristol tariff which saves local people money, supports local renewable energy generators and gives customers piece of mind that they are helping make Bristol a cleaner, greener, better place to live for everyone.

As we move into 2020/21, our residential sales strategy will be to focus on providing an excellent customer experience, ensuring we are able to deliver the best possible price and service at all times.

For our vulnerable customers in Bristol, we will continue to offer a range of tariffs and payment options. We remain one of the only energy companies with a face to face customer hub, based at our 100 Temple Street offices. In 2020, we will further focus efforts on supporting the most vulnerable citizens in our city, offering the Warm Home Discount voluntarily and supporting our customers who are struggling to pay their energy bills.

“ I really like the concept of Bristol Energy: its a profit for purpose company created by Bristol City Council. Been with them for a year and so far no problems. They sorted out my transition from another supplier, are easy to contact and the prices are competitive. They also have good value 100% renewable energy deals which is important for me. Very happy so far.



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# Doing good with our Fuel Good Fund

In 2020, we will be redefining our Fuel Good Fund, growing it to include customer contributions and donations from new customer switches, in addition to our additionality and ECO obligation monies.

We want to have a meaningful impact to the most vulnerable citizens living in Bristol.

In 2019, we continued our work with the Centre for Sustainable Energy's WHAM project to support the most vulnerable in society living in fuel poverty and who have to make to decision to eat, or heat their homes. The WHAM project is just one of the ways in which we deliver some social value back into the city of Bristol.



1 in 10 Bristol households still live in fuel poverty\* and it's part of our social mission to help these people. We believe no ones health should suffer as a result of a cold home and the choice to 'heat or eat' shouldn't be a decision anyone has to make. Rising energy prices, low incomes and poor-quality housing means millions of people across the UK face living in a cold home, leading to significant health problems as well as making people's lives stressful and miserable, and preventing children from thriving.

£25k from our Fuel Good Fund has been given to the Warmer Homes Advice and Money (WHAM) Project, set up by CSE, Talking Money and We Care and Repair. These organisations look to help those living in fuel poverty in a holistic way. Issues can range from energy bill debts to a damp home, all of which contribute to a poorer quality of life. We spoke to one of WHAM's clients who told us about their experience:



Just before Christmas 2017, I lost my job.

By April, we were really struggling to make ends meet. I was told about the WHAM project by a neighbour and got in touch, within a matter of days, one of their Energy Advisor's, Ed, carried out a home visit to review and provide advice on our household budget and energy usage.

In under a month, Ed was back in contact to say that he had completed a Bristol Charities application on our behalf. Our application was approved, and we received a £500 credit towards a new carpet. I can't thank them enough.



- Anonymous, Bristol.

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# Innovation to build a carbon neutral city

As the energy market shifts from core supply to energy services, we will continue on our journey to create an interconnected, low-carbon, smart and resilient energy system, increasing the use of renewable energy and low-carbon technology, particularly focussing on heat networks, energy efficiency and transport.

All of which move us towards the launch of the City Leap programme in 2021, which is designed to make Bristol a cleaner, greener, healthier place to live and work.

Our Energy Services team will deliver £1.5m operating profit by 2025, led by our pioneering Heat Network programme.



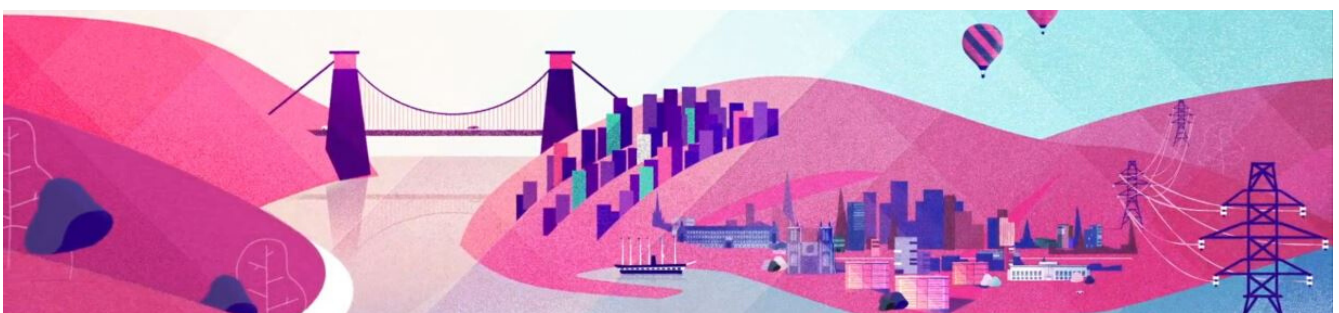
Marvin Rees, Mayor of Bristol

“ City Leap is a world first. We are creating a decarbonised local energy system that Bristol can be proud of. City Leap is leading the way on carbon reduction while at the same time addressing important social and economic challenges.

The inclusion of Bristol Energy is integral to delivering smart energy propositions utilising City Leap’s projects by weaving a number of technologies together, helping to ensure that the company continues to deliver clean energy and social value for local people. ”

Following its unveiling last year, City Leap quickly attracted interest from over 180 local, national and international organisations, including technology firms, investors and community organisations as well as innovative energy and infrastructure developers. City Leap supports the Mayor’s ambitions for Bristol to be carbon neutral by 2030. Over £50 million has been invested in Bristol’s low-carbon and renewable projects since 2012.

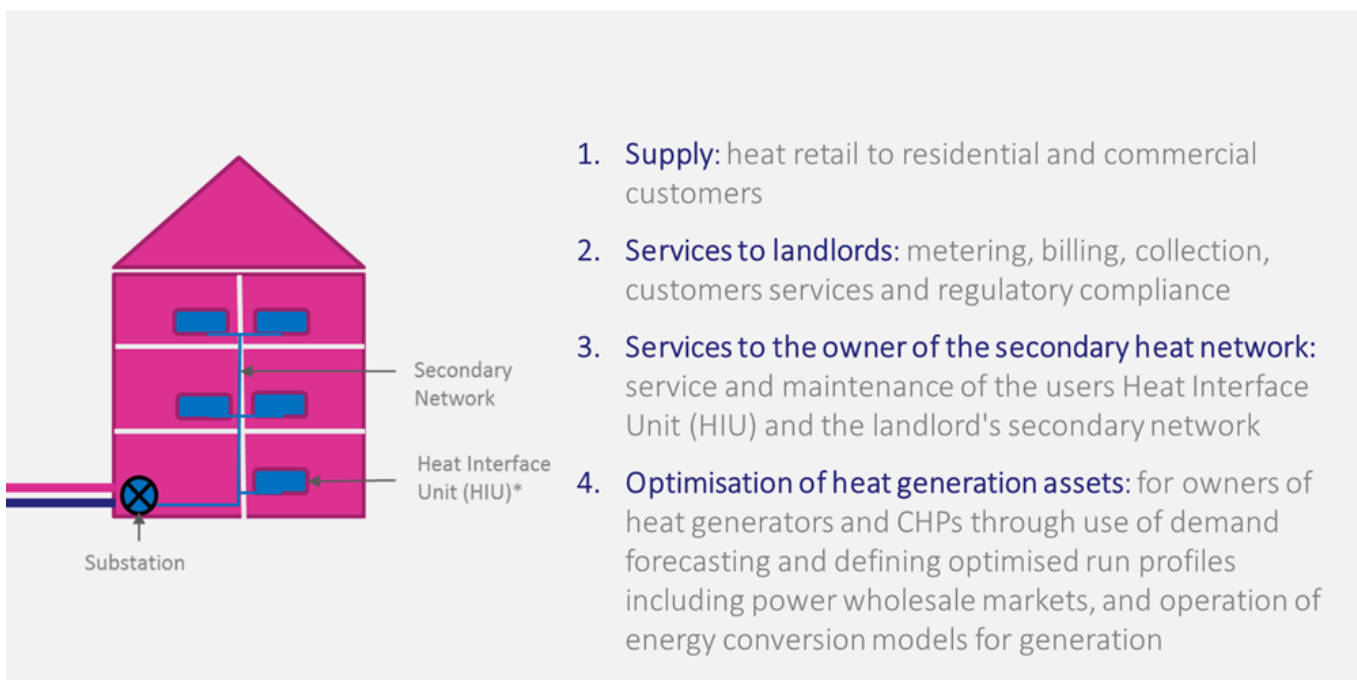
Bristol Energy will play a vital role in City Leap, being the glue that holds all of the disparate technologies together.



# Innovating to build a carbon neutral city

In 2020/21 we're excited to launch our heat retail proposition.

Heat networks are one of the key ways to decarbonise heat and we're looking to provide customers, developers and heat generators with an industry leading offer. We have a turnkey solution for developers, landlords/owners of the secondary network, tenants (commercial and domestic) and heat generators.



We are also trialling and launching a range of renewable services for social tenants and local communities;

## Save with Solar

A joint Bristol Energy and council Energy Service team are working closely with the council Housing Service to enable the rapid rollout of this scheme. We are currently conducting a small-scale trial branded, 'Save with Solar' to test various aspects of the proposition including tenant engagement and experience, metering and data collection to inform self-consumption vs. export, and battery optimisation to improve the commercial value.

## City Hall Battery

City Hall will be a trail blazer for commercial battery storage and all the benefits that come with storage and flexibility.



For more innovation news, visit our website;  
[www.bristol-energy.co.uk/innovation-launch-pad](http://www.bristol-energy.co.uk/innovation-launch-pad)



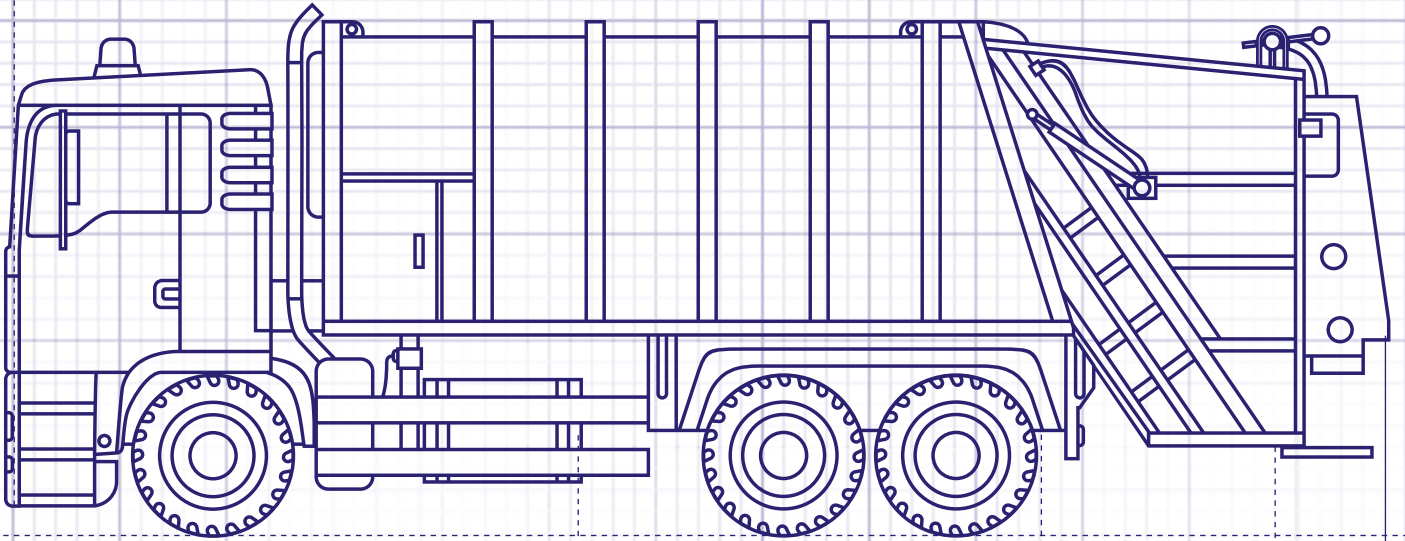
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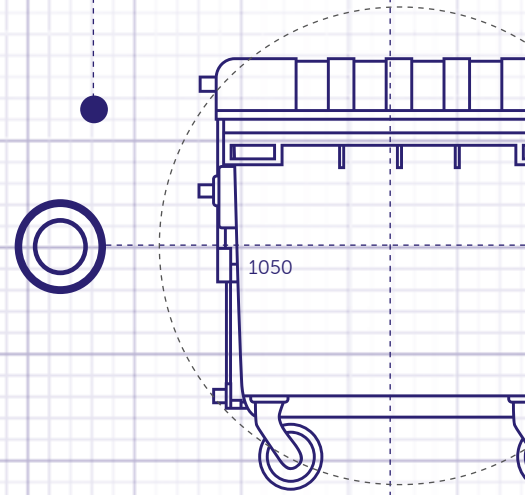
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# Business Blueprint Year 2 Update

## Financial Year 2020/21

# Business Plan on a Page...

Business Overview		
<ul style="list-style-type: none"> <li>Bristol Waste is a Teckal company wholly owned by Bristol City Council</li> <li>The company is responsible for:                             <ul style="list-style-type: none"> <li>Waste collection</li> <li>Street cleansing</li> <li>Graffiti removal</li> <li>Fly tip collection</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Bristol's Household Recycling and Reuse centres                             <ul style="list-style-type: none"> <li>Winter Road Maintenance</li> <li>Community engagement and education</li> <li>Recycling and resource re-use</li> </ul> </li> <li>We clean over <b>800 miles</b> of streets and footpaths and carry out over <b>180,000 ad-hoc requests</b> annually</li> </ul>	<ul style="list-style-type: none"> <li>We collect and handle over <b>185,000 tonnes</b> of waste of which we divert over <b>80%</b> away from landfill.</li> <li>We employ over <b>560 local people</b> who carry out over <b>17 million scheduled</b> collections to over <b>196,000 households</b> in the Bristol area</li> </ul>

Business Plan Financials	2020-21 Updated Plan £k	2020-21 Business Blueprint £k
Revenue	46,055	45,137
Cost of Sales	43,941	43,091
Overheads	1,438	1,391
Surplus (before paymech)	676	655

SWOT Analysis	
<p><b>STRENGTHS</b></p> <ul style="list-style-type: none"> <li>Strong relationship with BCC, both in our values and operationally</li> <li>Reinvigorated senior leadership team with a desire to grow the business, continually drive efficiencies and improve our service</li> <li>Our people and our passion for a cleaner Bristol</li> <li>Quality of our recycle materials and UK based processing network</li> <li>Award winning Innovations, Communications &amp; Reuse teams</li> <li>Number 1 English core city for household recycling rate at 44.9% - 17/18 DEFRA certified (18/19 figures issued Dec 19).</li> </ul>	<p><b>OPPORTUNITIES</b></p> <ul style="list-style-type: none"> <li>Avonmouth - space to improve waste processing facilities and add new waste resource income streams</li> <li>Ability to educate and influence residents of Bristol on recycling and waste behaviour</li> <li>Be an integral part of One City Plan and City Leap</li> <li>Work for the benefit of Bristol with all surpluses being reinvested in our service and the city</li> <li>Commercial (Non-Teckal) growth for integrated waste and workplace services.</li> </ul>
<p><b>WEAKNESSES</b></p> <ul style="list-style-type: none"> <li>Competitive market for staff recruitment, particularly drivers</li> <li>No built in redundancy / contingency for Albert Road baler facilities (addressed in investment initiatives).</li> </ul>	<p><b>THREATS</b></p> <ul style="list-style-type: none"> <li>Recyclate prices dropping below current levels in volatile market</li> <li>Local and National legislation and regulation changes</li> <li>Unable to fully influence recycling headline rate due to political constraints.</li> </ul>

Business Strategy	
<p><b>Key Business Objectives:</b></p> <ul style="list-style-type: none"> <li>Ensure <b>safe working practices</b> are engrained in the business to protect our staff and remain totally legal and compliant</li> <li>Deliver a <b>cost-effective and first in class service</b> in support of BCC our shareholders and the residents and businesses of Bristol</li> <li>To deliver a growing and <b>successful commercial enterprise</b></li> <li><b>50%</b> of household waste will be <b>reused, recycled or composted</b> (One City Plan alignment) by 2020</li> <li>Municipal waste to landfill target of less than <b>10%</b> by 2030</li> <li>Minimise <b>residual waste</b> per household.</li> </ul>	<p><b>Strategies:</b></p> <ul style="list-style-type: none"> <li>Health and Safety at the forefront of everything we do as a business</li> <li><b>"Think Safe, Work Safe, Home Safe"</b></li> <li>Continued internal <b>culture change</b>, lead by the SLT, supported by ongoing investment in our people and equipment</li> <li>Provide an <b>outstanding service</b> for refuse and recycling to businesses</li> <li>Achieve blue sky growth through the development and <b>delivery of soft FM</b> and other complementary service offerings</li> <li><b>Education, engagement and enforcement</b> campaigns to reduce residual waste production and improve volume and quality of recyclate</li> <li>Opening of our first <b>reuse shop</b> at Avonmouth.</li> </ul>
<p><b>Top Business Risks</b></p> <ul style="list-style-type: none"> <li>Recyclate value drops below current level</li> <li>Disposal quantities and / or costs rise</li> <li>Pay negotiations above rate of inflation</li> <li>Commercial targets not achieved</li> <li>Container spend (outside of our control)</li> </ul>	<ul style="list-style-type: none"> <li>Hartcliffe HRRC completed in 2020-21</li> <li>Baler failure</li> <li>Legislation changes</li> <li>Unforeseen costs being passed to BWC.</li> </ul>
<p><b>Top Critical Success Factors:</b></p> <ul style="list-style-type: none"> <li>Quality of recyclate material</li> <li>Reduction of waste volumes</li> </ul>	<ul style="list-style-type: none"> <li>Safe working practices</li> <li>Progression into higher value soft FM.</li> </ul>

Delivering Social Value	
<p><b>We will deliver our core social value by:</b></p> <ul style="list-style-type: none"> <li>Keeping Bristol clean</li> <li>Minimising Waste</li> <li>Increasing Recycling</li> <li>Engaging with and educating our communities.</li> </ul>	<p><b>We will create wider social value by:</b></p> <ul style="list-style-type: none"> <li>Training, developing and looking after our employees</li> <li>Being a living wage employer</li> <li>Create local employment and provide apprenticeships</li> <li>Volunteering and training opportunities with the launch of our reuse shop.</li> </ul>

Action Plan		
<p><b>Actions:</b></p> <ul style="list-style-type: none"> <li>Deliver value for money</li> <li>Commercial Non-Teckal business into surplus</li> <li>Grow commercial Non-Teckal product streams and service offerings</li> <li>Avonmouth HRRC redevelopment</li> <li>Hartcliffe HRRC development</li> <li>Quantify our Social Value.</li> </ul>	<p><b>Who:</b></p> <ul style="list-style-type: none"> <li>BWC</li> <li>SLT/Business Development</li> <li>SLT/All</li> <li>SLT</li> <li>BCC/SLT</li> <li>SLT/BHoCo</li> </ul>	<p><b>Milestone:</b></p> <ul style="list-style-type: none"> <li>Continuous improvement</li> <li>Q1 - 2020-21</li> <li>On-going</li> <li>Q4 - 2019-20</li> <li>Q1 - 2020-21 (operational)</li> <li>Q4 - 2019-20</li> </ul>

## Business Blueprint Year 2 Update

## Financial Year 2020/21



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- Delivering value to our customers
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### Exempt Appendices

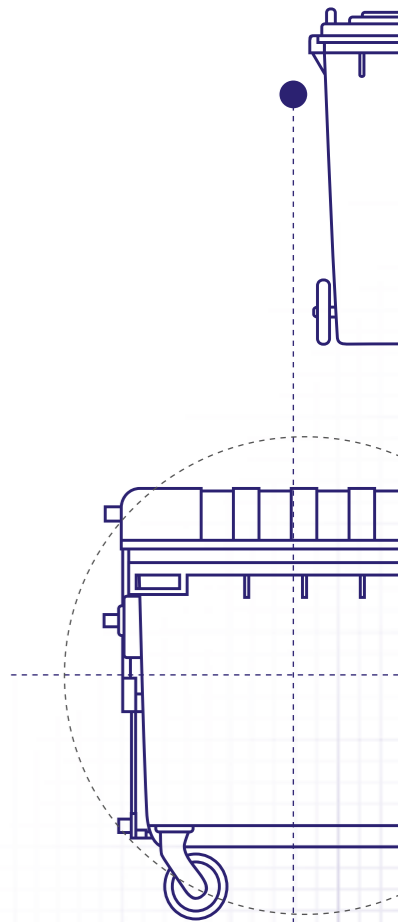
**A. Business Route-map Performance 19-20**

**B. Business Route-map - updated for 20-21**

**C. Investment Strategy**

**D. Supporting Financial Information and Assumptions**

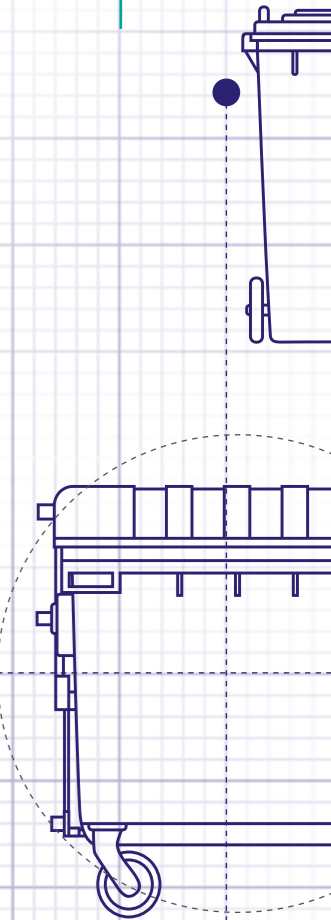
DOCUMENT CONTROL	
<b>Issue No:</b> 2	<b>Date:</b> December 2019
<b>Document Title:</b> Business Blueprint Year 2 Update	<b>Prepared For:</b> Shareholder
<b>Contact:</b> Bristol Waste Company Tony Lawless, Managing Director Bristol Waste Company, Albert Road, Bristol, BS2 0XS	
<b>Tel:</b> 01173 049 580   <b>Mob:</b> 07825 007 726	
<b>Email:</b> tony.lawless@bristolwastecompany.co.uk	
<b>BUSINESS BLUEPRINT - YEAR 2 UPDATE</b>	





## Section 1

# Our Business Route-map Performance



## Section 1 - Our Business Route-map Performance

### MD Introduction and Blog

This year Bristol Waste Company has made significant progress in numerous areas and the next three years will see many new challenges for us to rise to and embrace.

A few of the key changes this year included;

- Replacing our fleet with modern, cleaner and safer refuse and recycling vehicles along with smaller electric vans, significantly reducing CO2 and Nitrous Oxide emissions.
- Constructing a new household recycling and reuse centre (HRRC) at Avonmouth which is nearing completion and will be operational during January 2020. We are also working closely with BCC Project Team on the third HRRC which will be built in Hartcliffe. The site is awaiting planning consent, and if approved, works will commence during the early months of 2020.
- Supporting the Mayor's High Street Fund & Big Tidy by removing graffiti, deep cleaning streets and installing new compactor bins, reducing litter and vehicle movements within the city.
- Investing in training and support for our staff including additional health and safety training which has assisted in reducing our RIDDOR rate from an average of 8 – 10 incidents per year down to zero for a full 12 months. We recruited 5 apprentices, 4 of which are now in full time employment with BWC with one yet to complete their training. We will recruit 5 new apprentices into various areas of the business during 2020.
- As we move into the next three years our focus will not only be to maintain a high standard of service but to innovate and open our minds to new technology and ideas. Working closely with BCC and the waste industry, we will work to reduce waste at source, improve recycling rates, reduce landfill and aim to be carbon neutral across all sites. We have several ideas in progress which encompass new technology such as pyrolysis of waste to changes in working practices.

As a Teckal business it is imperative we advance our commercial input to promote additional growth and surplus that can be reinvested back into the business or returned to BCC under the innovative Paymech system agreed earlier this year. To allow this expansion we have transformed our business development function and installed a modern customer relationship management system (CRM) with the toolkits and training to target areas suitable for controlled and sustainable growth.

- Our business development approach is totally in-line with our 'blueprint' business plan and concentrates on using our service expertise to develop integrated waste and associated workplace services that include cleaning, security, grounds maintenance and others... Following this theme, we have secured prestigious service partnerships with organisations such as Bristol Zoo, Thatchers Cider, Pasco Group, The Ivy and BPR Group.
- The targets are challenging but we are showing steady progress and we believe these are achievable through the support of our experienced leadership team and BCC colleagues.
- Our commitment to Bristol in adding social value and supporting its residents is absolute and as a company we understand the complexities of the city, the environment in which we all work and the importance of providing a service that is of critical importance to those we serve.

**||** Our staff are at the heart of everything we do, and they work extremely hard in a tough environment. As a responsible employer we do all we can to keep them safe and well trained in return for embracing the culture of the city and the requirements of BCC and our residents.

- As a company we look forward to the coming challenges and will always look to innovate and continually improve the service we provide.

**Note:** See our Business Route-map Performance in detail at Exempt Appendix A



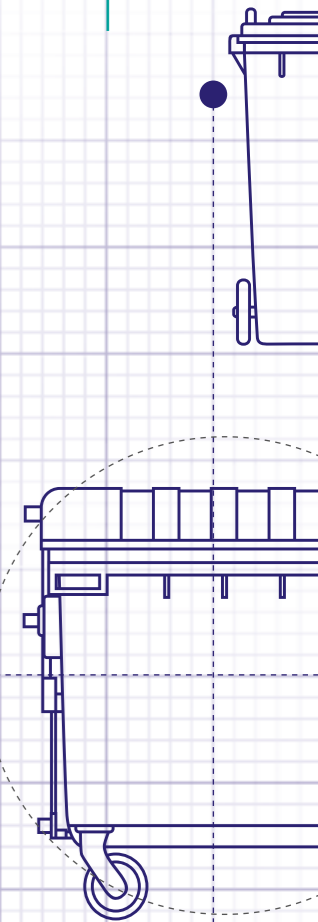
#LitterHurts

# #LitterHurts





## Section 2 Re-enforcing Our Purpose





## Clean Street Heroes

Litter picking kits for every primary and secondary school in Bristol.

With funding from BCC, we worked with every primary and secondary school across the city to offer them a free litter picking kit.

### Clean Streets Thank You

More than a hundred passionate volunteers gathered at celebration event in recognition of their tireless efforts to keep Bristol clean and green. The event was a big 'Thank You' to all the unsung heroes who volunteer across the city to help keep the streets clean, pavements clear, walls free of graffiti and bring colour and vibrancy to our communities.

Check out our Clean Street Heroes [here](#).

## Section 2 - Re-enforcing Our Purpose

### Our Purpose

The purpose of the Bristol Waste Company is to deliver Integrated Waste Management and Services to the Bristol region that are considered to be Best-in-Class.

We never lose sight of the fact that, ultimately, we are a service business focused on delivering customer satisfaction.

### Our Values & Behaviours

During the past 12 months we have re-aligned our Values and Behaviours with our Shareholder:

- We are **Dedicated**: We strive to make a difference
- We are **Curious**: We ask questions and explore possibilities
- We show **Respect**: We treat each other fairly
- We take **Ownership**: We accept personal accountability
- We are **Collaborative**: We come together to reach shared goals
- We work **Safely**: We embrace a culture of working together safely at all times.

These values and behaviours have been reinforced across the business as part of our company wide roadshows and reinductions.

### Our Social Value

As a BCC owned company, creating positive social impact is at the heart of what we do. We consider BWC to be in a significant position of trust and one where we can make a considerable contribution towards supporting the social agenda for our shareholder.



Our business delivers core social value across the city by keeping Bristol clean, reducing waste and increasing reuse and recycling.

We add wider social value by ensuring the wellbeing of our employees through our mental and physical health initiatives, training and development opportunities. We provide local employment, apprenticeships and we are a living wage employer.

### One City Plan

We are an inaugural member of the One City Environmental Sustainability Board, which leads on the delivery of the goals set out in the One City Plan to help accelerate the city's progress towards environmental sustainability.

### City Leap

Bristol continues to lead by example with the innovative City Leap.

Bristol Waste Company are supporting the current procurement exercise and we see numerous opportunities for partnership and collaboration going forward. This will create local employment, help economic competitiveness, de-carbonise the city and deliver sustainable energy and infrastructure to the city.

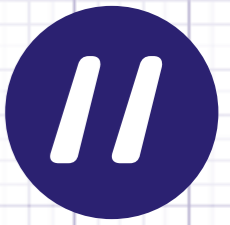
### Going for Gold

We are working closely with the Going for Gold team to help Bristol achieve a Gold Sustainable Food City. This is a national programme that celebrates and supports communities that are making positive changes to their food system.

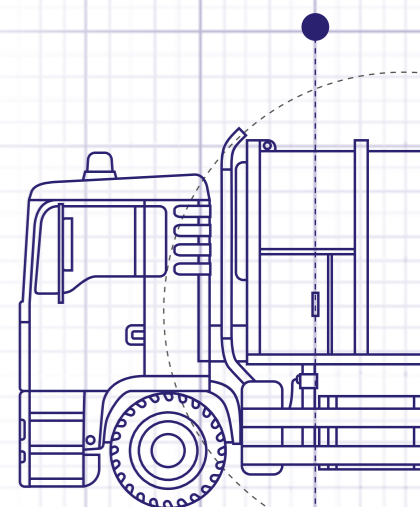
As one of only four cities to achieve Silver status, Bristol has already shown that it has the motivation to make Good Food part of the city's identity. We have committed to providing a food waste collection service to all households. At the moment all kerbside households have a collection and have received the full #slimmywaste treatment. We now want to ensure that every resident in a flat or HMO also has access to a food waste collection service.

### A Zero Waste Bristol

The #wastenothingchallenge is a leading campaign within the city, where 50 households are spending 365 days to become zero waste. We have partnered with over 30 local and national supporting partners who in turn offer motivation, discounts on products and waste minimisation courses. Bristol Water have joined us on this campaign as a key partner. The households and families involved span across all postcodes in the city and range from households of one to six people spanning multi generations.



"In our Business Blueprint, we emphasise the added value that BWC can create for the City and the contribution that we can make to the development of the One City Plan, particularly when working collaboratively with our customers, people, partners and shareholder."



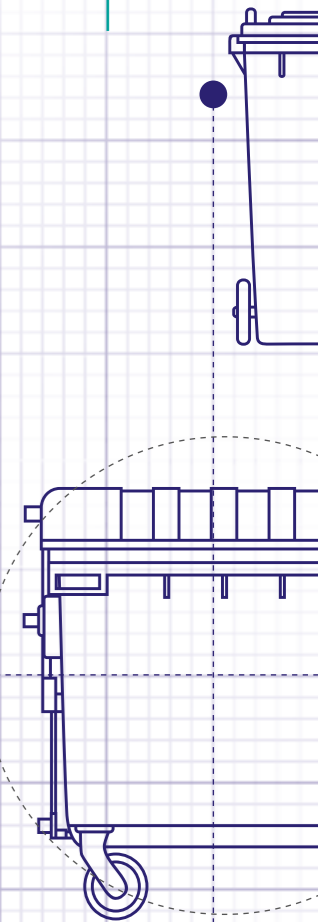
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### Section 3

## Delivering the Service





## Section 3 - Delivering the Service

### Delivering Value to Our Customers

The service that BWC delivers is shaped by the requirements and needs of our customers; this includes Bristol City Council, Residents, Community Groups and local businesses.

We are continually striving to improve our service to our customers and drive efficiencies in the way we deliver our services. Our achievements this year with further improvements to be made next year include:

#### Newer and cleaner vehicles

To augment our service to Bristol we have invested in a new efficient, low emission, recycling fleet that incorporate many safety features to protect our staff. The new vehicles can also carry greater quantities of recycling, reducing travel distances and improving operational output.

We have replaced our supervisor vans with smaller electric vans and in some instances electric bicycles, significantly reducing CO2 and Nitrous Oxide emissions. Our refuse fleet is currently being renewed next year and will also be low emission with enhanced safety features.

**“An innovative and unique industry first solution on introducing reuse milk floats into street cleansing”**

#### New Technology and Methodologies

We are investing in new back and front office systems, most notably the upgrade to our waste collection and management software. This will be a fundamental improvement to our systems which will enable more efficient routing of collections, real time information, provision of a more effective collection service and working closely and in conjunction with our partners at BCC much greater control over container spend.

We have introduced a new workshop system to give greater productivity, tracking and an improved use of resources.

#### HRRCs and Waste Transfer Operations

At our sites we are continually adopting new methodologies and processes to reduce the amount of waste sent to landfill. We have introduced:

- the mining (separation) of waste at Avonmouth and Days Road HRRC using mechanical diggers
- separated black bag waste from general waste

As mentioned elsewhere in this update the Avonmouth HRRC is being completely redeveloped with completion in December 2019 to transform the experience of both the general public and our trade customers.

Reuse shops will be in place at both HRRCs, further enhancing BWC's current reuse strategy and diverting high quality usable items from the waste stream and into use benefitting the communities of Bristol. Volunteering and training opportunities will be available as part of this service offer.

#### Integrated Services and Waste Management

We continue to develop and offer to our customers new integrated services and waste management to support the needs of the diverse business and professional communities of Bristol.

### Market Update

#### Recyclate Market

**Our kerbside collected recycling material is best considered as a commodity in economic terms.**

As with all commodities, the price and demand are influenced by market forces both within the UK and globally. What happens in this country (legislation, taxes, Brexit) along with other countries around the world (USA trade tariffs, China sourcing material internally, Indonesia stopping the intake of recyclates, global recession) all cause significant upswings and downswings in not only the price received, but also the demand for each of our various commodities.

BWC has **minimised risk** by sourcing processors **within the UK** and by improving and constantly monitoring the **quality of our recyclate** materials. This serves two important purposes:

- Our product will achieve the best prices in the marketplace, and;
- It should ensure that our product is always in demand (as processors will always look to source the best and easiest to recycle materials)



This strategy has been successful with BWC obtaining good prices in what is considered a slowing market, compared to other producers out there.

As with all commodity markets, it is difficult to forecast where the market will go in the future. It is true that the global demand has slowed and so the higher prices received in previous years are not foreseen to occur again in the near future.

#### Legislative Framework

**Brexit** may have an impact on the ability of other producers to export material. This could lead to the domestic market being flooded and prices could fall.

Perhaps the most important outcome of Brexit is that it will allow Government to commence with **other legislation**. 2020 will see the Environment Bill being passed and the further roll out of the Resources and Waste Strategy which has commitments to:

- **Plastic Tax** on packaging
- Require products to have **Recycled Content**
- Introduce a **Deposit Return Scheme (DRS)**
- Deliver an enhance **Extended Producer Responsibility (EPR)**

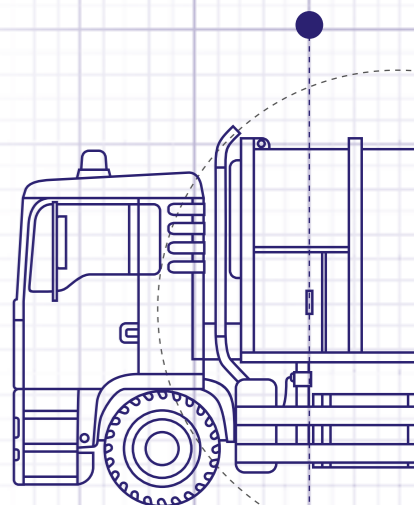
See overleaf for our  
Legislation Timeline



## Cardboard Bag Rollout Campaign

**Bristol residents are all receiving a new bag for cardboard recycling.**

The blue bags are 100% recycled and recyclable, a world first for this type of bag. The new bag is being introduced to help Bristol increase its recycling rates and enable crews to sort the recycling more quickly, as well as giving residents more space for the growing amount of card used. See our full campaign on our website.



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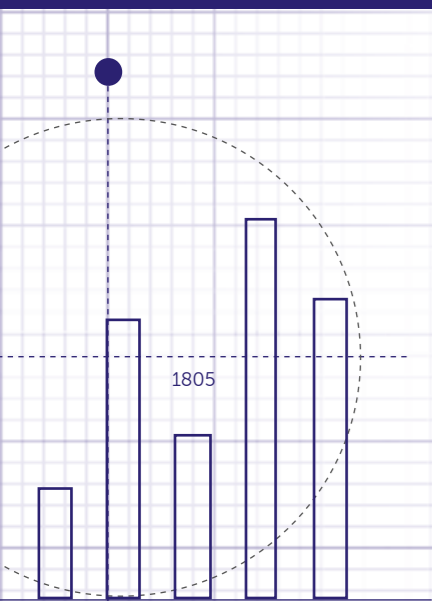
## Litter Hurts Campaign

The high-profile anti-littering campaign launched in April 2019.

Using humour and pets to draw attention to the problem of littering in the city, it has proved immensely popular and even led to the Government's Cabinet Office using it as an example of best practice!

Visit our [website](#) and get involved in our campaign!

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## Section 3 - Delivering the Service

2019

- Review of OneCity plan for the City
- Clean Air Zone going to Cabinet 5th November
- Production of Bristol to Carbon Neutral by 2030 – section in that on waste – could be significant outputs from there.

2020

- Defra to work on statutory minimum guidance for collections – frequency etc.
- EPR for WEEE
- 50% Recycling rate for HH
- Second consultation on DRS, EPR & Plastic Tax issued
- DRS being introduced in Scotland
- Introduction of CAZ in Bristol
- Potential for non-compliant vehicles to be charged in Bristol (any non E6 diesel)
- Potential diesel ban in some areas of the city.

2022

- Introduction of Plastic Tax – will specify a minimum recycled content in plastic packaging.

2023

- Roll out of DRS – up to 3L bottles, cans & tins and other packaging
- Consistency implemented
- Separate weekly food waste collection mandated
- Separate free garden waste collections
- Defra looking to mandate businesses to have separate food and dry recycling collections
- EPR to be rolled out.

2024

- Revision of the Waste Strategy.

2025

- First Zero Waste Zone in Bristol
- Significant Food waste reduction in residual waste bins
- Dramatic reduction in kg/person produced.

2026

- Ensure 50% of public sector fleet is in the ULEV category
- Public sector commit to >30% of their fleet being non-fossil fuel.

2029

- 65% HH waste is sent for reuse, recycling or composting.

2030

- All streets in Bristol free from litter
- 75% recycling rate for packaging.

## Safety, Health, Environment and Quality (SHEQ)

The safety of our people and everyone visiting our sites is paramount to everything we do. Over the past year we put a new SHEQ structure in place and focussed on compliance, managing risk and ensuring safety at every level.

We have:

- ISO 45001 (Occupational Health & Safety) achieved Nov 2019
- ISO 9001 (Quality) achieved
- ISO 14001 (Environmental) achieved
- RIDDOR rate reduced (currently zero for last 12 months from average of 8 p.a.)
- Drug and Alcohol test programme rolled out for all employees
- Reviewed risk across the business creating a new risk profile
- Focused on fire safety and updated our Business Continuity Plan
- Created a Business Management System implemented to ISO45001 standard
- Trained, including reinduction of all staff, IOSH managing safely and core competencies across the business
- Improved Health & Safety Culture, with Senior Managers performing monthly leadership inspections
- Focused on wellbeing and mental health, with a mental health awareness programme including training sessions and staff video
- Improved Traffic Management and vehicle safety. All new vehicles now have 360 cameras fitted to help our crews operate safely
- Re-energised the H&S committee and encouraged participation in working groups
- Invested in facilities including changing/drying rooms
- Independent audit by Stallard Kane managed and actioned
- Improved PPE and workwear trials for operators.



Think Safe, Work Safe, Home Safe.

SHEQ will never stand still and we will always strive to improve.

To continue with these improvements we plan to:

- Promote and lead a positive health & safety culture
- Improve accessibility with an **on-line management system portal and on-line near miss reporting**
- Continue the focus on **risk improvement** and **safe working practices**
- Promote wellbeing with **Health MOTs** and workforce support
- Improve **workwear and PPE** including workforce trials
- Improve **training**, with Video Toolbox talks
- Integrate monitoring & reporting using new technology
- Continue work on **emergency preparedness**.



## Big Tidy Campaign

The 12-month project is part of the Mayor's Bristol Clean Streets campaign and will work in priority neighbourhoods across the city to tackle issues such as littering, tagging, fly-tipping, fly-posting and overgrown vegetation.

Work began in Old Market with the Big Tidy Street Cleansing Teams, Community Engagement Officers and Enforcement all on site to help bring the sparkle back to Bristol. The project will see an additional £1 million invested in the street cleansing, enforcement and neighbourhood engagement to help keep Bristol clean and green.

Visit our [website](#) and get involved in our campaign!

## Section 3 - Delivering the Service

### Our Reuse Initiatives

Since our founding, reuse has been a key part of our vision. By opening a shop for residents, we believe we can improve upon the great work already started by reuse-focused organisations in Bristol. The reuse team was delighted to have been awarded Best Waste Minimisation or Prevention Project by the Local Authority Recycling Advisory Committee (LARAC) for their work diverting various types of reusable items from the waste stream.

Since April 18, BWC has diverted:



Setting up  
Bristol's first HRRC  
Reuse Shop



1,258 bikes

from the waste stream and into reuse, donating these items to bikes charities across Bristol.

In total over  
3,000  
usable items



Diverted from the waste stream and put into use equating to



Diverted over  
1,200  
mobility aids

From the waste stream and put in use working with Physio Net who are a charity who check the items and ship them overseas to those who need them.

Check out our eBay store and lets get behind the Bristol Reuse Campaign and grab yourself a reuse bargain!

### Set up a paint reuse scheme

Working with **Community Repaint and Sofa Project**, diverting **21.1 tonnes** of paint from the waste stream and into use.

### Trial with BCC

- BWC is also looking to set up a trial with BCC Housing to enable tenants to purchase high quality but low cost items from the Avonmouth HRRC, ensuring a closed loop circular economy approach.

### Hosted four reuse and repair events

Welcoming over **200 people** at each event, diverting over **160 items** of wooden furniture from the waste stream, over **150 WEEE items** and therefore raising circa **£6k for local charities**.

### Fit to Perform

BWC is focussed on continuous improvement and innovation through the provision of data insight and intelligence. Key performance indicators are now reported against using Power BI dashboards. This has enabled management information to be provided in real time and in a more accessible format, improving insight and performance awareness.

#### Our Key Business Performance Indicators and Benchmarks:

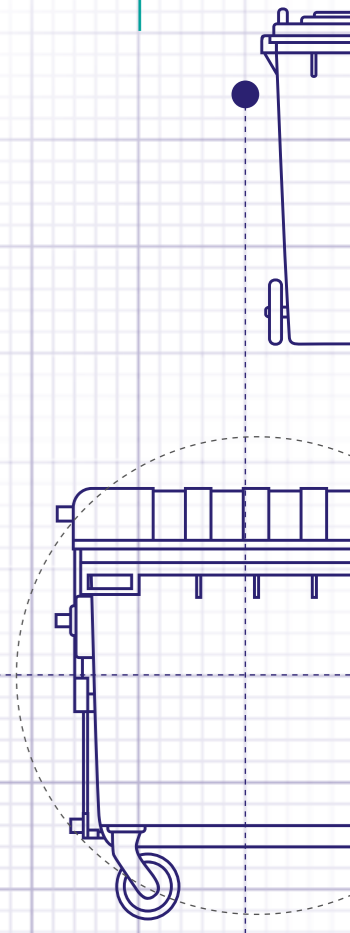
KPI	Measure of Success / Requirement	Target	YR 18/19 Performance YTD	Service Delivery Model & Notes
1	Municipal Recycling % Household Recycling %	50% 50% (2020)	50% 47%	Targeted campaigns, projects and awareness raising to increase reuse and recycling.
2	Residual Waste per household	<450kg	493kg	2019/20 YTD (based on six months data) 480kg Baseline + roll out. #WasteNothing Challenge rolled out to 50 households. Additional targeted projects and campaigns in development.
3	Municipal Waste to landfill	<10% (2030)	14.9%	Achievable by investing in technology, increasing recycling, reuse programmes and waste reduction initiatives.
4	Food Waste in residual bin	<25%	See service delivery note	Targeted campaigns such as Slim My Waste Feed My Face to increase food waste recycling. Phase 2 of Slim My Waste Feed My Face in development. Compositional analysis October 19 results 25%.
5	Percentage of residual & recycling bins collected on time	99.95%	99.84%	Operations structure in process of being reviewed and developed to enable a more effective and efficient service delivery. Roll out of new refuse trucks will improve service.
6	Missed collections rectified within SLA	80%	96%	Operations structure in process of being reviewed and developed to enable a more effective and efficient service delivery. Technological advancement such as the use of PDAs.
7	Delivery of containers within 10 working days	95%	86%	Operations structure in process of being reviewed and developed to enable a more effective and efficient service delivery. Technological advancement such as the use of PDAs.
8	Street Cleansing Standard for City Centre & Broadmead	A Standard	Internal Monitoring	Internal monitoring of service delivery. Three independent LEQ surveys carried out between November 18 – June 19. Continued support for BCC's Clean My Streets Campaign and The Big Tidy Campaign.
9	Street Cleansing Standard for remainder of the City	B Standard	Internal Monitoring	Internal monitoring of service delivery. Three LEQ surveys carried out between November 18 – June 19. Continued support for BCC's Clean My Streets Campaign and The Big Tidy Campaign. Community Engagement campaigns in heavily impacted areas such as Stapleton Road.
10	Removal of fly tipped material within 48 hours	95%	94.1%	Internal monitoring of service delivery. Continued support for BCC's Clean My Streets Campaign. Community Engagement campaigns in heavily impacted areas such as Stapleton Road.
11	Removal of offensive graffiti within 8 hours	100%	70%	Internal monitoring of service delivery. Continued support for BCC's Clean My Streets Campaign.
12	Removal of non-offensive graffiti within 60 hours	90%	82%	Internal monitoring of service delivery. Continued support for BCC's Clean My Streets Campaign.
13	Reuse Strategy	Pop up reuse shop/facility	Avonmouth Reuse Shop Open Jan 2020	BWC reuse strategy developed and in progress. Avonmouth reuse shop scheduled to open Jan 2020 focussing on skills development and volunteer/employment opportunities. Commitment for second reuse shop as part of Hartcliffe HRRC development. Reuse Coordinator and Apprentice in post. Four successful reuse and repair events completed. Partnership with Community Repair underway, continued support for reuse and repair organisations across Bristol and beyond. BWC reuse Ebay account established.
14	HRRC Municipal Recycling % HRRC Household Recycling %	80% 60%	74% 50%	Enhanced focus on reuse and awareness raising. Improved HRRC infrastructure and development.

KPI	Measure of Success / Requirement	Target	YR 18/19 Performance YTD	Safety / Health / Environmental / Quality (SHEQ) KPIs
1	Lost Time Incident and Lost Time Incident Frequency (LTI & LTIF)	10% reduction	10% reduction currently achieved	% target improvement on previous year. Target based on 2018/19 performance is LTI of less than 0.15. In 2019/20 YTD the LTIF is 0.07 which is from YTD 13 LTIs.
2	RIDDOR Rate	10% reduction	Same as above	% target improvement on previous year. Target based on 2018/19 performance is RIDDOR rate of less than 5.8. In 2019/20 YTD the RIDDOR rate is 0 as there have been no reportable events.
3	Total Accident Frequency Rate	10% reduction	Same as above	% target improvement on previous year. Target based on 2018/19 performance is Total Accident Frequency rate or less than 83. In 2019/20 YTD the TAFR is 80 which is from YTD 59 accidents.
4	Number of Road Traffic Incidents per month per service	10% reduction	See notes	% target improvement on previous year. Target based on 2018/19 performance is less than 92 RTIs. 2019/20 YTD there have been 70 RTIs (BWC liability). The recent implementation of cameras on recycling vehicles is anticipated to help reduce the number of RTI claims.
5	Health & Safety non-conformities raised (no lost time accidents)	10% reduction	See notes	% target improvement on previous year. Target based on 2018/19 performance is less than 78 incidents. 2019/20 YTD there have been 47 incidents reported.
6	Health & Safety near misses reported	10% reduction	Target already achieved	% target improvement on previous year. Target based on 2018/19 performance of 108 near misses reported. 2019/20 YTD there have been 166 near misses reported.
7	Staff Turnover	10% reduction	See notes	% target improvement on previous year. Target based on 2018/19 performance is less than 17%. 2019/20 YTD staff turnover is 17.7%. Investment in staff training & development to continue.
8	% Sickness per FTE	10% reduction	See notes	% target improvement on previous year. Target based on 2018/19 performance is less than 4.2%. 2019/20 YTD sickness (including long term) is 4.0%. Monitoring & support to continue.



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## Section 4 Our Plan of Action



## Section 4 - Our Plan of Action

### Our Business Route-map - updated for 20-21

We have updated our 3 year Business Route-map with 2020-21 expanded. This is a dynamic management tool that provides us with clear strategies and implementation milestones aligned to the forecast business objectives.

We review our performance and align strategies to objectives on a continuous basis, it recognises the ever-changing landscape of business today and allows us to avoid any "cul-de-sac" business strategies, whilst providing the business with clear direction and a flexible framework.

**Note:** See our Business Route-map - updated for 20-21 in detail at Exempt Appendix B

### Achieving Best Value for Money

Bristol Waste Company remain committed to driving efficiency and value for money for all of our customers and our shareholder, whilst delivering an excellent service. We are equally committed to delivering a successful, growing and profitable commercial "non-teckal" side to our business.

#### Financial Strategy

**The underlying financial strategy of Bristol Waste Company is to continue to provide value for money for all whilst delivering to plan year-on-year. This increase in reserves will enable Bristol Waste Company to invest in-line with the Business Plan.**

Achieving our financial plans for 2020-21 is by no means a given. We operate in a volatile market on extremely thin margins. We have successfully delivered to plan in 2018-19 and are on track to do so again in 2019-20 but market forces could move against us in the future. As said previously we mitigate against these risks as far as we are able and we are developing and reinforcing a culture of ensuring that we are as financially efficient as we can be. BWC are committed to delivering our financial targets again in 2020-21.

#### Commercial Non-Teckal Success

**is fundamental to our success as a Teckal business that our commercial operations deliver a positive bottom line.**

We have completely rebuilt our commercial sales function this year with a new team, new methodologies and renewed focus on ensuring all of our work delivers a surplus.

The ability to work in an agile and commercial way, with the support of BCC, is a key factor in enabling us to achieve these plans.

#### Cost Control Measures and Culture

**Cost control and challenging spend is becoming the 'norm' at BWC.**

An example of this would be a company wide campaign to 'think before you print' and 'do you really need it in colour'. All printers defaults are now set to black and white, saving over £6k per annum, a reduction in spend of 27%.

The culture at BWC is now a culture of challenge and continuous improvement. It has changed from 'it's in my budget therefore I will spend it' to, 'if it was your money would you spend it?'

**Our forecast numbers for 2020-21 have been built from the bottom up with involvement from all sections of BWC. Every line has been challenged and scrutinised.**

We have centralised our projects budget, which allows greater scrutiny and the ability to react and adapt to new opportunities within the financial year. It also ensures that all spend is aligned to the overall objectives of the business as a whole and avoids the potential for a silo culture.

#### Payment Mechanism

**We have agreed a payment mechanism with BCC that shares the risks and rewards of our financial performance with our shareholder. The mechanism is a cap and collar arrangement calculated on the difference between reported Teckal revenue and Teckal costs plus a margin (currently 15%).**

The first £250k difference plus or minus remains with BWC. If the difference is above £250k BCC will receive/pay £250k with any amount above that being split in the proportion BCC 30%, BWC 70%.

We exceeded our 2018-19 business plan financial targets and with the introduction of the payment mechanism were able to return to our shareholder £355k from our surplus.



Bristol Waste Company remain committed to driving efficiency and value for money for our customers and shareholder. We are equally committed to delivering a successful, growing and profitable commercial "non-teckal" side to our business.

**Table 1 - 2020-21 Financial Business Plan Summary**

A high-level summary of our updated financial business plan is given below.

This shows our updated Financial Business Plan for 2020-21 in comparison to the 2020-21 numbers forecast in our original Business Blueprint.

	Business Blueprint Update 2020-2021		Business Blueprint 2020-2021		Variance	
	£k	% of Income	£k	£k	£k	%
<b>Revenue</b>						
BCC income - Domestic	38,104	83%	38,104	0	0%	
BCC income - Non domestic	840	2%	825	15	2%	
Trade 3rd party	1,220	3%	886	334	38%	
Commercial - Blue Sky	3,000	7%	3,015	(15)	(0%)	
Other income	668	1%	9	659	7120%	
Recyclate revenue	2,222	5%	2,298	(76)	(3%)	
<b>Total revenue</b>	<b>46,055</b>	<b>100%</b>	<b>45,137</b>	<b>917</b>	<b>2%</b>	
<b>Cost of Sales</b>						
Labour	22,495	49%	19,766	(2,729)	(14%)	
Waste Disposal	13,672	30%	16,202	2,530	16%	
Premises	1,236	3%	1,092	(144)	(13%)	
Vehicle & Fleet	3,893	8%	3,906	13	0%	
Fuel	1,366	3%	1,370	4	0%	
Equipment & Materials	1,278	3%	754	(524)	(69%)	
<b>Total cost of sales</b>	<b>43,940</b>	<b>95%</b>	<b>43,091</b>	<b>(850)</b>	<b>(2%)</b>	
Overheads	1,438	3%	1,391	(46)	(3%)	
<b>Surplus (before paymech)</b>	<b>676</b>		<b>655</b>	<b>21</b>		

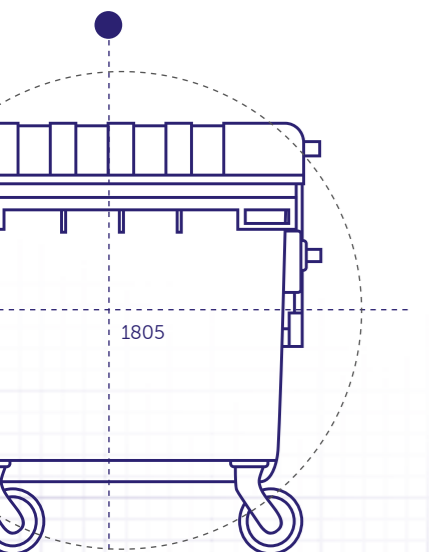
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**Our continuous improvement and innovation plans**

We are investing in our **waste management technology** upgrading from our Mayrise system to Alloy. This will enable efficiencies to be made across the business and allow for better insight, reporting and communication with BCC.



The roll out of tablets across the organisation for operational staff will also enable us to become a greener, more efficient and successful business.



**Key challenges and risks to achieving 2020-21 plan**

- Recyclate values fall below current levels
- Waste disposal quantities and / or costs increase
- Pay negotiations are settled above current level of inflation (2.4%)
- Hartcliffe HRRC completed in 2020-21 with BWC assuming operational costs
- Bailer failure
- Legislation changes
- Container spend is higher than original Blueprint plan 2020-21. Unable to achieve planned savings as BWC are not able to fully control this expenditure, although good progress is now being made in collaboration with the BCC Waste team. This is a risk but also maybe an opportunity to reduce costs.

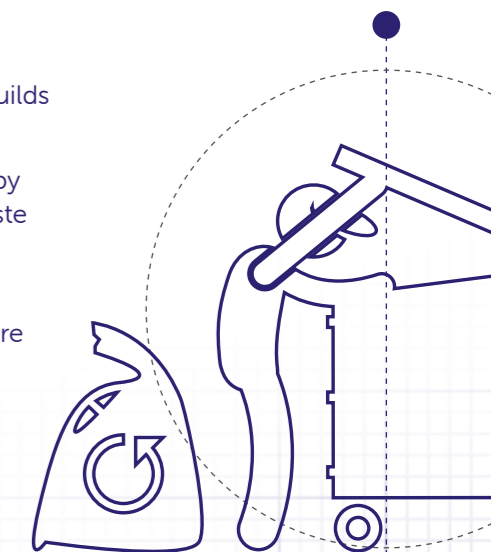
**Table 2 - Teckal / Non Teckal year on year growth**

A summary of our updated financial business plan compared to our original Business Blueprint projection is below.

	Business Blueprint Update			Business Blueprint 2019-2020			Variances			
	2020 - 2021			2019 - 2020 (Prior Year)			Movement from prior year BP			
	Teckal	Non-Teckal	Total	Teckal	Non-Teckal	Total	Teckal		Non-Teckal	
	£k	£k	£k	£k	£k	£k	£k	%	£k	%
<b>Revenue</b>										
BCC income - Domestic	38,144		38,144	37,197		37,197	947	3%	-	-
BCC income - Non domestic	800		800	760	-	760	40	5%	-	-
Commercial - Trade		1,220	1,220		864	864	-	-	356	41%
Commercial - Blue Sky		3,000	3,000		1,015	1,015	-	-	1,985	196%
Other income	668		668	9		9	659	7304%	-	-
Recyclate revenue	2,222		2,222	2,241		2,241	(19)	(1%)	-	-
<b>Total revenue</b>	<b>41,835</b>	<b>4,220</b>	<b>46,055</b>	<b>40,207</b>	<b>1,879</b>	<b>42,086</b>	<b>1,628</b>	<b>4%</b>	<b>2,341</b>	<b>125%</b>
<b>Cost of Sales</b>										
Labour	19,665	2,830	22,495	19,145	374	19,519	(521)	(3%)	(2,456)	(656%)
Waste Disposal	12,978	694	13,672	12,348	1,380	13,728	(630)	(5%)	686	50%
Premises	1,236		1,236	1,149	-	1,149	(87)	(8%)	-	-
Vehicle & Fleet	3,812	81	3,893	3,727	105	3,832	(85)	(2%)	24	23%
Fuel	1,310	56	1,366	1,271	64	1,336	(39)	(3%)	9	13%
Equipment & Materials	908	370	1,278	697	84	781	(211)	(30%)	(287)	(343%)
<b>Total cost of sales</b>	<b>39,909</b>	<b>4,031</b>	<b>43,940</b>	<b>38,337</b>	<b>2,007</b>	<b>40,343</b>	<b>(1,573)</b>	<b>(4%)</b>	<b>(2,024)</b>	<b>(101%)</b>
Overheads & Central	1,395	43	1,438	1,373	31	1,404	23	2%	12	39%
<b>Surplus (before paymech)</b>	<b>530</b>	<b>146</b>	<b>676</b>	<b>498</b>	<b>(159)</b>	<b>339</b>	<b>32</b>		<b>305</b>	

**Key challenges and risks to achieving Non-Teckal 2020-21 plan**

- Commercial Trade 3rd party sales growth of 40% is challenging but achievable and builds on the successful sales growth achieved this year
- Overall Non-Teckal income growth rising from £1.8m to £4.2m will not be delivered by "normal" trade waste sales alone and will require the expansion of our 'integrated waste service' and soft FM service offering
- BCC income – non domestic has been reclassified in the original Business Blueprint and the Update from Non-Teckal to Teckal following review of the awarding procedure
- Non-Teckal surplus forecast to be £146k, a £305k increase in performance from 2019-20 Blueprint.



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## Our People

**BWC appreciate that we are dependent upon our staff; and that a healthy and productive workforce is a recipe for peak performance.**

We have dedicated significant resources to mental health & wellbeing throughout 2019 and our strategy has been to develop a three-pronged approach. This is to: -

- promote wellbeing and a healthy working culture
- tackle the causes of mental ill health
- support staff with mental health problems.

Normalising discussions about mental health is key, and in conjunction with **Mental Health Awareness week**, we launched a video in May 2019; Time to Talk, featuring our very own employees. We now have dedicated support resources on BWC Extranet, signposting to specific support, such as; bereavement; depression; and by the end of 2019, all line managers will be trained on supporting staff with mental health issues. In addition to this we will have fully trained **Mental Health First Aiders** across the business.

We will continue to offer **free on-site physiotherapy** to staff through 'Back in Action' and, in addition, we will be offering employee on-site **'physical MOT'** checks. These checks will be free to all staff and will cover blood pressure, cholesterol levels, BMI as well as life-style discussions on topics such as smoking, alcohol, exercise and nutrition.

BWC understands that financial wellbeing is a key part of overall 'wellness' and a growing employee need. We have partnered with the **Citizens Advice Bureau** and will be offering on-site surgeries to staff. As well as debt & money management, on-site advice will be available on a spectrum of topics such as; housing, neighbourhood disputes, immigration, legal advice and family issues.

We have continued to promote **'Perkbox'** as an on-line employee engagement platform which offers employees huge savings and we will further promote this as a recognition and reward platform in coming months. An **employee engagement questionnaire** will be circulated which will direct and guide activities in 2020.

We recognise the need for on-going work in relation to **Equality, Diversity & Inclusion** and have set up a working group, chaired by the Managing Director to make progress on a number of areas. These include; identifying what support is required to minority groups within the organisation; how we can better attract a more diverse range of applicants; and better ways of providing staff with increased knowledge and confidence around diversity and inclusion.



BWC will continue to working collaboratively with BCC to improve our HR & payroll system that will provide greater functionality, business information and a better candidate journey.

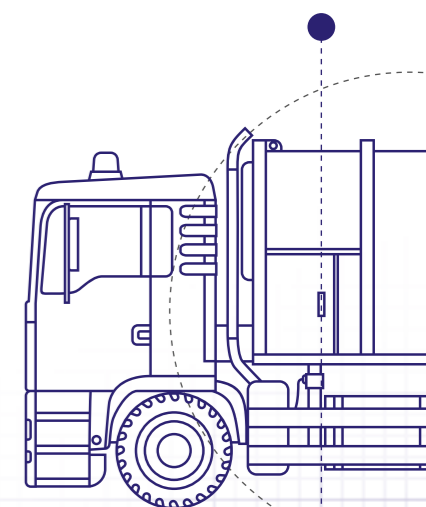
Our **Learning and Development team** have implemented a first in class training programme across the company. Every member of our team has received a full reinduction, including Health and Safety training and a **Directors' Roadshow**, meeting the MD or FD personally. See our Learning and Development Catalogue [here](#).



## Plastic Fishing Boat Campaign

**Bristol Waste successfully led on a bid to win a visit from the Poly Roger, an electric boat made from 99% recycled plastic, design by the architect behind the Queen's barge.**

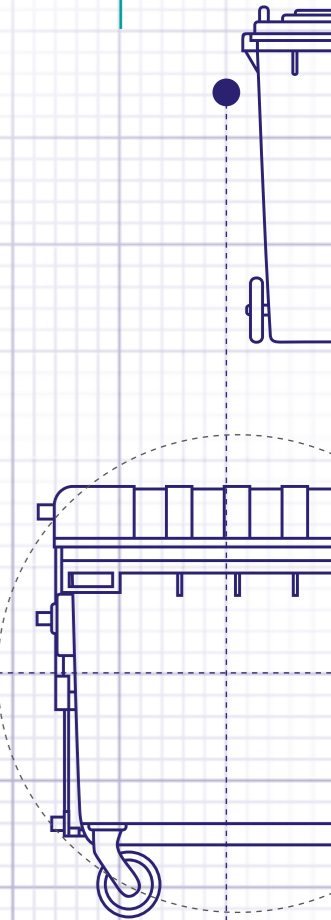
During her week long stay in Bristol's historic harbour she carried 300 litter-picking passengers, who collected 36 bags of litter and got people talking, making no less than 5 broadcast appearances! **See the campaign in full here!**



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Section 5  
**Our Critical  
Success Factor  
(CSF) Dashboard**





# Section 5 - Our Critical Success Factor (CSF) Dashboard

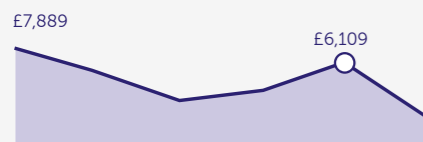
## CSF 1 - Reducing waste at source



Dealing with improving waste management at source. Managing the increasing cost of waste collection and treatment. Absorbing the housing and population increase. Continuous improvement in quality and quantity of recyclables. Developing new collection methods / initiatives. Driving further reduction in residual waste.

**Our plans include:** Planning of more efficient routes to optimise quantity of collection. New efficient fleet to carry greater quantity of waste.

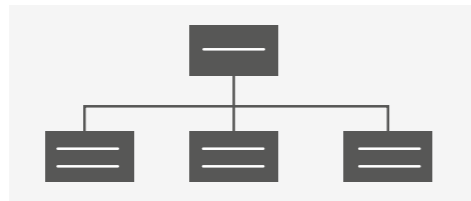
## CSF 2 - Financial



Introducing efficiency gains to offset costs of new investments. Performing to contract KPIs and new pricing mechanism. Managing pay awards effectively. Developing annual cost-down programmes and smart procurement initiatives.

**Our plans include:** Smart procurement of new fleet and logistics tail, cost down programmes looking at insurances, ITC and smarter waste recycling.

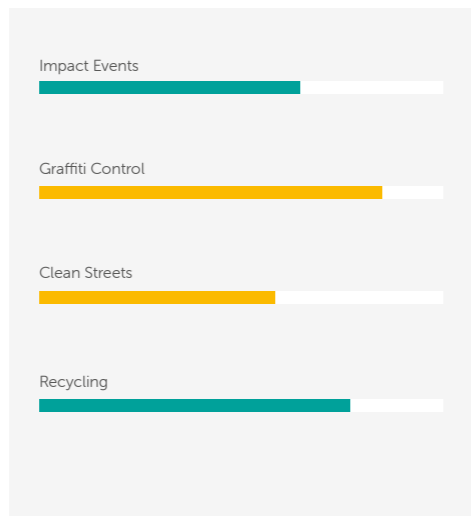
## CSF 3 - Organisation



**Our plans include:** Implementing a change programme of organisational alignment. Continued development of the BWC Learning Academy. Delivering a modern reward and recognition scheme. Specialist recruitment programme for senior leadership team and launch of an executive development programme. Excellence awards scheme with star plan programme. Improved internal communication with bulletin boards, cascade briefings, brainstorming workshops and open-door approach at every level. Relocation into new council owned premises.

Creating an environment with the right people, in the right places doing the right jobs. Embracing a change culture for continuous improvement. Building a robust leadership team. Linking sustained good performance with rewards. Creating an enterprise with continuous career opportunities and not just a job-for-life.

## CSF 4 - Ward focused operations



Working together to influence resident behaviour changes, particularly with hot-spots, graffiti control, improved recycling etc. Managing a programme of controlled marketing and PR. Enabling closer neighbourhood partnerships. Supporting strategic initiatives such as Clean Streets and the One City Plan. Helping to develop and implement waste enforcement and reduction regimes.

**Our plans include:** Integration of customer care and engagement teams. Marketing and PR programme of impact events. Regionalised 'Ward-Focused' operations.

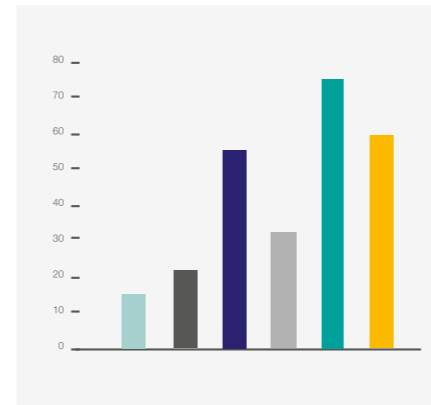
## CSF 5 - Improved waste facilities



Redevelopment of Hartcliffe facilities. HRRC upgrade at Avonmouth and potential third site (with reuse centres).

**Our plans include:** The design, redevelopment, project management and mobilisation activities for the facilities at Avonmouth and Hartcliffe. Avonmouth will be completed by Q4 2019 and Hartcliffe by Q1 2021. These will include modern reuse centres. We are sourcing a new management hub that will allow us to attract and retain good people. This will include interactive operations and learning centres. We will have a rolling programme of facility enhancements to provide amenities for our people that are fit-for-purpose. Provision has also been made for a second baler facility at Avonmouth to provide us with dual redundancy in a business-critical area.

## CSF 6 - Commercial



Delivery of a structured commercial enterprise that is geared to exceed the ten year business plan commitment of £14.1m growth contribution in revenue.

**Our plans include:** Remobilisation and restructure of our commercial sales team. Integration of service delivery with the wider business operations. Introduction of a modern digital sales led solution. Focused CRM application. Introducing a tiered sales approach focused at tier one higher-value strategic partnerships and tier two volume / commodity sales. Progression into higher value soft FM service solutions.

## CSF 7 - Alignment

How we align Bristol Waste with BCC strategic vision and targets.

**Our plans include:** We have changed the current BWC vision and values to be in-line with the proposals contained in our business plan. We now embrace and enforce the core vision and values that is totally in-line with BCC. Our plans include team roadshows, a management conference and cascade briefings that will be supported with good internal communications.



## CSF 8 - Safe working environments



Sustained delivery of the SHEQ plan, work-based welfare programme and continuous improvements. Ensuring that a SHEQ culture is at the heart of everything we do. Ensuring compliance management and retention of core licenses. Looking out for our people.

**Our plans include:** Appointment of expert head of SHEQ at director level. Organisational changes to increase team capacity and skills. Active "director level" participation in WISH and other professional forums. Continuous improvement and introduction of self-directed SHEQ systems, monthly toolbox talks and learning academy programme for all staff. An active work-based welfare solution.



An active work-based welfare solution for all our employees.



## CSF 9 - Relationships

Building and managing key relationships and management interfaces from a position of trust and integrity including; continuing to strengthen the relationship with BCC representatives at all levels; Re-building relationships with West of England; Remobilising with current and new commercial customers. Also to include continued development with wards, business and residential communities at all levels to ensure a strong social connection and impact.

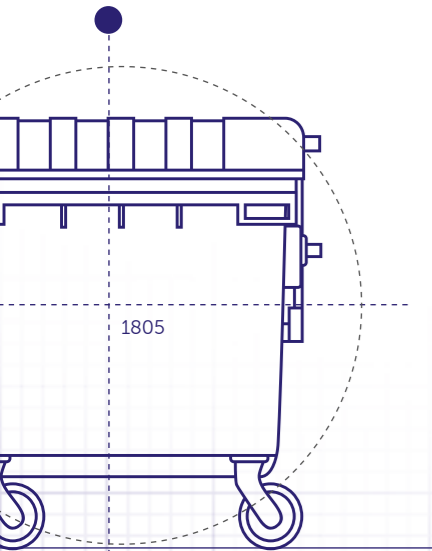
**Our plans include:** Continued close-working and communications with shareholder Liaison. Cascade / Howgozit meetings with regular flash-reports. Arrangement of collaboration sessions with West of England. New service product launch campaign with commercial customers. Introducing a 'digital' key account management solution. Regionalised 'Ward-Focused' operations.



## CSF 10 - Emissions and eco

Working closely with BCC to ensure the new vehicle fleet maximises use of electrical power and gas-to-liquid fuel to reduce nitrous oxide levels within the region.

**Our plans include:** Continued re-routing initiatives to reduce mileage via 'new-ward' strategy. Smart procurement of new evolving vehicles with increased capacity and eco friendly fuel sources. Refurbished 'milk-float' initiative for graffiti removal and bin deliveries throughout the city centre.



helping **Bristol Waste** nothing



Bristol Waste is a Bristol City Council Company

**BRISTOL**  
waste



## 2020-2025 Business Plan

Final

Goram Homes Limited  
Registered Number: 11597204

Version	V16
Date	20/12/2019

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**Mission: Investing in homes and communities for the people of Bristol**

<p><b>Objective 1:</b> Increase the supply of new homes built each year across Bristol</p>	<p><b>Objective 2:</b> Build good quality homes and create communities where people wish to live</p>	<p><b>Objective 3:</b> Operate commercially and provide financial returns to Goram's sole shareholder - Bristol City Council.</p>
<p><b>Targets:</b></p> <ul style="list-style-type: none"> <li>• By March 2020, to have a pipeline of identified projects which in total, will deliver in excess of 1,000 new homes.</li> <li>• By March 2025, to have delivered at least 500 new homes and to have an identified pipeline of projects which, in total, will deliver a further 2,000 homes.</li> </ul>	<p><b>Targets:</b></p> <ul style="list-style-type: none"> <li>• For all projects to meet at least 10 out of 12 on the <i>Building for Life</i> (BfL12) score.</li> <li>• For 100% of projects to meet the Goram Homes quality assessment.</li> <li>• To achieve and maintain a 90% customer satisfaction score.</li> </ul>	<p><b>Targets:</b></p> <ul style="list-style-type: none"> <li>• Deliver a programme level 15% profit on Gross Development Value.</li> <li>• Operating costs delivered in line with forecast income to achieve profit targets.</li> </ul>

**Commitments:**

- We will - adopt the most appropriate delivery mechanism for each site taking into account risk, funding requirements, housing mix and financial returns to ensure new homes can be delivered at pace whilst maintaining quality standards.
- We will - deliver high quality, well designed schemes embracing design which is sustainable (environmentally, socially and economically) and will create longevity.
- We will - stand out as an exemplar in community engagement, through close liaison with local residents and co-operation with the Council. Developments undertaken will bring tangible social value and community benefits to the local area.
- We will – fully integrate Affordable Housing within developments and deliver as a minimum to the planning policy and housing policy requirements of Bristol City Council.
- We will - actively identify opportunities for apprenticeships, training and work opportunities that can be offered to local residents. We will develop both short and long-term programmes that will bring significant opportunities to local residents.
- We will - deliver exceptional customer service, with customer voice driving our ambition.

## 1. INTRODUCTION

### 1.1. Goram Homes' Mission

Goram Homes will be a driving force in providing new sustainable and affordable homes and creating safe and engaging communities where people want to live, in Bristol and beyond.

Goram Homes' delivery model is based on partnership working with the private sector. All Goram Homes' projects will act commercially, delivering appropriate financial returns to its shareholder, Bristol City Council. The City Council will re-invest returns back into Goram to deliver further homes and services for the people of Bristol.

Goram Homes' mission is:



Investing in homes and communities for  
the people of Bristol

To quantify its mission to deliver new homes and communities for the people of Bristol, Goram Homes has set its ambition to develop a programme of 2,500 homes, by 2025. Importantly, in delivering these new homes, Goram Homes will focus on a number of key priorities. These priorities being: -

- To build good quality, well designed homes.
- To build homes which are environmentally sustainable for the future.
- To create safe integrated communities where people want to live.
- To generate local employment and training opportunities.

Ultimately, the success of Goram Homes' mission will be measured against its record of meeting these priorities and also achieving its ambition of having built 500 homes by 2025 and having a further 2,000 in its future pipeline.

## 2. COMPANY OBJECTIVES, TARGETS, COMMITMENTS

Goram Homes Ltd has three primary objectives, these being:

1. Increase the supply of new homes built in the Bristol area.
2. Build good quality homes and create places where people wish to live.
3. Operate commercially and provide financial returns to Goram's sole shareholder - Bristol City Council.

To quantify, the scale of Goram Homes' first primary objective list above, the Goram Homes Board has set out its ambition to achieve the following target:

- By March 2020, to have a pipeline of identified projects which in total, will deliver in excess of 1,000 new homes.
- By March 2025, to have delivered at least 500 new homes and to have an identified pipeline of projects which, in total, will deliver a further 2,000 homes.

To shape how we will work Goram Homes has made these commitments:

- Adopt the most appropriate delivery mechanism for each site taking into account risk, funding requirements, housing mix and financial returns to ensure new homes can be delivered at pace whilst maintaining quality standards.
- Adopt the most appropriate financial and legal structure for each project. This will include capital and land from Bristol City Council with development finance and expertise from a private sector partner(s).
- Deliver high quality, well designed schemes embracing design which is sustainable (environmentally, socially and economically) and will create longevity.
- Stand out as an exemplar in community engagement, through close liaison with local residents and cooperation with the Council. Developments undertaken will bring tangible social value and community benefits to the local area.
- Affordable housing will be fully integrated within developments and delivered as a minimum to the planning policy and housing policy requirements of Bristol City Council.
- Goram Homes will actively identify opportunities for apprenticeships training and work opportunities that can be offered to local residents. We will develop both short and long-term programmes that will bring significant opportunities to local residents.

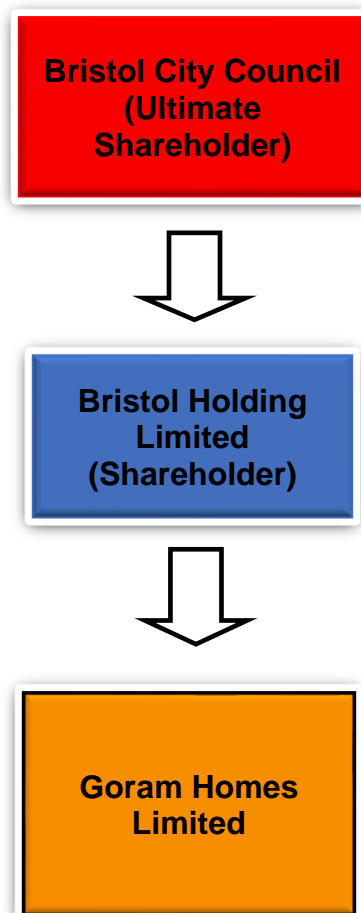


- To deliver exceptional customer service, with customer voice driving our ambition.

## 2.1. Company structure;

Goram Homes Ltd (company number 11597204) is a company limited by shares and is a subsidiary of Bristol Holding Ltd (company number 09485669), which in turn is a company wholly owned by Bristol City Council.

The following diagram shows the relationship of Goram Homes Ltd to Bristol Holding Ltd and Bristol City Council.



## 2.2. The Shareholders and our shared objectives;

Bristol City Council, our ultimate shareholder, has set a core objective of ensuring at least 2,000 new homes (including 800 affordable homes) are built in the city every year.

However, this objective cannot be met by the City Council alone, it relies on the participation of a range of parties including developers, contractors and investors from the private sector, the housing association sector, local community groups and individual people. However, being the most significant landowner across the city and having the statutory responsibilities for planning, highways, etc. Bristol City Council plays a critical role in facilitating the delivery of every new home built across the city.

One of the ways in which the City Council has chosen to help meet this objective is to establish its own residential development company, Goram Homes. Therefore, Goram Homes will de-risk, prepare and take to market, the City Council's land suitable for housing, both market and affordable, to create the communities Bristol needs.

Not only will Goram Homes make its contribution to the overall delivery of the 2,000 homes objective, the homes and communities it creates will also complement the City Council's various corporate objectives. It will do this in the following ways.

Firstly, there is an explicit commitment from Goram Homes that all of the projects it delivers will meet the planning policy requirements of the City Council, including space standards, affordable housing provision and sustainability performance.



Secondly, the City Council has also developed its 'One City Plan'. The 'One City Plan' sets out a vision for the city for each decade, up to 2050, with various goals which fall under six priority themes; Health and Wellbeing, Economy, Homes and Communities, Environment, Learning and Skills and Connectivity. Therefore, Goram Homes will, where practical, integrate these priority themes into how it operates and the delivery of appropriate projects.

Finally, where practical and viable, Goram Homes will also support the objectives of the City Council's other companies, in particular, Bristol Energy and Bristol Waste. For example, on Goram Homes' first two projects it is specifying that Bristol Energy will be the initial supplier of energy for all the new homes and we will aim for Bristol Waste to remove waste during the construction of new homes.

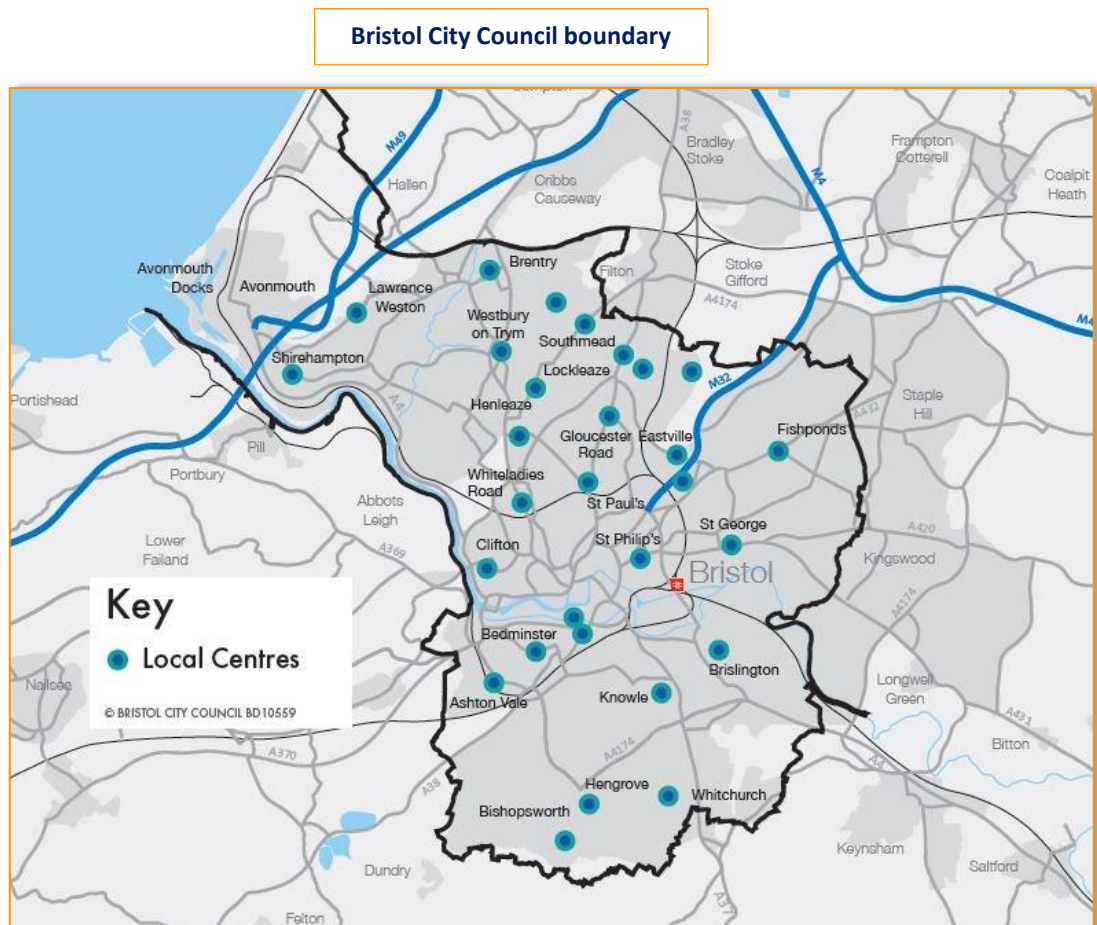


### 2.3. Location & Operational Area

Goram Homes functions from its office base in Bristol and its primary focus will be to operate within the City Council boundaries, particularly as its first developments will be on land provided by the City Council.

However, as the business grows and becomes more established in the marketplace, development opportunities will arise which span a wider geographical area. Therefore, the criteria for considering which of these development opportunities the business pursues will be whether the development will support the people, and businesses, of the wider Bristol area. This will include areas from where people can reasonably commute to Bristol for employment and education.

Based on the above, this map below shows the City Council boundaries which the company will initially work within.



### 3. ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

#### 3.1. Environmental

In 2018, the Intergovernmental Panel on Climate Change (IPCC) published a report which advised that we must limit global warming to 1.5°C, as opposed to the previous target of 2°C. Their review of over 6,000 sources of evidence found that, with a rise of 1.5°C, there would be risks to health, livelihoods, food security, water supply, human security and economic growth. A rise to 2°C would be even more catastrophic. It warned that we have only 12 years left within which to take the serious action required to avert this crisis and avoid the worst impacts.

Bristolians spend nearly £300,000,000 on energy for their homes. This can leave many households in fuel poverty; it also leads to about 40% of the direct carbon emissions of the city.

Bristol city Council has committed in its declaration of a climate emergency to *“pledge to make the city of Bristol carbon neutral by 2030, taking into account both production and consumption emissions.”*

The Goram Homes board supports Bristol City Council in its aims and commits to the Council’s carbon neutrality targets. Through innovative design and cutting-edge technology, Goram Homes will challenge its supply chain and partners to make a real contribution to reducing the carbon impact of all that we do.

#### 3.2. Social responsibilities (Social Value)

The Goram Homes’ Board has agreed the key principles for delivering social value through each of its projects. These key principles will underpin its Social Responsibility policy, which will be based on Bristol City Council’s Social Value Policy and assessment toolkit.

These social value principles will focus on a number of benefits but a major theme for Goram will be centred on the following: -

- A policy compliant level of high-quality affordable housing as a minimum on each scheme.
- To build great public realm alongside our developments.
- Using local labour and local supply chain partners where possible.
- Work with partners to create employment and job opportunities for local people.
- With partners provide training and apprenticeships to build skills capacity.
- Through design of facilities and working with Bristol Waste we aim to increase recycling and reduce waste in the homes we build.
- By building lower energy modern homes that priorities renewable energy we can help reduce the impact of fuel poverty.

We will utilise the Social Value Portal to measure and manage the contributions we make on each of our projects. We will also work closely with our partners in the Bristol Holding and the City Council to deliver our core principles.

### 3.3. Governance

Goram Homes is a wholly owned subsidiary of Bristol Holding Ltd, itself a wholly owned subsidiary of Bristol City Council. To allow this company to operate commercially a board has been constituted, primarily consisting of Non-Executive Directors with the Managing Director being the only Executive Director.

The Board consists of five non-executive Directors, four of whom are independent including the Chair and one Bristol City Council member. Each individual member of the Board has been recruited for their extensive operational and strategic experience with businesses similar in nature to Goram Homes. They bring a wealth of expertise to provide Goram Homes with the strategic guidance and the appropriate management oversight to ensure the business successfully achieves its aims and objectives. The Board members' biographies can be found in Appendix A.

The relationship between Bristol City Council, Bristol Holding Ltd, and its companies is governed by the following key documents:

**Articles of Association** - which serves as the constitution of the company.

**Shareholders' Agreement** - This sets out the rights of the Council, via Bristol Holding Ltd, as the sole shareholder of the company and how it can exercise these rights.

**Scheme of Delegations** - agreed between BCC and each of its wholly owned subsidiaries (and their subsidiaries), setting out which level of authority (both at the Council and within the companies) is required for which matters or expenditures.

**Business Plan** - devised by each company and approved by the Council on an annual basis, setting out the objectives of the business and how they are to be achieved. It is a comprehensive analysis of the business situation at a particular point in time and sets out the objectives and framework for delivery over a defined future period.

From time to time, there may also be financial agreements or service level agreements in place between the BCC and particular subsidiaries.

## 4. MARKET ANALYSIS AND BUSINESS RISK

### 4.1. Market Analysis

A wealth of information and publications continue to be produced providing detailed analysis on the housing market. However, commentators continue to report a mixed

forecast for house prices in the medium term, with a range of different interpretations available regarding the impact of a number of key market factors.

Undoubtedly Brexit remains the biggest driver of uncertainty across the property market, as it does across the wider economy. In many ways the challenges posed to property developers are consistent with those in other sectors, concerned as they are with the availability of labour and the potential for cost inflation throughout the supply chain. The more unique challenge will of course be the specific impact Brexit has on the UK property market, in terms of both property values and the demand for housing.

This section examines a number of key indicators and draws together evidence regarding the impact that a range of factors (including Brexit) are having on the ability of Bristol residents to access housing. This is an important area of analysis in terms of the overall viability of the business model, with implications for overall market demand, the current and future demand for housing and the value of Goram Homes' housing products.

Evaluating the housing market requires an understanding of the real cost of buying or renting a property and the level of housing need. This analysis is best undertaken at a local level, and before Goram Homes undertakes any new project, it will need to carefully assess the market conditions to ensure that the schemes it develops are both financially viable and meet local market need.

## **4.2. National Housing Market**

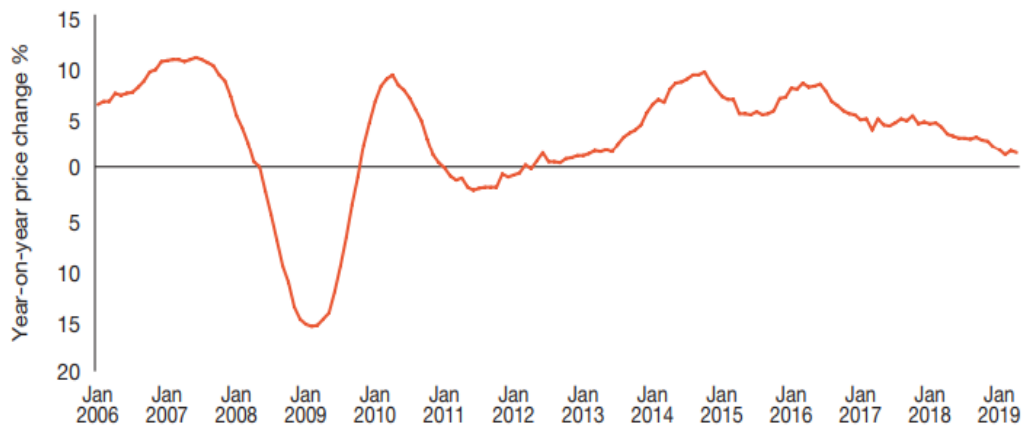
UK house price inflation has been weakening steadily since mid-2016. Annual house price inflation was 1.4% in the year to April 2019, compared with 7.9% three years ago. The average house price stood at £229,000 in April 2019, down from an all-time peak of £232,000 in August 2018.

The recent weakening in house price growth is in line with broader market data on transactions. Across the UK, the most recent data shows that sales volumes declined by 12% in the year to January 2019, from 71,900 to 63,400. Two main factors are:

- exerting downward pressure on the housing market with continued uncertainty following the EU referendum in 2016 and;
- the introduction of the Stamp Duty surcharge on second homes earlier that year, which is equivalent to an additional 3% tax on the purchase price.

In the remainder of 2019, it is forecast that these trends will continue, partially offsetting strong fundamentals such as low unemployment, low interest rates and increasing real earnings growth. This results in sluggish average UK house price growth for the year as a whole, of around 1%.

Figure 3.1 – UK house price inflation since 2006



Source: ONS, Land Registry

The other important macro-economic indicator to consider is the Construction Price Index, given the significant impact that this has on the cost of development activity. This data is released quarterly by ONS with the most recent update available at Q2 in 2019 (see below).

	All Construction (New Work)	Housing (New Work)
2019 Q2 Construction Price Index	3.4%	2.9%

This data covers a wide range of construction activity, but the important measure is the one for new housing activity which shows that inflation on construction costs is currently outpacing the HPI nationally. The relationship between these metrics is an important one as it could potentially present viability challenges to new schemes and will require consideration when we enter into development agreements with partners.

### 4.3. Bristol Housing Market

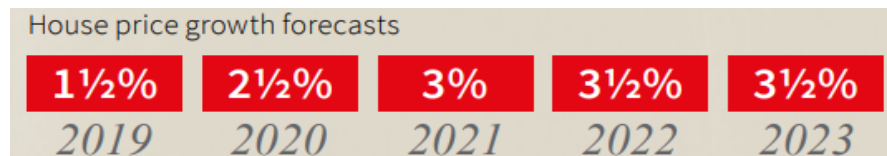
Competition for land in the city centre has been fierce. Bids for recent opportunities have come from investors and developers from across the UK proposing schemes of competing uses including student accommodation, build to rent, hotels, offices and private sale housing.

The micro Bristol market trends are being dictated by the fundamentals of local economies and the affordability of housing. A change in the macro economic environment remains the greatest risk to a shift in the market. However, there is no sign of any sudden weakening in market conditions as the Brexit process continues.

Demand remains high for city centre homes, especially for one- and two-bedroom apartments, and it is not expected that the current delivery pipeline will satisfy this

demand. House prices in Bristol as reported by Hometrack (August 2019) grew by Year on Year by 2.2% with the average house price at £283,000.

JLL are forecasting Bristol growth up to 2023 of an average of 2.8% pa compared with UK wide growth of 2.2%.



Source: JLL

#### 4.4. Risk management

Effective risk management is critical to the success of Goram Homes; therefore, it is essential that Goram Homes embraces a robust risk management and audit system across the business.

Goram will operate risk registers at two levels as outlined below. Both of these will use a combined impact and probability scoring system together with a ‘RAG’ (RED, AMBER and GREEN colour coding) rating system:

- Corporate / Group Risk Register
- Project Specific Risk Registers

Both of these registers follow the same format as set by the Holding Company, and each will identify key risks, giving each risk a gross risk score, identify the specific control measures put in place to mitigate the risk and then also provide a net risk score.

Both of these levels of risk assessment will be reviewed by the Goram Board at each of its meetings. A process for materialisation of risks will be agreed with the Board so Goram Homes can appropriately manage risks should they occur outside of the board cycle.

We have prepared a Brexit materialisation assessment for this business plan which can also be found in Appendix B. We will continue to track progress and respond as required to limit impacts as much as practically possible.

## 5. DEVELOPMENT ACTIVITY

### 5.1. Site identification process

The primary initial source of sites for Goram Homes will be Bristol City Council. The Council is a significant owner of land, and Goram Homes is one of the Council’s key delivery vehicles, especially for larger market facing and mixed tenure projects.



Therefore, there is a critical dependency that land must flow from the Council to Goram Homes at a scale and pace that is required to meet the operational cost commitments as set out in the business plan.

The specific arrangements for the transfer of land from the Council to Goram Homes will be set out on a site by site basis, however basic principles are as follows:

- Opportunities identified by Goram or BCC and jointly agreed.
- If no planning permission is in place an Option Agreement at commercial terms will be used.
- Planning (outline) permission granted and or due diligence completed by Goram as required.

This may vary dependant on the condition and planning status of the land / property, but this will be as a partnership between BCC and Goram Homes.

Goram Homes will also be open to sites being identified in a number of different ways and the team will pro-actively seek out sites through different routes. Initially, any new potential sites identified will be initially assessed by the Goram Homes team. If the site is viable and deliverable then it will be presented to the Board for early consideration (strategic fit, social and financial returns, risks, chances of success, etc) and to gain approval to actively pursue the site, within an agreed budget.

## **5.2. Procurement**

Goram Homes is by design not deemed to be “a Body Governed by Public Law” and therefore does not have to adopt the procedures set out in the Public Procurement Regulations in respect of any transactions it undertakes - this means Goram Homes can enter into contracts for goods, services and supplies with any contractor that it deems appropriate to do so.

Goram will hold a framework for consultants to ensure value for money, and this will be advertised on our website and open for suppliers to join at any point.

## **5.3. Design and Quality standards**

The Board of Goram Homes has agreed that it will not set generic design and quality standards which apply to all of its projects. The Board recognises that each of its projects will be unique and sit within differing local communities. Therefore, it feels it is inappropriate to apply a ‘one size fits all’ approach to its design and quality requirements. As a result, Goram Homes will assess every project on its own uniqueness and employ a range of different assessments to ensure the design of every individual Goram project is aligned to the values and ethos of the company.

Furthermore, Goram Homes is very open to considering modern methods of construction (MMC) on its schemes. This will range from simple panelised systems

through to volumetric pre-assembled structures; however, any solution would be assessed on individual merits and its suitability to the proposed site.

As a result, every project will be individually appraised by the team prior to board approval, at mid development point and at the end of the development using the approved set of quality criteria contained in our policies.

#### 5.4. Development Programme

The current development programme for the year 2020/21 can be summarised in two areas.

- **Current programme 433** – consisting of Baltic Wharf which is made up of 165 homes and 10,000 sq. ft of commercial space, and Romney House which is 268 homes.
- **Pipeline programme 654** – schemes which have yet to be identified for the pipeline programme. Goram Homes will work extensively with BCC to identify suitable projects in the coming months.

#### 5.5. Current Programme

Normally projects would be considered not to be pipeline and firm at the point of contracts being signed. At the point of this business plan being written no schemes have reached this point. However, two projects are advanced, and we have therefore considered them to be firm for the purpose of business planning. No reliance at this stage can be given that the financial position will not change on these projects

The planned activity within the programme will be primarily focussed on the following sites, Romney House and Baltic Wharf. Current details, subject to planning and contract can be found in the table below.

Scheme	Total Units	Affordable	Affordable %	Estimated SOS	Estimated Phase 1 PC
Romney	268	147	55%	July 2020	February 2021
Baltic	165	66	40%	March 2021	October 2023

Appendix C contains a more detailed sample financial breakdown of these two schemes. These will be updated as the projects move into contract.

#### 5.6. Pipeline programme

In order to secure a robust pipeline of work for the medium-term business outlook, Goram will require a mix of immediate and long-term projects. These have yet to crystallise and we have for business planning purposes constructed a programme of example projects.

Programme	2020	2021	2022	2023	2024	2025	2026
Site 3				133	27		
Site 4			33	27			
Site 5					104		
Site 6					59		
Site 7						96	
Site 8							
Site 9					11	68	46
Site 10					4	23	23
			33	160	205	187	69

### 5.7. Branding, Marketing & Consultation

The Board of Goram Homes has agreed that it wishes to establish Goram Homes as a well-known and respected Bristol-based developer of good quality, sustainable homes and whose profits are reinvested in our community's.

Therefore, as a fledgling business Goram Homes will need to establish a clear approach to:

- Develop the 'Goram Homes' brand
- Position its marketing strategies for the business and its products (the homes it builds)
- Also, how it communicates these with its different audiences, both internally and externally.

In addition, Goram Homes must be clear how these branding and marketing strategies are to be delivered for the business as a whole and how the specific marketing campaigns for the individual projects are to be integrated with these.

Goram Homes has started to develop its brand including having established a name, logo, and a mission statement. However, in this business plan period, the brand will be subject to an evaluation of its current effectiveness and a repositioning as required will be completed.

## 6. FINANCIAL PROJECTIONS

Sites identified by the Goram Homes and the City Council will be transferred to Goram Homes from the Council, on a project by project basis which is the most suitable for the site and at a market rate.

Initial analysis on potential sites takes the form of a desktop capacity study by the internal teams, followed by more detailed site due diligence (title, planning, geotechnical, utilities, etc) as necessary. This work informs a financial appraisal and the Board then decides, subject to viability, funding and conformity with the Business Plan, whether to approve the appropriate process through to the shareholder for approval.

The full cost for each development site (including land, financing, construction and all associated fees) is appraised against revenue generating potential. Each appraisal also includes an amount to cover corporate overheads and management costs (e.g. finance, company admin, etc).

Generally, the land value received by the Council for the freehold transfer of sites to Goram Homes will be on a deferred payment basis.

The Council and other funders will provide development finance, should any be required. As initial projects will be joint ventures the value of the land will form a large proportion of the initial investment, with cash investment only needed should this land value not equal at least half of the peak development cost. The requirement for cash investment is impacted by which type of development will be built out, for example a flatted scheme will require considerable initial investment before sales receipts are received, therefore increasing the potential for cash investment.

All borrowing will be site/project specific and subject to an individual loan agreement. The borrowing, where required, will be secured as appropriate via legal mechanisms and this will be agreed on a project by project basis due to the varying nature of the programme. Land transfer from BCC to Goram has been agreed to be unencumbered to allow projects to be delivered in the most effective way.

Payment of the land value will normally occur once sufficient cash funds have been generated by the project i.e. the later stages of the project. From the point of transfer until the land payment is received, a loan note between the Council and Goram Homes will be put in place for the value of the land.

Revenue for each scheme takes the form of sales receipts from private housing, affordable homes, and any commercial property. In general, the profit margin hurdle for developments is approximately 15% profit on Gross Development Value for schemes.

All of this information feeds into the company's financial planning process which allows it to make detailed projections as to the levels of planned expenditure and likely revenue from sales. Each element of the overall financial projection is summarised in detail below sections of this plan.

Financial performance of both Goram and the joint venture limited liability partnerships is monitored and reviewed regularly as part of a robust financial management cycle in order to provide a periodic review. Actual spending on a site-by-site basis is checked against the granular elements of the detailed financial appraisals. A change process is initiated in the event that appraisals need to be adjusted as estimates crystallize, and all key variations and exceptions are reported upwards (including a periodic Board report).

All of this information is also integrated into detailed cash flow projections to give the company sufficient Treasury control.

## 6.1 Projected Business Financial Performance

The financial performance of Goram Homes has been projected based on the programme activity outlined in Section 5 of the Business Plan. Each project in this programme has an estimated Development Cash Flow, due to the early stages of Goram's programme the precision of the cash flow is limited. Therefore, our framework of sites, demonstrate the business plan financial scope in which Goram Homes could operate.

Of the initial schemes, Romney House and Baltic Wharf are well developed in their substance. As the identity of other prospective schemes has not been confirmed, templates of potential locations have been used, providing the business plan with the likely variance on mix of houses, flats and commercial property to be developed.

All sites have been prepared as cash flows reflecting the anticipated LLP arrangements of a 50% share of both capital (value in the lease being the majority of the contribution made by Goram) and profits.

We have made a number of assumptions in this Business Plan pending receipt of updated detailed Taxation advice which is looking at the interaction of Corporation Tax, Stamp Duty Land Tax and VAT to determine the optimum transaction structures that are optimal for all stakeholders. All figures shown in this report are net of VAT.

In building this business plan a set of assumptions have been made these are;

- a) The land cost is inclusive of 'capital and interest'
- b) That Goram Homes Ltd is able to recover VAT on its purchases that incur VAT
- c) That the LLP does not pay interest to Goram Homes for the value of lease let to the LLP

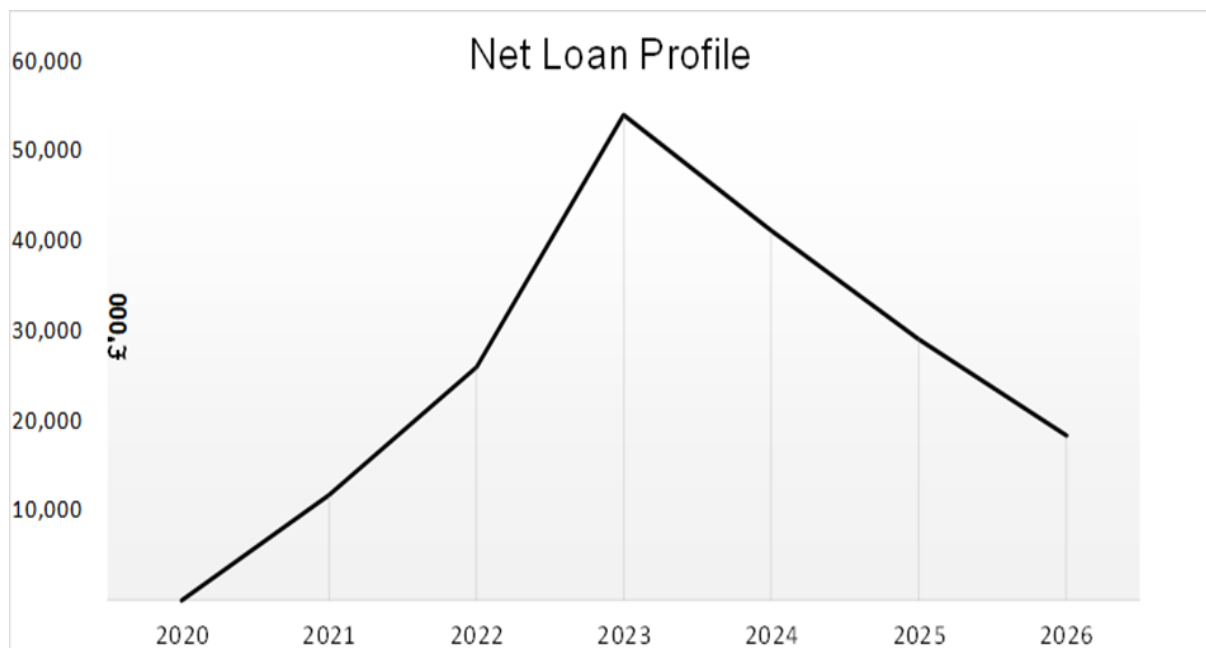
The key business activities and financial results are presented as;

- a) The land loan debt profile between BCC and Goram
- b) Profit and Loss after Tax
- c) Operating costs
- d) Cash Flow
- e) Balance Sheet

The key funding constraints were that. 1) The operating overhead cost of Goram Homes should not exceed a cumulative peak of £3m during the business plan period. 2) That the total investment of both cash to LLPs and operating overhead (excluding land debt) should not exceed £10m at peak during the business plan period.

## 6.2 Land purchase loan profile

The chart below shows the value of loans granted solely by Bristol City Council via loan notes to Goram Homes for land purchases. Across the programme these loans flow into the profile, as land is transferred to Goram with gross loans to 2025 totalling £83m. These loans are reduced when payments are made by projects and the below graph shows the net loan position £54m for the business plan period.



### 6.3 Profit & Loss

The majority of the trading activity of Goram Homes is conducted in the joint venture limited liability partnerships. The value of Goram's investment is predominantly via value within a build lease granted to the LLP. This lease being a long-term lease 250 yrs. for example, transfers the freehold land value and is therefore shown as a stake in the development. With this value transfer into the LLP the Profit & Loss Account format reflects the activity from a Goram Homes perspective not the whole LLP.

There are multiple LLP's assumed and Goram's share of profit earned across the programme from any LLP. We have, in forecasting the profit earned, assumed that construction costs are averaged across property types and timings are the same for tenures. Indirect costs (non-construction overheads) have been apportioned equally across all property types and recognised at point of sale of the property.

<b>Profit &amp; Loss Account (£'000)</b>	2020	2021	2022	2023	2024	2025	2026
<b>LLP Participation</b>							
Baltic Wharf			(1,908)	2,702	3,147		
Romney		(123)	746	1,235	1,440	1,021	
Site 3				2,304	475		
Site 4			900	693			
Site 5					4,314	1,498	
Site 6					1,718		
Site 7						4,781	(1,068)
Site 8							
Site 9					205	1,193	783
Site 10					228	1,129	1,129
Share of LLP Profit before Tax		(123)	(262)	6,934	11,527	9,622	844
<b>Land Asset management</b>							
Purchase of land		(18,173)	(14,266)	(28,023)	(15,155)	(6,944)	
Sale of Build Leases		18,173	14,266	28,023	15,155	6,944	
<b>Goram Operating Costs (£'000)</b>	(799)	(852)	(832)	(841)	(856)	(871)	(886)
<b>Interest &amp; Financing charges</b>	(48)	(108)	(162)				
<b>Profit before Tax</b>	(847)	(1,083)	(1,256)	6,093	10,671	8,751	(42)
Corporation Tax				(552)	(2,028)	(1,663)	
<b>Profit After Tax</b>	(847)	(1,083)	(1,256)	5,541	8,643	7,088	(42)
Cumulative Profit & Loss Reserves	(847)	(1,930)	(3,186)	2,355	10,999	18,087	18,045

As shown above losses are incurred in the first three years with profits showing after 2023. The Profit and Loss is based on a programme with estimated costs and revenues, these figures are to be considered as illustrative and can only be relied on as a guide for business planning.

To stress test the business plan sensitivities have been run against the overall plan and results shown in graphs G1, G2 & G3 at Section 6.7 below.

## 6.4 Operating Costs

Operating costs have been contained within £900k p.a. for the period of the forecast.

We have not assumed any charge down of Goram Management costs into the LLP, holding land values up pending receipt of Taxation advice.

	2020	2021	2022	2023	2024	2025	2026
<b>Goram Operating Costs (£'000)</b>	(799)	(852)	(832)	(841)	(856)	(871)	(886)
People/Function costs	503	474	482	491	501	511	522
Recruitment fees	30	10	10	5	5	5	5
Meals, Travel & Accomodation	10	10	10	11	11	11	11
IT Support	20	20	21	21	22	22	23
Office Expenses	15	15	16	16	16	17	17
Professional Services	110	112	114	117	119	121	124
PR & Advertising	10	40	7	7	7	7	8
Bristol Holding Ltd Management Fees	85	100	100	100	100	100	100
Contingency/Misc	16	70	71	73	74	76	77



## 6.5 Cash Flow

The cashflow shows a closing balance in 2026 of £16m positive position this is after repaying the initial operating funding of £3m loan.

We have not shown any distribution of these surplus cumulative profits, pending both receipt of taxation advice, and agreement on a dividend policy and the treasury management strategy.

<b>Cash Flow (£'000)</b>	2020	2021	2022	2023	2024	2025	2026
Opening Cash Balance /(Overdraft)		1	101	61	2,713	11,078	21,362
<b>Inflow</b>	800	1,000	900	6,355	9,773	13,183	(2,653)
Working Capital funding received	800	1,000	900				
Interest from LLP							
LLP distribution				6,355	9,773	13,183	(2,653)
Goram mgt fees received from LLP							
<b>Outflows</b>	(799)	(900)	(940)	(3,703)	(1,408)	(2,899)	(2,549)
Operating costs of Goram	(799)	(852)	(832)	(841)	(856)	(871)	(886)
Interest paid on working capital funding		(48)	(108)	(162)			
Corp tax paid on LLP profit share					(552)	(2,028)	(1,663)
Repay working capital funding				(2,700)			
Dividend Distribution							
<b>Operating flows</b>	1	100	(40)	2,652	8,365	10,284	(5,202)
Build Lease & Freehold Receipts		6,506			28,067	18,942	10,769
BCC land loan repayments		(6,506)			(28,067)	(18,942)	(10,769)
<b>Closing Cash Balance /(Overdraft)</b>	1	101	61	2,713	11,078	21,362	16,160

## 6.6 Balance Sheet

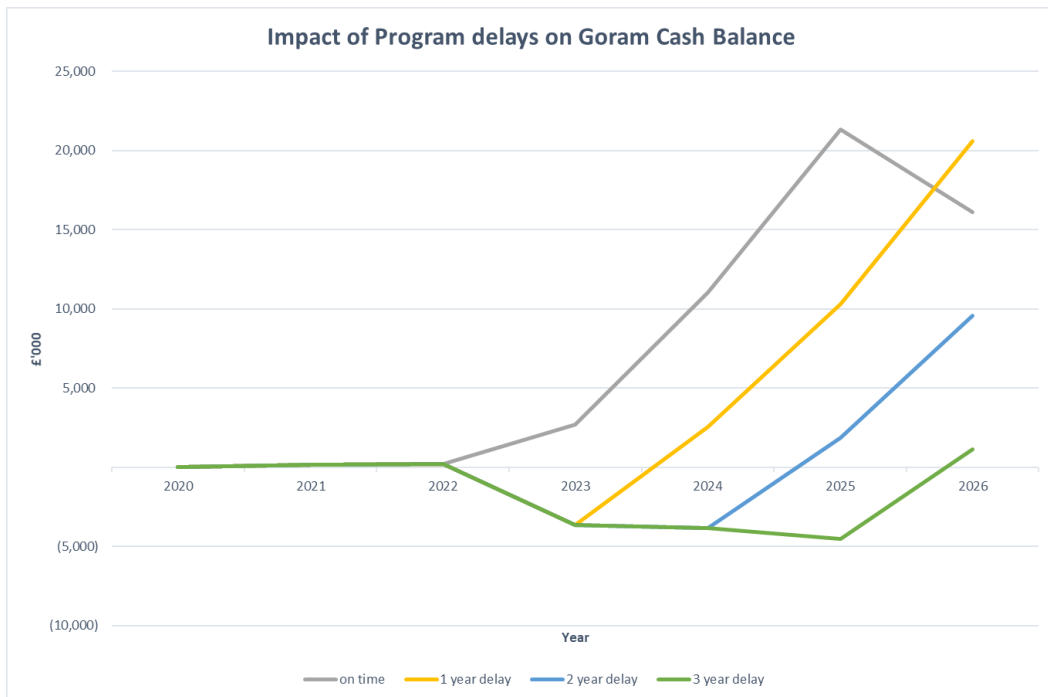
The Balance sheet below shows Retained Reserves at the end of 2026 of £18m, this is subject to further refinement when a more detailed assessment of the Development pipeline has been completed. This evaluation of the Pipeline Developments will confirm the level of cash funding required for projects or land purchase this will be confirmed with the shareholder and agreed as set out in the dividend policy.

Balance Sheet (£'000)	2020	2021	2022	2023	2024	2025	2026
Fixed Assets							
Current Assets	1	11,645	25,609	56,863	54,071	48,796	36,322
Debtors							
LLP Build Leases		11,667	25,933	53,956	41,044	29,046	18,277
Share of LLP Retained Reserves		(123)	(385)	195	1,949	(1,612)	1,885
Bank & Cash	1	101	61	2,713	11,078	21,362	16,160
Current Liabilities	(848)	(13,575)	(28,795)	(54,508)	(43,072)	(30,709)	(18,277)
Corporation Tax				(552)	(2,028)	(1,663)	
Working Capital Funding Obligation	(800)	(1,800)	(2,700)				
Working Capital Funding interest	(48)	(108)	(162)				
BCC Land Loan Notes		(11,667)	(25,933)	(53,956)	(41,044)	(29,046)	(18,277)
Net Assets	(847)	(1,930)	(3,186)	2,355	10,999	18,087	18,045
Shareholders Funds							
Retained Profits	(847)	(1,930)	(3,186)	2,355	10,999	18,087	18,045

### 6.7 Stress Testing

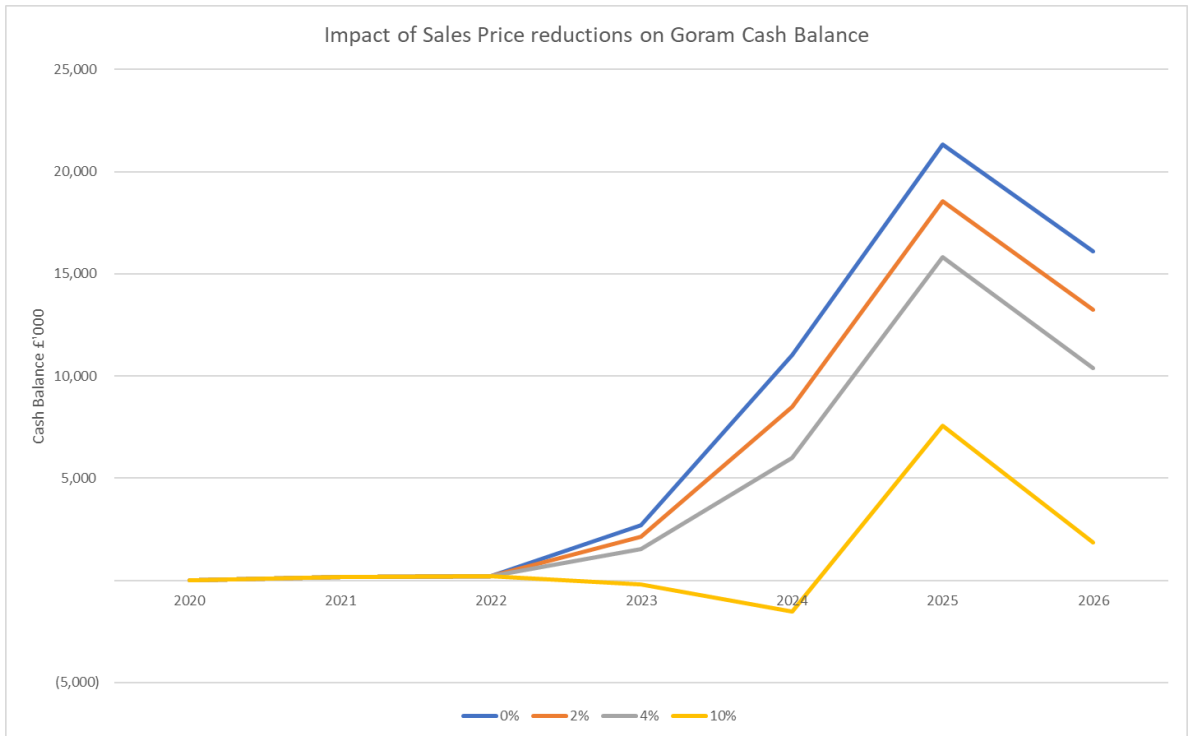
The base financial plan has been modelled with cost and house price inflation excluded. The following graphs show three iterative stress tests applied to the base business plan. For future plans this stress testing process and mitigation process will be developed further to show multi variant stress impacts and how these can be mitigated.

The First graph shows the impact of time delay on the business plan.



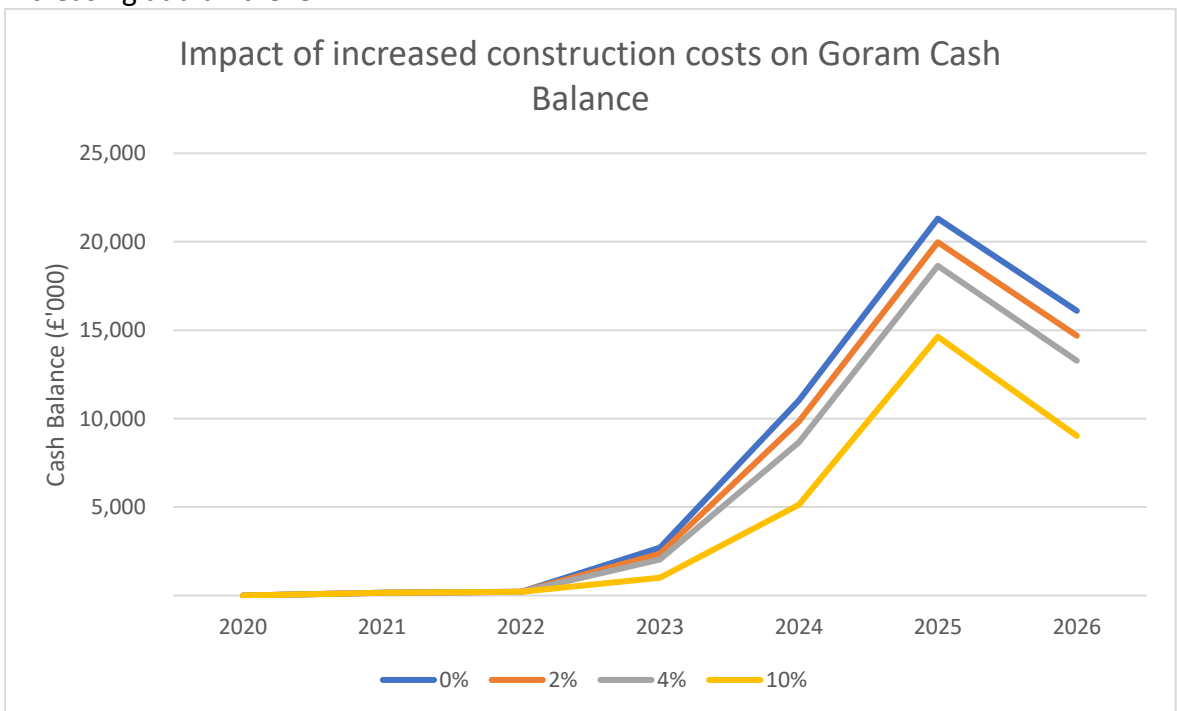
Graph G1

The second graph shows the impact on the business plan of sales revenues reducing at a unit level.



Graph 2 – G2

The third graph shows the impact on the business plan of construction costs increasing at a unit level.



Graph 3 – G3

## APPENDIX A

### Non-Executive Directors' Biographies;



#### Chair

**Aman Dalvi OBE** has worked in housing for over three decades. At present, Aman is working as a Consultant Advisor for two major developers. Prior to this, Aman was Executive Director for Development & Renewal at a London Local Authority; Chief Executive of a London Housing Association and Chief Executive of an Economic Development Agency. Aman also worked for the Housing Corporation as Assistant Director of Investment. Aman has served as Chair of the Anchor Trust and PA Housing and on the Boards of English Partnerships and the Olympic Park Legacy Company.



**Sinéad Butters, MBE DUniv. BA(Hons)** is Group Chief Executive of Aspire Housing, which also comprises Staffordshire's largest apprenticeship provider PM Training and social regeneration charity Realise. As Chair of national housing network PlaceShapers, Sinéad has been instrumental in uniting members around shared values as a voice for change. In recent years, Sinéad received an MBE for services to housing, two honorary doctorates for work supporting communities, and saw Aspire receive the Queens Award for Enterprise; a first for housing.



**Mark Hallett BSc, MSc, MCIOB, MAPM, FFBE** is a Development Director and Non-Executive Director for a variety of consultancies, developers, investors and joint venture companies for over 30 years. His experience encompasses the full range of commercial, residential, retail and leisure projects with responsibility for identifying and unlocking value from major brownfield urban regeneration land holdings with a combined development value in excess of £2 billion. These projects have often been delivered in partnerships between public and private sectors with a particular emphasis on socially responsible and sustainable investment.



**Nick Buckland OBE** is an experienced Non-Executive Director, Chair and Trustee within a variety of sectors, education, technology, regeneration, infrastructure, the arts and sustainability. He knows Bristol well and is keen to work with the team to make Goram Homes a resounding success.



**Councillor Don Alexander** has been a Councillor for the Avonmouth & Lawrence Weston ward of Bristol City Council since May 2016. Although born in Bishop's Stortford he was persuaded by his Bristolian dad to come to Bristol for university in 1981. Most of his working life has been spent in social enterprise or development work in Lebanon, Sudan and Bristol. He has lived in Sea Mills since 1987 and spends most of his spare time trying to grow vegetables in his allotments. Don is married with two children.

## APPENDIX B

### Brexit risk assessment

#### 1.0. Introduction

Goram Homes will be impacted like many other businesses, by the United Kingdom's proposed exit from the European Union. Firstly, the current uncertainty about when and how the UK will exit the EU is already having a 'stalling effect' on the UK housing market, then secondly once the UK has actually left the subsequent consequences may have further implications for the UK housing industry. However, Goram Homes is better placed to manage these implications than many other developers who use the standard house building model.

#### 2.0 Possible Implication of Brexit

Firstly, some of the possible implications (negative and positive) of Brexit are:

- Availability of skilled and unskilled workforce.
- Increases in material prices due to trade tariffs, exchange rates, inflation and availability of materials.
- Land values – possible reductions.
- Reduction in house-purchasers (General public) confidence leading to potential reduction in sales values and sales volumes.
- Possible greater interest from long-term Rental Investment companies.
- Possible increase in central Government funding for affordable housing.
- Possible increase in central government initiatives for housebuilders.
- Increased interest rates (mortgages, development finance and long-term finance)
- Increased mortgage regulation.
- Other inflationary pressures.
- On-going uncertainty in the sector.

It is not only about how these factors might affect the housing industry, but rather how they will affect the whole construction sector and the UK economy. For housebuilders the negative implications may have three significant consequences, these being: -

- 1) Slowing house price growth or even house price reductions – this is currently very difficult to forecast. Below are some industry experts' 2019 UK house price predictions: -

- Richard Donnell, property market analysts Hometrack: **3% rise.**
- Andrew Montlake, mortgage broker Coreco: **1% to 2% rise.**
- Henry Pryor, housing market commentator: **5% fall.**
- Miles Shippside, property portal Rightmove: **no change.**
- Andrew Burrell, Capital Economics: **1% rise.**
- Simon Rubinsohn, Royal Institution of Chartered Surveyors: **no change.**
- Russell Galley, mortgage lender the Halifax: **2% to 4% rise.**

For a longer-term prediction and more detailed insights, please follow this [link](#) to a recent report produced by well-respected property experts Savills. This predicts 12.8% increase in house prices in the South West over the next 5 years.

- 2) Slower build/sales speeds – again, it is difficult to predict how build and sales speeds will be affected by Brexit. However, the detailed Savills report referred to above, suggest property transactions will remain relatively constant over the next 5 years apart from sales in the Buy to Let market which are expected to reduce. However, many commentators suggest there will be a corresponding increase in institutional investors funding and purchasing ‘build to rent’ schemes i.e. large-scale funders purchasing property portfolios to let as private rent. The following tables, which is an extract from Savills’ report, shows 2018 transactions levels and their predictions for the next 5 years.

	2007	2018	2019	2020	2021	2022	2023	Change five years to 2023
Mortgaged first-time buyer	359,000	370,000	380,000	380,000	370,000	360,000	360,000	-3%
Mortgaged home mover	653,000	370,000	370,000	370,000	370,000	370,000	370,000	0%
Mortgaged buy to let	183,280	65,000	65,000	60,000	55,000	50,000	50,000	-23%
Cash buyers	422,000	370,000	360,000	350,000	380,000	360,000	380,000	3%
<b>Total</b>	<b>1,618,880</b>	<b>1,175,000</b>	<b>1,175,000</b>	<b>1,160,000</b>	<b>1,175,000</b>	<b>1,140,000</b>	<b>1,160,000</b>	<b>-1%</b>

- 3) Higher build costs – this could result from both increases in material and labour costs. According to the Department for Business Skills and Innovation, the UK import almost two thirds (64%) of building materials from the EU and export 63% of building materials to countries within the EU. Following Brexit, the UK could face limitations on importing and exporting which could lead to a shortage in materials or an increase in cost. The cost of materials has already increased since the announcement of Brexit. A post-Brexit risk is that a weaker pound will lead to the rising costs of imported materials along with losing the UK’s tariff-free access to the single market, as well as facing the imposition of duties and limits on quantities.

With regard to labour, a recent major CITB (Construction Industry Training Board) report into migration and the construction industry revealed that one in three British construction firms are reliant on migrant workers, although the construction workforce is still mainly British with only 1 in 8 construction workers born outside the UK. More generally, the industry is blighted by an ever-expanding skills gap which needs to be addressed urgently. Therefore,



labour costs have been rising and may continue to do so if the construction marketplace remains strong, but conversely, if there is economic downturn this may actually ease the issue of labour costs and availability.

### **3.0 Other factors to consider**

Aside from Brexit, another under-lying factor is the current under supply of new housing, particularly affordable housing in the UK. Latest reports indicate that even with the recent strong housing market conditions, the industry is only building 2/3rds of the estimated 300,000 new homes required each year and there is a particular need for more affordable housing.

Another factor related to this under supply is the 'standard' housebuilder model. This model is predicated on the pace of sales dictating the speed of build of new homes. In a difficult Brexit scenario, which results in reduced sales values and slower sales pace, this could reduce supply even further. When speed of sales slowdown, the normal house-builder approach would be to slow construction to match the pace of sales. They will do this to protect their financial performance i.e. control investment levels and avoid low margins and 'return on capital employed' performance. Interestingly, the recent Letwin report (Oct 2018) recommended that by offering a wider range of different tenure on larger schemes could help increase delivery output in this country.

### **4.0 Goram Homes response to slower sales pace/reduced values**

Although the current appraisals for the first two Goram Homes' projects are predicated on the 'standard' housebuilder model, Goram Homes has a significant advantage over many housebuilders because it is well-placed to operate differently in a difficult post-Brexit environment.

Whereas many housebuilders have one primary objective i.e. financial return, Bristol City Council, through Goram Homes has three key objectives;

- To help increase the number of new homes delivered across Bristol.
- To have greater control over what is built (Tenure, type, mix, quality, balanced and thriving communities, etc) and the pace of delivery.
- To share in the development profits and make a financial return to the Council.

So, although Bristol City Council and Goram Homes have the same financial performance objective as many housebuilders, they are also equally motivated by the other two objectives, particularly increasing the number of homes built across Bristol and achieving a good pace of delivery.

Therefore, to ensure continuing delivery speeds, Goram Homes is able to vary the tenure mix of the properties it builds and not be solely reliant on the private sale tenure (which in theory delivers the best financial return) Goram Homes is better placed to do this because;

- Goram Homes and its colleagues within Bristol City Council's Housing Team are particularly knowledgeable about different forms of affordable and intermediate tenures.
- They are well placed to take advantage of public funding for providing additional affordable homes from either the City Council or Homes England.
- Goram Homes has strong connections with various affordable homes providers who would ultimately purchase these properties, be this either the City Council themselves through the Housing Revenue Account (which like all other local authorities has had its borrowing restrictions removed from the HRA) or indeed local and national Housing Associations.
- They also have good links with institutional investors who are looking to invest in property portfolios for private rent.
- This could be further enhanced if the City Council also proceeds with a second housing company whose purpose would be to own and manage a portfolio of private rented and/or affordable homes outside of the HRA. This second housing company (a 'Housing Investment Company') would be able to take a longer-term view with regards to a private rented portfolio. This means it could purchase a package of homes from Goram Homes and although yield returns may be low initially with a weaker housing market, they should improve significantly once the housing market improves again through its normal cycle. Furthermore, there would also be the capital growth in the value of the properties over the mid to longer term.

As an example, Goram Homes' first project Romney House is currently predicated on delivering 70% private sale housing and 30% affordable housing, however, this mix could change to perhaps 45% affordable housing, 20% private rented housing, 25% private sale housing and 10% of intermediate housing. (various tenure forms which sit between affordable and private housing) This different mix may not deliver the same quantum levels of financial return as the original mix, but it should still be profitable (assuming public grant funding is secured), and could even potentially deliver the project in a shorter time period.

In summary, Goram Homes can balance its three primary objectives rather than utilising the 'standard' house-builder model which only has the financial returns objective. It also has the experience, connections, capability, etc. to do this.

## 5.0 Goram Homes approach to higher build costs

However, changing the tenure mix of the homes provided does not tackle the 3rd major implication listed on page one i.e. increased build costs. (as a result of labour and materials issues) To reduce the impact of this there will need to be careful consideration is given to how the construction works are;

- Designed
- Specified
- Procured
- Contracted
- Organised on site

Goram Homes is likely to only have limited experience and capability in these matters and so will need to rely on its Joint Venture partners for this. Therefore, selecting partners that are well versed in these matters and who have a good reputation in the sector in how they treat their supply chain partners will be important.

Ironically, if there are severe Brexit implications and a significant slow-down in the whole construction industry, labour shortages may ease, and labour and material prices could stagnate.

However, selection of joint venture partners who are experienced and well skilled in the following areas will be important;

- Efficient design and specification of homes to avoid wastage.
- Specifying, where possible, materials manufactured in the UK.
- Offsite manufacture and modern methods of construction (OSM & MMC).
- Avoiding specialist designs and specifications.
- Careful selection of sub-contractors who have a loyal and capable workforce.
- Storing and stockpiling of materials.
- Pacing orders on a phased basis.
- Fair and reasonable payment and contract terms for the supply chain.
- Well organised site management, which allows sub-contractors to operate efficiently.

These factors will not eliminate increased build costs, but they will go some way to mitigating the impact.

## 6.0 Timescales

One final consideration is timing. Assuming Brexit happens as planned at the end of October 2019 (or soon after) then the initial implications for the housing market should start to become apparent during the Winter/Spring period.

However, Goram Homes is unlikely to be actually making any significant contractual commitments on its first Joint Ventures before the Autumn/Winter period and therefore should be able to structure the tenure and delivery arrangements within these contracts with some knowledge of the Brexit implications.

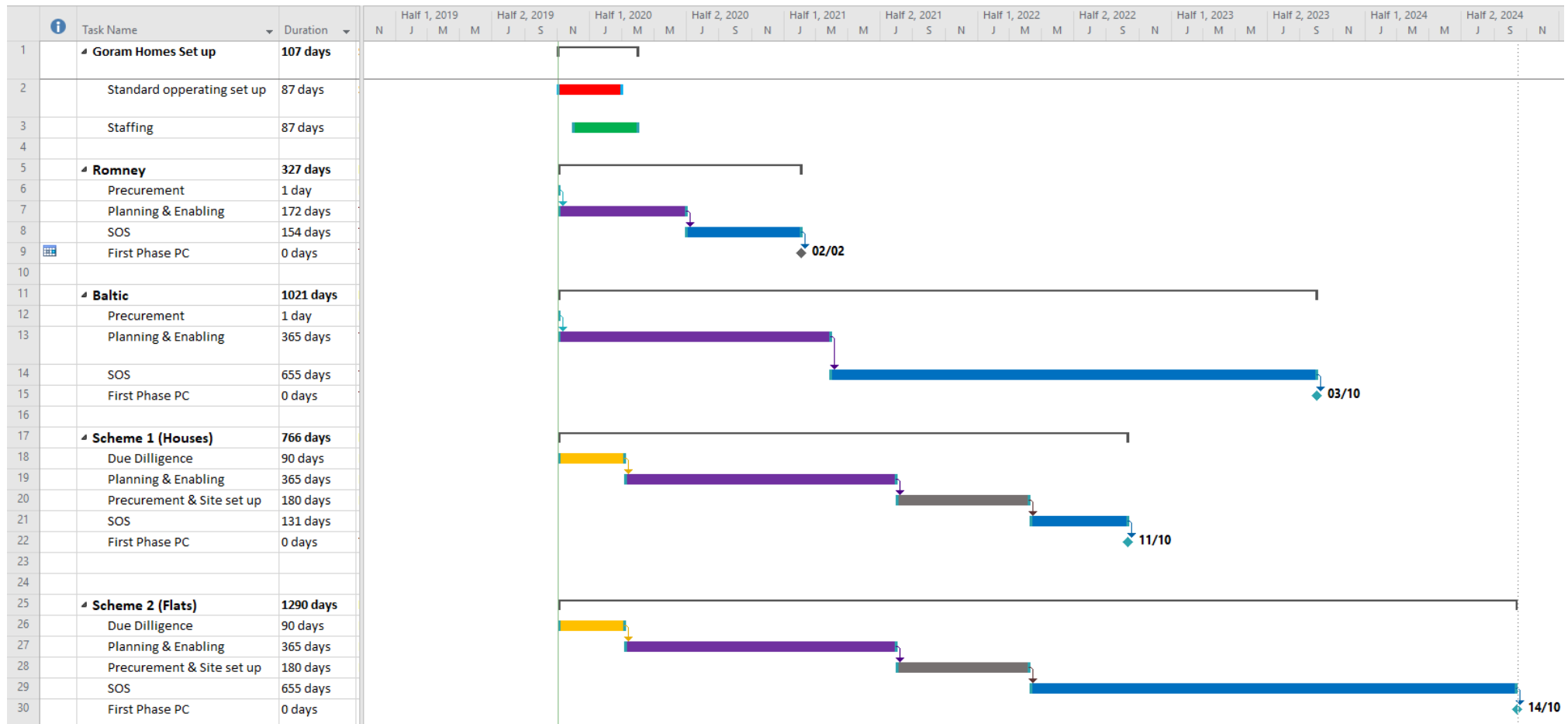
Furthermore, the actual land value Goram Homes and its Joint Venture partners will agree with the City Council will not be finalised until the Autumn/Winter of 2019. So again, the early implications of Brexit should be apparent by then and can be taken into account in the land value calculations. This ensures the financial expectations of profit, investment, ROCE, etc. can also be assessed with some knowledge of the outcome of Brexit.

## **7.0 Conclusion**

In summary, Goram Homes cannot avoid whatever the implications and consequences of Brexit happening, but it is very well placed, and with the right joint venture partners, able to adapt and mitigate the consequences to be able to still deliver well designed, good quality homes and local communities across Bristol, whilst still delivering appropriate financial returns to its shareholder.

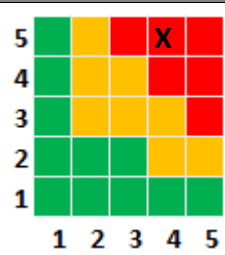
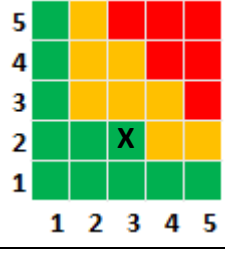
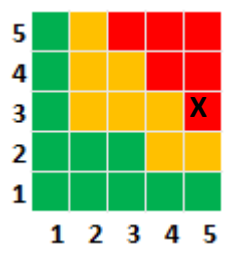
## APPENDIX D - Key Dates Programme.

Below is the high-level Project plan with possible future milestones. This plan shows the two pipeline projects and the time taken till the first point of revenue. The second group Scheme 1&2 show the time taken before start on site and revenue flow when projects are allocated, reinforcing the importance of early identification by BCC of land for development by Goram Homes.



## APPENDIX F

### Risk Assessment of business plan

STRATEGIC OBJECTIVE	RISK EVENT	OUTCOMES	RISK INDICATORS	LIKELIHOOD / CONSEQUENCES	CONTROLS	RESPONSIBILITY
<b>Increase the supply of new homes built each year across Bristol</b>	Land Pipeline unsuitable or insufficient for business plan	Failure to deliver business plan target number of homes	Land supply has large number of constraints, such as abnormals and no planning status		Land allocated to Goram following joint due diligence	BCC officers - Goram Homes Managing Director
<b>Build good quality homes and create communities where people wish to live</b>	Failure of a contractor or the joint venture to maintain quality standards.	Homes require repairs to ensure they meet standards	Supply chain during construction not paid promptly		Robust site inspection by a Goram inspection team	Goram Homes Managing Director
<b>Operate commercially and provide financial returns to Goram's sole shareholder - Bristol City Council.</b>	An increase in construction costs or a reduction in sales prices	A reduction in profit or land value	The JV has an increase in construction costs - The housing market statistics show a showing in house price growth		The costs can be managed via the JV and works stopped - Monthly house price monitoring of the Bristol market.	The JV Board - Goram Homes Board

## **Appendix B – Details of consultation carried out - internal and external**

### **Bristol City Council Client Functions – Commentary on Business Plans**

#### **Julian Higson, Director, Housing and Landlord Services**

##### **Goram Homes client function**

Goram Homes business plan offers a concise and accurate summary of their current and future position. The City Council as client has had the opportunity to review the plan, its assumptions, and financial projections. I am satisfied that the plan's main objectives and targets are achievable and that appropriate risk and sensitivity analyses are included to mitigate foreseeable issues. BCC will continue to work with Goram Homes to agree a suitable pipeline of potential development schemes.

#### **Ken Lawson, Waste Strategic Client Manager**

##### **Bristol Waste client function**

Overall, from the perspective of the Waste Client function this is a good business plan which is aligned with BCC's strategic ambitions around Waste.

The Waste Client is supportive, and is working closely with the company to progress a number of the proposals set out in the business plan including: further investment in the cities Household Waste Recycling Centres; improving the customer experience and implementing clearer policies around domestic collections; improving efficiency in the delivery of services more generally and the trialling of innovative solutions for sorting, disposing and treating waste.

It is important that BCC and BWC continue work together to further develop their shared plans for how we support Bristol to meet the key objective of reducing, and minimising waste. It is key to reducing costs, increasing recycling and reducing carbon.

BCC is now starting the process of developing a refreshed Waste strategy in consultation with key council and city stakeholders and BWC. We expect this will result in a metric around waste reduction being confirmed, and requested from BWC as part of future contractual arrangements.

## Appendix E. Bristol City Council Equality Impact Relevance Check



This tool will identify the equalities relevance of a proposal, and establish whether a full Equality Impact Assessment will be required. Please read the guidance prior to completing this relevance check.

<b>What is the proposal?</b>	
Name of proposal	<b>Bristol Holding Group Company Business Plans 2020/21 – 2024/25</b>
Please outline the proposal.	The purpose of this report is to recommend for approval the business plans of Bristol Holding Limited, Bristol Waste, Goram Homes and Bristol Energy.
What savings will this proposal achieve?	The BWC Plan includes a number of areas for investment, and driving cost efficiencies from the delivery of waste services. The Bristol Energy plan also has a focus on improving the profitability and efficiency of the business.
Name of Lead Officer	Penny Fell, Director of Commercialisation, Citizens and Shareholder Liaison.

<b>Could your proposal impact citizens with protected characteristics?</b> (This includes service users and the wider community)
Please outline where there may be significant opportunities or positive impacts, and for whom.
Each business plan sets out how each company will deliver the strategic objectives set for them by the Council as Shareholder or as commissioner.
In general the companies will deliver a return to Bristol in several ways: - <ul style="list-style-type: none"> <li>• Financially - direct financial returns to the Council</li> <li>• Investing in Bristol - through capital investments</li> <li>• Productivity and efficiency - through modernising the businesses, shared services, more efficient processes and agile working</li> <li>• Employment and skills</li> <li>• Expenditure - staff and business contribute to the GVA of Bristol.</li> <li>• Environment - companies are focussed on minimising the adverse impact to the environment</li> <li>• Local communities - our businesses consider carefully how they can contribute social value and add community benefits across their operations.</li> </ul>
As the expanded role of the Bristol Holding company beds in over the period of the business plan, it is the companies intention to ensure a consistent approach is adopted across the businesses with respect to monitoring, and increasing diversity and inclusion across the group.
The Diversity data for the company directors across the group are.



- 3 women and 17 men
- 10 White British, 10 unknown.
- Sexual orientation unknown, religion unknown, disability unknown

The diversity data for the company's shareholders and advisors are

- 4 men, 4 women
- 1 BME, 1 White other, 6 White British
- Sexual orientation unknown, religion unknown, disability unknown.

The business plan does not identify any significant opportunities or positive impacts.

**Please outline where there may be significant negative impacts, and for whom.**

None identified

**Could your proposal impact staff with protected characteristics?**

(i.e. reduction in posts, changes to working hours or locations, changes in pay)

The business plan does not identify any impacts on staff with protected characteristics.

Please outline where there may be negative impacts, and for whom.

None

**Is a full Equality Impact Assessment required?**

Does the proposal have the potential to impact on people with protected characteristics in the following ways:

- access to or participation in a service,
- levels of representation in our workforce, or
- reducing quality of life (i.e. health, education, standard of living) ?

Please indicate yes or no. If the answer is yes then a full impact assessment must be carried out. If the answer is no, please provide a justification.

No. There will be no anticipated impact on any of these as a result of these proposals.

Service Director sign-off and date:



*Reviewed by Penny Fell, Director - Commercialisation + Citizens and Shareholder Liaison  
07/01/2020*

Equalities Officer sign-off and date:  
*Reviewed by Equality and Inclusion Team  
16/12/2019*



## Appendix F. Eco Impact Checklist

<b>Title of report: Bristol Holding Limited Group company business plans 2020/21 – 2024/25</b>				
<b>Report author: Penny Fell, Director of Commercialisation, Citizens and Shareholder Liaison</b>				
<b>Anticipated date of key decision 21/01/2019</b>				
<b>Summary of proposals:</b> To approve the 2020/21 –2024/25 business plans for the Bristol Holding Ltd. Group of companies.				
Will the proposal impact on...	Yes/No	+ive or -ive	If Yes...	
			Briefly describe impact	Briefly describe Mitigation measures
Emission of Climate Changing Gases?			See summary	
Bristol's resilience to the effects of climate change?				
Consumption of non-renewable resources?				
Production, recycling or disposal of waste				
The appearance of the city?				
Pollution to land, water, or air?				
Wildlife and habitats?				
<b>Consulted with: Board of Bristol Waste Company, Shareholder Group, Waste Client Team, Statutory Officers, Overview and Scrutiny Management board, Steve Ransom – Energy Service.</b>				
<b>Summary of impacts and Mitigation - <u>to go into the main Cabinet/ Council Report</u></b>				
<p><b>Bristol Holding Comments</b>          There are no significant environmental impacts relating to this report and as such a full Eco IA is not required. However the staff at Bristol Holding Company should be made aware of the Bristol City Council Environmental Policy and operate accordingly to the key aims of this policy</p>				
<p><b>Bristol Waste Business plan</b>          The significant impacts of this proposal are...          Bristol Waste is proposing business objectives including:</p> <ul style="list-style-type: none"> <li>• 50% of household waste will be reused, recycled or composted</li> <li>• Improvements to Avonmouth Household waste recycling centre, including re-use centre</li> </ul>				

- Build of a third Household waste recycling centre, a separate Eco IA will consider environmental impacts of construction.
- Introducing a baler and plastic sort line to improve the quality of recycling
- Initiatives to reduce the number of collection vehicles in the city centre
- Further reduction in waste to landfill
- Education, engagement and enforcement campaigns to reduce residual waste production and improve volume and quality of recyclate

These proposals provide for improvements in waste reduction, re-use, recycling and recovery, in line with BCC long-term waste strategy.

Some of the proposals will consume resources, for example through construction or purchase of new vehicles. Bristol Waste have committed to renewing their refuse fleet with low emission vehicles and have worked closely with Bristol City Council to look at low emission options, EV vehicles should be considered.

The proposals include the following measures to mitigate the impacts...

- Development of new infrastructure, for example a new HWRC, is subject to planning controls
- BWC have secured ISO14001 and 9000 for environmental and quality management respectively and, have committed to maintaining these standards across the operation. Their Safety, Health, Environmental and Quality (SHEQ) regime operates within industry benchmarks and they report on SHEQ performance regularly to the council's board and Waste client function.

The net effect of these proposals is positive

### **Goram Homes Business Plans**

The significant impacts of this proposal are...

- Development consumes resources, creates waste, climate changing gases and consumes energy.
- There will be some local pollution and impact on habitats from construction
- Ongoing occupation of the new homes will create new travel, energy and waste impacts
- The proposals include the following measures to mitigate the impacts...
- The selection of a partner for the Joint Ventures will include environmental assessments
- Planning process should be used to mitigate pollution and habitat impacts from construction
- Bristol planning policies BCS10 and BCS13-16 assess and mitigate impacts from travel, energy, sustainable design, climate change and flood risk
- Goram Homes should work closely with Bristol City Council Energy Service to explore options for heat network connections to new builds.
- Where feasible, developments will exceed minimum planning policy standards.
- Using local labour and local supply chain partners where possible.
- Through design of facilities Goram Homes will aim increase recycling in our homes.
- By building lower energy modern homes that priorities renewable energy Goram Homes can

help reduce the impact of fuel poverty.

The net effects of the proposals are...

This proposal will encourage development on land that has already been allocated for housing. The net impact is therefore dependent on the extent to which the Housing Company is able to exceed the environmental performance of developments that would typically be delivered by the private sector.

### **Bristol Energy Business Plan**

- Bristol Energy intends to place an increased emphasis on the delivery of low carbon energy and diversification into new energy technology products. These are likely to deliver net environmental benefits. This includes commitments to deliver 100% green electricity and low carbon gas to all customers, providing funding for social projects, supporting renewable energy providers and saving >200,000 tonnes of CO2 over 2020/21 supported by PPAs.

Each company have set out commitments to decarbonisation through their activities and this works in line with the climate emergency and city 2030 carbon neutrality target.

### **Checklist completed by:**

Name:	Helen Davis
Dept.:	Shareholder Liaison function
Extension:	0117 3574172
Date:	06/12/2019
Verified by Environmental Performance Team	Nicola Hares

# Decision Pathway Report

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**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 21 January 2020

<b>TITLE</b>	Re-Procurement of the Run Bristol contract 2021-2026		
<b>Ward(s)</b>	Citywide		
<b>Author:</b>	Amanda Sharpe	<b>Job title:</b>	Events Officer
<b>Cabinet lead:</b>	Cllr Asher Craig	<b>Executive Director lead:</b>	Stephen Peacock
<b>Proposal origin:</b> BCC Staff			
<b>Decision maker:</b> Cabinet Member <b>Decision forum:</b> Cabinet			
<b>Purpose of Report:</b>			
<ol style="list-style-type: none"> <li>1. To approve the re-procurement of the Run Bristol contract to an external contractor to deliver the Bristol 10k and Bristol Half Marathon mass-participation running events for the city – from 2021 – 2026.</li> </ol>			
<b>Evidence Base:</b>			
<ol style="list-style-type: none"> <li>1. Current contract expires in 2020 and a new contract is required for future 5 years of delivery of these events. The contractor will require 12 months lead-time in order to successfully deliver in the 10k in May 2021. The contract provides the city with an income from entry fees.</li> </ol>			
<b>Cabinet Member / Officer Recommendations:</b>			
<p>That cabinet;</p> <ol style="list-style-type: none"> <li>1. Approve the retender of the Run Bristol contract for the period 2021 – 2026.</li> <li>2. Authorise the Executive Director for Growth and Regeneration in consultation with the Cabinet Member; Member: Communities to procure and award the contract.</li> </ol>			
<b>Corporate Strategy alignment:</b>			
Aligns to the Well-being Key Commitment from the Corporate Strategy to Keep Bristol a <b>leading cultural city</b> , helping make culture, sport and play accessible to all.			
<b>City Benefits:</b>			
<ol style="list-style-type: none"> <li>1. Health benefits for participants.</li> <li>2. Helps to promote the city through positive media and imagery, press and social media.</li> <li>3. Boost to local businesses, as many runners and families and supporters spend money in city centre.</li> <li>4. Provides volunteering opportunities – through volunteer marshals etc.</li> <li>5. Generates large amounts of money for charities within the city</li> <li>6. Develops partnerships between the city council, universities and NHS, local running clubs and others.</li> <li>7. Fully inclusive events which enable participation of disabled and visually impaired runners.</li> </ol>			
<b>Consultation Details:</b>			
N/a			
<b>Background Documents:</b> Bristol: City of Openness, Imagination and Originators (Bristol’s Cultural Strategy)			

<b>Income</b>	--£600,000 Gross Revenue pa	<b>Source of Revenue Funding</b>	Income to Events budget
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	(Percentage of which is paid to BCC).		
Capital Cost	£0	Source of Capital Funding	n/a
One off cost <input type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input checked="" type="checkbox"/>

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

**1. Finance Advice:** The current contract for the management and delivery of these events was awarded to The Great Run Company in 2015 – they have successfully delivered both events for the last 4 years – 2020 will be the final year of this contract.

Under the current contract, Bristol City Council is paid a percentage of the entry fees for each event, and covers BCC costs i.e. Highways for road closure orders, some direct staffing cost at the event and a payment to local ferry company to provide transport during the event, amongst other things. These costs represents the proportion of costs not covered under the original contract, however, the aim is for the new contract to include all direct costs associated with the event.

The gross revenue from both events is estimated at c£600k, and under the new contract, bidders will be expected to propose a percentage split between what will be retained and what will be paid over to BCC. The current contract covers all BCC costs and makes a contribution towards the wider events team costs. There is a net cost of c£200k from the wider event team activities (who are also responsible for other events not covered by this report).

It is expected that the new contract will be operated on a full cost recovery basis, and will ensure that all staff costs, marketing and other associated costs are met from any revenue generated. There are no new cost implications anticipated for BCC resulting from this contract.

The costs of preparing for the tender is being covered from within existing Event team budgets.

As part of full cost recovery, the service will be expected to calculate the total cost of team as well as all the associated overheads attributable to these events.

**Finance Business Partner:** Kayode Olagundoye, Interim Finance Business Partner, 5.11.19

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

**Legal Team Leader:** Husinara Jones, Solicitor/Team Leader, 8 October 2019

**3. Implications on IT:** No impact anticipated on IT Services

**IT Team Leader:** Simon Oliver, Director – Digital Transformation

**4. HR Advice:** There are no anticipated HR implications evident

**HR Partner:** Celia Williams , HR Business Partner

<b>EDM Sign-off</b>	Stephen Peacock	27.11.19
<b>Cabinet Member sign-off</b>	Cllr. Asher Craig	10.12.19
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	18.12.19

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



## **Decision Pathway – Run Bristol Contract**

### **Appendix A – Further essential background / detail on the proposal**

The Bristol 10k and Half Marathon are established, mass participation running events that have been successfully delivered for a number of years – initially by an in-house team and since 2015, by an external operator. The 10k which is held in May attracts in the region of 13,000 runners and the Half Marathon approximately 10,000.

The current contract for the management and delivery of these events was awarded to The Great Run Company in 2015 – they delivered their first 10k in May 2016 and have successfully delivered both events for the last 4 years – 2020 will be the final year of this contract.

Under the current contract, Bristol City Council is paid a percentage of the entry fees for each event. As we are planning to go out to tender, details of the fees we currently receive are exempt and are detailed in Appendix I – Exempt Information.

We would like to appoint an experienced operator who can continue to deliver these events from 2021 for 3 (+2) years. The objectives of the contract will be:

1. To develop the prestigious Bristol 10k and Bristol Half Marathon mass-participation road races
2. To increase the number of race entrants from existing levels
3. To increase the number of Bristol residents participating in an active lifestyle, through the delivery of associated activities
4. To raise Bristol's profile as a vibrant city within the UK and internationally
5. To raise Bristol's profile within the road-race community and promote Bristol as a city of sport both nationally and internationally
6. To support volunteering, youth employment opportunities and other relevant strategic initiatives in the city

# Run Bristol Risk Register

## Negative Risks that offer a threat to Run Bristol events (10k and Half Marathon) if not re-tendered in early 2020

Ref	Risk Description	Key Causes	Key Consequence	Status Open / Closed	Strategic Theme	Risk Category	Risk Owner	Key Mitigations	Direction of travel	Current Risk Level			Monetary Impact of Risk £k	Risk after mitigation			
										Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating	Date
1	<b>Less participation in sport and well-being events</b>	Loss of opportunity to participate in running events	Reduces the sports offer in the city - for 20,000 people per yr. Fewer people taking part in training and physical activity - could result in level of physical activity people are undertaking in the city.	Open	Well-being		<b>Jon Finch</b>	Tender Run Bristol contract 2021-2026		High	Low	9	0	Low	Low	3	Sep-19
2	<b>Loss of income to Events and Culture team</b>	No contractor in place if not re-tendered in time for 2021 events.	Inability to support cultural sector as impacts on culture budget	Open			<b>Jon Finch</b>	Tender Run Bristol contract 2021-2026		High	H	21	£100,000	Low	Low	3	Sep-19
3	<b>Reduces visitors to the city</b>	No contractor in place if not re-tendered in time for 2021 events.	Reduction of inward investment to the city	Open			<b>Jon Finch</b>	Tender Run Bristol contract 2021-2026		High	Low	9	Unknown	Low	Low	3	Sep-19

## Bristol City Council Equality Impact Assessment Form



Name of proposal	Run Bristol Contract 2021 - 2026
Directorate and Service Area	Growth & Regeneration - Culture
Name of Lead Officer	Amanda Sharpe

### Step 1: What is the proposal?

Please explain your proposal in Plain English, avoiding acronyms and jargon. This section should explain how the proposal will impact service users, staff and/or the wider community.

#### 1.1 What is the proposal?

The Bristol 10k and Half Marathon are established, mass participation running events that have been successfully delivered for a number of years – initially by an in-house team and since 2015, by an external operator. The 10k which is held in May attracts in the region of 13,000 runners and the Half Marathon approximately 10,000.

The current contract for the management and delivery of these events was awarded to The Great Run Company in 2015 – they delivered their first 10k in May 2016 and have successfully delivered both events for the last 4 years. The final year of this contract is 2020 and we are seeking to go out to tender for the delivery of these events from 2021 – 2026.

Both the 10k and Half Marathon are fully inclusive events that are open to everyone over the age of 17 to enter.

### Step 2: What information do we have?

Decisions must be evidence-based, and involve people with protected characteristics that could be affected. Please use this section to demonstrate understanding of who could be affected by the proposal.

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

The breakdown of participants in the 2018 10k and Half Marathon are as follows:

Half Marathon: total entries 9,436

59% male

41% female

Ages:

25 and under 15% (50% male, 50% female)

26 – 35 35% (58% male, 42% female)

36 – 45 28% (59% male, 41% female)

46 – 55 16% (62% male, 38% female)

56 – 60 3% (76% male, 24% female)

61+ 2% (74% male, 26% female)

10k: total entries 12,518

49% female

51% male

25 and under 14% (48% male, 52% female)

26 – 35 34% (48% male, 52% female)

36 – 45 28% (44% male, 56% female)

46 – 55 17% (56% male, 44% female)

56 – 60 4% (58% male, 42% female)

61+ 3% (63% male, 37% female)

### **Step 3: Who might the proposal impact?**


Analysis of impacts on people with protected characteristics must be rigorous. Please demonstrate your analysis of any impacts in this section, referring to all of the equalities groups as defined in the Equality Act 2010.

- Both events are fully inclusive and there is no bar to anyone signing up to take part. The only restriction is that the minimum age for entry is 17.
- For those participants who have a disability and may need assistance on the day – support can be requested when participants sign up to enter.
- Visually impaired runners are able to run with a guide.
- Wheelchair users can take part in the wheelchair race at the start of both events
- Runners can select which ‘wave’ they want to run in according to how they perceive their ability and experience.

- Runners are advised that they can walk or run the course
- There is currently under-representation of disabled and BAME groups in these events. BCC and our current contractors have worked on addressing this by; giving an allocation of free places to the Council's Sports & Physical Activity Team to distribute to these groups such as Fighting Chance Boxing Club. Our contractors have also focussed on stories such as Rob Camm – a young tetraplegic man taking part in the event to challenge perceptions of disability.

**Step 4: So what?**

- We will be going out to tender in 2020 for a new contract for the Run Bristol events. Under this contract we plan to work with the appointed contractor to ensure all equalities groups are encouraged to participate in these events with a particular emphasis on disabled and BAME groups who are currently under represented.
- We will encourage the operator to work in partnership with local organisations to target specific groups e.g. with Bristol Older People's forum to promote uptake by older women.
- We will include a quality scored question in the tender evaluation to ensure that the successful contractor can demonstrate a good understanding of the Equality Act 2010 and commitment to equality and diversity.
- We will include a requirement in the service specification for the operator of these events to request anonymous diversity data from participants which will be used for ongoing monitoring and review.

<p>Service Director Sign-Off:</p> 	<p>Equalities Officer Sign Off: <i>Reviewed by Equalities and Community Cohesion Team</i></p>
<p>Date:17/12/19</p>	<p>Date: 4/11/2019</p>

## Run Bristol

### Appendix F - Eco Impact Checklist

<b>Title of report: Run Bristol Contract</b>				
<b>Report author: Amanda Sharpe</b>				
<b>Anticipated date of key decision 21.1.20</b>				
<b>Summary of proposals:</b>				
<b>Will the proposal impact on...</b>	<b>Yes/No</b>	<b>+ive or -ive</b>	<b>If Yes...</b>	<b>Briefly describe Mitigation measures</b>
Emission of Climate Changing Gases?	No	-ive	Travel to events	Contractors should encourage sustainable transport. As part of procurement contractors to provide a travel plan
Bristol's resilience to the effects of climate change?	No			
Consumption of non-renewable resources?	Yes	-ive	Use of plastic water bottles	Under the new contract, tenderers will be expected to demonstrate how they will radically reduce the use of single use plastics at both events. Contractors need to also have a recycling in place ensuring that recyclable materials are recycled where not reduced.
Production, recycling or disposal of waste	Yes	-ive	Waste generated by runners	Under the new contract, we will require statistics following each race on the rates of recycling achieved. A target recycling rate will be set in consultation with BCC's environmental team
The appearance of the city?	No			
Pollution to land, water, or air?	No			
Wildlife and habitats?	No			
<b>Consulted with:</b>				
<b>Summary of impacts and Mitigation - <u>to go into the main Cabinet/ Council Report</u></b>				
The significant impacts of this proposal are the potential consumption of non-renewable resources during each of these events.				
The proposals include the following measures to mitigate the impacts; tenderers will be expected to demonstrate in their submissions how they will be reduce the use in particular of single use				

plastics. They will also be expected to demonstrate how they will achieve the target recycling rate for waste generated at the events.

The net effects of the proposals are that with control measures in the new contract, both events will have a low environmental impact.

**Checklist completed by:**

Name:	Amanda Sharpe
Dept.:	Culture
Extension:	07810 506821
Date:	7.10.19
Verified by Environmental Performance Team	Nicola Hares, Environmental Project Manager 8.10.19

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

Document is Restricted



# Decision Pathway Report

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**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 21 January 2020

<b>TITLE</b>	<b>A Sport &amp; Physical Activity Strategy for Bristol (2020 -2025)</b>		
<b>Ward(s)</b>	Citywide		
<b>Author:</b> Guy Fishbourne	<b>Job title:</b> Sport & Physical Activity Manager		
<b>Cabinet lead:</b> Mayor	<b>Executive Director lead:</b> Jacqui Jensen		
<b>Proposal origin:</b> <i>BCC Staff</i>			
<b>Decision maker:</b> Mayor <b>Decision forum:</b> <i>Cabinet</i>			
<b>Purpose of Report:</b>			
<p>The purpose of this report is to inform Cabinet members that public consultation on the draft Sport &amp; Physical Activity Strategy has now been completed. The consultation received 84 responses where the overarching response was that respondents either strongly agreed or agreed with the contents of the strategy.</p> <p>Public consultation has not resulted in any significant change to the direction of the draft strategy and with the exception of some minor drafting amendments officers are now seeking approval for the final draft strategy to be formally adopted by the Council.</p>			
<b>Evidence Base:</b>			
<ol style="list-style-type: none"> <li>1. Bristol aspires to have a Sport and Physical Activity Strategy which brings together a wide group of partners with the shared objectives of creating, promoting and enhancing opportunities for sport and physical activity as a key means to help create a healthier, resilient and more prosperous city.</li> <li>2. This Strategy is intended to support the city’s stakeholders in the planning and delivery of sport and physical activity investment, services and opportunities through a clearly defined set of strategic outcomes, objectives and a robust and measurable action plan.</li> <li>3. One of the challenges Bristol face is reducing the stark health inequalities which exist between different parts of the city and improving the life chances for all. Sport and physical activity can contribute significantly towards this as it contributes towards our own physical and mental wellbeing, individual development and social and community development.</li> <li>4. Around 2 in 3 (66.1%) people in Bristol are physically active (taking at least 150 mins a week of moderate or 75 mins a week of vigorous exercise) (QoL 2018/19).</li> <li>5. Across Bristol the percentage of people who do enough regular exercise varies from 45.1% in the least active ward to 82.9% in the most active ward (QoL 2018/19)</li> <li>6. The Sport England, Active Lives Survey (18/19) reports that 74.3% of Bristol adults are physically “active” which is significantly higher than the national average (66%) and the highest of Core Cities. However, 1 in 4 people do not get sufficient physical activity, and 16.9% are “inactive” (less than 30 mins/week moderate exercise).</li> </ol>			

7. Further population breakdowns available through the Bristol Quality of Life survey 2018/19 illustrate that:
- Gender: Women (63.4%) are less likely to be physically active than men (68.8%)
  - Ethnicity: BME groups (66.1%) are as likely to be physically active
  - Deprivation: 56.4% of people living in the 10% most deprived areas undertake regular exercise, less than the Bristol average (66.1%)
  - 44.3% of people in Bristol stated they play sport at least once a week. However, in the most deprived areas, only 36.2% of people play sport weekly - a gap of 8.1%.
  - Disabled: 32.9% of disabled people are physically active – a gap of 33.2% compared to the Bristol average.
8. This Strategy is the result of workshops with over 30 stakeholders from a range of organisations and agencies across the City that share core beliefs about improving the health outcomes of the City and the importance of sport and physical activity as a means by which to achieve them.
9. In developing a new sport & physical activity strategy which is fully aligned with a ‘One City’ approach - BCC’s Strategic Vision to 2050 and findings from Bristol’s physical activity needs analysis, the strategy aims to further strengthen the integration between the Council and wider services and partnerships.
10. The Vision for the Strategy is:
- “To ensure that all Bristol citizens have the encouragement, opportunity and environment they need to lead active, healthy and fulfilling lives. By working collaboratively and cooperatively, as a whole system, we will seek to transform attitudes and behaviours and make it easier for residents to enjoy sport and physical activity and embed it into their everyday lives.”*
11. The strategy will contribute towards the following outcomes:
- **Outcome 1:** Through physical activity, reduce health inequalities and the Healthy Life Expectancy gap by 10% between the most affluent wards and deprived wards by 2025.
  - **Outcome 2:** 50% more people living in wards where there are the greatest levels of socio-economic deprivation, are doing more than 30 minutes physical activity per week by 2025.
  - **Outcome 3:** Halt the rise in levels of childhood and adult obesity by 2025.
  - **Outcome 4:** Bristol will be the most active Core City in the country, working towards at least 65% of people in all parts of the city achieving the recommended amount of physical activity by 2030.
10. In order to achieve the strategy outcomes, a set of strategy objectives have been defined which fit into four themed areas: Active People, Active Partnerships, Active Environments and Active Places.
11. Each themed area and strategic objectives with example actions are presented within the strategy’s action plan. The Bristol Sports Forum will be accountable for finalising and agreeing the strategy action plan and will own and oversee its implementation.

**Officer Recommendations:  
That Cabinet**

1. Notes the outcome of the consultation process.
2. Approves the adoption of the Sports and Physical Activity Strategy (2020-2025) and authorises the Executive Director People in consultation with the Mayor to implement the strategy.

**Corporate Strategy alignment:**

1. **Wellbeing:** is one of four themes in the corporate strategy and based upon creating healthier and more resilient communities where life expectancy is not determined by wealth or background. One of the Mayors seven key commitments in the corporate plan is that Bristol will be a leading cultural city, making culture and sport accessible to all.

2. Embed health in all our policies to improve physical & mental health and wellbeing and reduce health inequalities reducing future demand pressures on health and social care services and helping to reduce costs. Supporting preventative interventions and opportunities for physical activity amongst children and adults and creating a resilient, sustainable, clean and healthy city.

**City Benefits:**

1. Sport & physical activity play a big part towards improving the health and wellbeing of local communities and can be a key part of the solution; helping to tackle unhealthy lifestyles, address the social determinants of health, offer cost effective approaches, bring creative solutions and engage communities, families and individuals in managing their wellbeing.
2. This work will build on the foundations of the One City Plan which presents a long-term Health and Wellbeing Vision up to 2050. It will also progress the Council’s Physical Activity Needs Assessment into a working plan of action in order to address the high levels of inactivity for people living in areas of deprivation and for some equalities groups.

**Consultation Details:**

The following organisations attended a series of workshops and contributed towards the development of the emerging strategy:

1. Wesport
2. Wellspring Healthy Living Centre
3. Empire Fighting Chance
4. Bristol Rovers Community Trust
5. Bristol Sport Foundation
6. Sport England
7. St Monica Trust
8. Children & Families Services, BCC
9. BCC Public Health
10. Access Sport
11. Adaptive Martial Arts
12. Lockleaze Sports Centre Trust
13. University of Bristol
14. Lawn Tennis Association
15. Bristol & District Rugby Football Combination
16. Southmead Development Trust
17. BCC Parks
18. BCC Sustainable Transport
19. British Cycling
20. Gloucestershire Cricket Board
21. Caroline Brooks – Principal Consultant & Facilitator, SLC
22. Duncan Wood-Allum – Managing Director & Facilitator, SLC

Following workshops a six week public consultation was undertaken, **See Appendix B**

**Background Documents:**

Bristol: Sport4Life strategy - A SPORT AND ACTIVE RECREATION STRATEGY 2013-2018

<https://www.bristol.gov.uk/documents/20182/34792/Bristol+Sport4Life+strategy.pdf/3209dc8c-f19d-4b0c-9734-4478ac9df63e>

<b>Revenue Cost</b>	<b>£0.00</b>	<b>Source of Revenue Funding</b>	na
<b>Capital Cost</b>	<b>£0.00</b>	<b>Source of Capital Funding</b>	na

One off cost <input type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>
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**Required information to be completed by Financial/Legal/ICT/ HR partners:**

**1. Finance Advice:** Any implementation or ongoing costs associated with the of the Sports and Physical Activity Strategy are assumed to be delivered within financial existing resources

**Finance Business Partner:** Neil Sinclair 6<sup>th</sup> December 2019

**2. Legal Advice:**  
There are no specific legal implications arising from this report. Legal advice should be sought in relation to any proposed partnership arrangements arising from the action plan.

The consultation responses must be conscientiously taken into account in finalising the decision. The leading cases on consultation provide that

- Consultation should occur when proposals are at a formative stage;
- Consultations should give sufficient reasons for any proposal to permit intelligent consideration;
- Consultations should allow adequate time for consideration and response;

There must be clear evidence that the decision maker has considered the consultation responses, or a summary of them, before taking its decision.

- The degree of specificity regarding the consultation should be influenced by those who are being consulted;
- The demands of fairness are likely to be higher when the consultation relates to a decision which is likely to deprive someone of an existing benefit

**Equalities**  
The Public Sector Equality duty requires the decision maker to consider the need to promote equality for persons with “protected characteristics” and to have due regard to the need to i) eliminate discrimination, harassment, and victimisation; ii) advance equality of opportunity; and iii) foster good relations between persons who share a relevant protected characteristic and those who do not share it.

The Equalities Impact Check/Assessment is designed to assess whether there are any barriers in place that may prevent people with a protected characteristic using a service or benefiting from a policy. The decision maker must take into consideration the information in the check/assessment before taking the decision.

A decision can be made where there is a negative impact if it is clear that it is necessary, it is not possible to reduce or remove the negative impact by looking at alternatives and the means by which the aim of the decision is being implemented is both necessary and appropriate.

**Legal Team Leader:** Husinara Jones, Team Leader, 20 November 2019

**3. Implications on IT:** No anticipated impact to IT Services

**IT Team Leader:** Simon Oliver 02/12/19

**4. HR Advice:** There are no anticipated HR implications

**HR Partner:** Celia Williams 03/12/19

<b>EDM Sign-off</b>	Jacqui Jenson	11.12.19
<b>Cabinet Member sign-off</b>	Cllr Asher Craig	19.12.19
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	19.12.2019

<b>Appendix A – Further essential background / detail on the proposal</b>	<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>YES</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>YES</b>

<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>

# **A Sport and Physical Activity Strategy for Bristol 2020 – 2025**



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## 1 INTRODUCTION

### 1.1 SLC's Terms of Reference

1.1.1 The Sport, Leisure and Culture Consultancy has been appointed to support Bristol City Council (BCC) facilitate a series of development workshops with the members of the Bristol Sports Forum and other stakeholders across the City in order to produce a draft Sport and Physical Activity Strategy.

### 1.2 Background and Vision

#### 1.2.1 [Forward from The Mayor? -TBC]

1.2.2 Bristol aspires to have a Sport and Physical Activity Strategy which brings together a wide group of partners with the shared objectives of creating, promoting and enhancing opportunities for sport and physical activity as a key means to help create a healthier, resilient and more prosperous city.

1.2.3 This Strategy is intended to support the city's stakeholders in the planning and delivery of sport and physical activity investment, services and opportunities through a clearly defined set of strategic outcomes, objectives and a robust and measurable action plan. A new framework for the governance and implementation of the strategy will also be identified.

1.2.4 The Strategy presents the new requirements and guidelines of the UK's Chief Medical Officer (published in September 2019) as well as the current state of the health and wellbeing of Bristolians and the physical activity levels in the city. This context and associated data will subsequently be used as a baseline for 2019 against which the impact of this Strategy will be measured.

1.2.5 The role of competitive sport in helping the city to be healthy and prosperous is a key priority of this Strategy. It will seek to ensure there are actions taking place which promote the opportunities for talented athletes to develop as well as ways in which major sporting events can be used to engage inactive audiences and have a wider social and economic impact.

1.2.6 The **Vision** for the Strategy is:

***"To ensure that all Bristol citizens have the encouragement, opportunity and environment they need to lead active, healthy and fulfilling lives. By working collaboratively and cooperatively, as a whole system, we will seek to transform attitudes and behaviours and make it easier for residents to enjoy sport and physical activity and embed it into their everyday lives."***

1.2.7 This Vision is closely aligned to the Mayor's *One City Plan – a Plan for Bristol 2050* and its vision for Health and Wellbeing for 2050 which aspires to creating a Bristol where:

- Citizens thrive in a city that supports their physical health and mental health equally
- Health inequalities are identified and acted-on through continually monitoring the health, social and economic landscape
- The city focuses on early help and prevention and its interventions are tailored and person-centred.

## 2 THE NEED FOR THE SPORT AND PHYSICAL ACTIVITY STRATEGY

### 2.1 Summary context for the Strategy

- New guidelines from the UK Chief Medical Officer in 2019 recommend physical activity every day for adults between 19 and 64 years.
- The guidelines state children and young people should engage in MVPA for an average of at least 60 minutes per day across the week.
- Activity should include strength exercises and a mixture of moderate and vigorous intensity activity
- 25% of the population in England are inactive and, although levels of inactivity in Bristol compare favourably to national figures, inequalities exist across Bristol populations
- Amongst the most deprived of Bristol's population there are lower levels of activity and further variations depending on whether you are male or female, from BME communities, living with a disability or of an older age
- Further data and insight can be found in the Strategy Appendix but in summary, target audiences for the Strategy have therefore been identified as:
  - Children and Young People
  - Disabled Adults
  - Older Adults
  - Women and Girls
  - Those living in the most deprived areas.

## 3 A SPORT AND PHYSICAL ACTIVITY STRATEGY FOR BRISTOL

### 3.1 Approach and development of the Strategy

3.1.1 The Strategy is the result of examining the national and local context as outlined in Section 2 alongside the planning and delivery of three workshops led by SLC which involved over 30 stakeholders from a range of organisations and agencies across the City. These stakeholders all share core beliefs about the value of sport and physical activity for improving the health and prosperity of the city.

3.1.2 Some of these stakeholders are already members of the Bristol Sports Forum, but the work also involved a broader range of people from other organisations. The contributors to the strategy consisted of:

- Access Sport
- Adaptive Martial Arts

- Bristol and District Rugby Football Combination League
- Bristol City Council – Departments covering Leisure, Public Health, Parks, Children and Young People, Sustainable Transport and Schools
- Bristol Multi-Faith Forum
- Bristol Rovers Community Trust
- Bristol Sport Foundation
- British Cycling
- Empire Fighting Chance
- Gloucestershire County Cricket Club
- Lawn Tennis Association
- Southmead Development Trust
- Sport England
- Active Ageing Bristol
- University of Bristol
- Wellspring Healthy Living Centre
- Wesport.

### **3.2 Strategic Outcomes and Objectives**

3.2.1 Workshop 1 focused on a facilitated discussion and group work regarding the current status of Bristol and where stakeholders envisage the City to be in the short, medium and long-term. From these discussions, the following core considerations for the strategy emerged:

- Health inequalities across the city are complex and nuanced which means that a locality and insight-led approach will be critical to success
- Reach and access into the key priority communities with target groups could be improved
- Help Bristolians to change behaviour towards believing they can lead a healthier life involving regular physical activity and that this is sustained
- NHS Care pathways and social prescribing are mechanisms which can support delivery of the Strategy
- A whole system approach should be developed further and defined clearly in a Bristol context
- Collaborative working across the public health system must be achieved in order to maximise the positive effects of physical activity on a range of health outcomes
- Collaborative working across other service areas such as community development, crime reduction, social care, education and lifelong learning to maximise the positive effects of physical activity on a range of social outcomes

- Facilities and infrastructure: consideration should be given to accessibility and affordability for priority groups
  - Community empowerment should be a core principle, adopting an asset-based approach to improving health outcomes.
- 3.2.2 Overall, the ambition for the Strategy is one that leads all resources towards *‘the right action, in the right place, for the right audience and communicated in the right way using a joined up, whole-system approach’*.
- 3.2.3 The Strategy presents objectives and actions that can help Bristol achieve this ambition. Achieving the ambition should, if the strategy is well-governed, monitored and refined on an ongoing basis, lead to the successful achievement of improved health outcomes for Bristol. Through the workshops, the following outcomes for the strategy have been proposed:
- **Outcome 1: Through physical activity, reduce health inequalities and the Healthy Life Expectancy gap by 10% between the most affluent wards and deprived wards by 2025.**
  - **Outcome 2: 50% more people living in wards where there are the greatest levels of socio-economic deprivation, are doing more than 30 minutes physical activity per week by 2025.**
  - **Outcome 3: Halt the rise in levels of childhood and adult obesity by 2025.**
  - **Outcome 4: Bristol will be the most active Core City in the country, working towards at least 65% of people in all parts of the city achieving the recommended amount of physical activity by 2030.**
- 3.2.4 These outcomes will be measured using baseline data published by the Joint Strategic Needs Assessment (JSNA) produced on an annual basis by the Bristol Health and Wellbeing Board. More specific measures of the implementation of the action plan will be determined through the next stage of strategy development process.
- 3.2.5 In order to achieve the strategy outcomes, a set of strategy objectives have been defined which fit into four themed areas: **Active People, Active Partnerships, Active Environments** and **Active Places**.

***Theme 1: Active People – Proposed Objectives***

1. To increase physical activity levels amongst all adults but particularly those living in the least active and deprived areas of the city
2. To increase physical activity levels amongst all children but particularly those young people living in the least active and deprived areas of the city
3. To support schools in developing sport and physical activity opportunities for their school pupils, staff and local communities
4. To embed a robust talent development system to ensure children reach their full potential in sport and excel through the talent pathway
5. To increase physical activity levels amongst groups of people where inactivity inequalities are the greatest e.g. those with a disability, older people and women and girls

6. To adopt a resident-led and insight-led approach to developing, delivering and monitoring the impact of the strategy
7. To advocate a greater use of innovation and technology in interventions that are designed to increase physical activity
8. To develop new and sustainable local community programmes to get more people to adopt healthier lifestyles
9. To facilitate long-term behaviour change by improved marketing of existing physical activity and sport opportunities and a better understanding of the benefits.

***Theme 2: Active Partnerships – Proposed Objectives***

1. Identify the priority strategic partners, networks and trusted community champions required to create robust and impactful partnership working
2. To improve the reach and impact of Healthy Living Centres on increasing physical activity through a whole system approach
3. To apply a model of distributed leadership across sectors to increase physical activity
4. To ensure the voices of priority audiences and individuals are represented across all partnerships
5. To tackling inactivity using effective local networks which engage with and empower local people to increase their activity levels
6. To work in a coordinated way to ensure schools have equal access to a broad range of physical activity and sport opportunities for their students
7. To use relevant role models as a core method of changing attitudes towards physical activity.

***Theme 3: Active Environments – Proposed Objectives***

1. To design and implement a sustainable travel plan for all schools
2. To increase physical activity in all parks and open spaces
3. To positively influence planning developments to support increased physical activity
4. To provide safe places to engage in physical activity e.g. riding bikes for pleasure
5. To improve the quality and safety of streets and neighbourhood 'grey spaces' for healthy physical activity and play.

***Theme 4: Active Places – Proposed Objectives***

1. To better connect low socio-economic groups (LSEG) to accessible and affordable facilities
2. To maximise use of community assets by all sections of the community
3. To ensure leisure facilities are sustainable, efficient and effective at increasing participation by inactive people from the least active areas of the city
4. To create active places and active communities through active design to improve infrastructure necessary to enable greater use of existing assets for physical activity.

- 3.2.6 Each themed area and associated strategic objectives are presented with actions in Table 1. The Bristol Sports Forum will be accountable for finalising and agreeing the strategy action plan and will own and oversee the implementation of the Strategy.

**Table 1- Theme, objectives and actions**

<b>Theme – Active People</b>			
<b>Objectives</b>	<b>Actions</b>	<b>Timeframe (TBC)</b>	<b>Lead / Partners (TBC)</b>
1. To increase physical activity levels amongst all adults but particularly those living in the least active and deprived areas of the city	<ul style="list-style-type: none"> <li>Collate/ gather further insight on inactive and less active residents and geographical (ward level) areas where health inequalities exist.</li> <li>Identify and agree a set of baseline primary health and physical activity indicators as well as a set of secondary linked indicators for broader social outcomes.</li> </ul>		
2. To increase physical activity levels amongst all children and young people but particularly those living in the least active and deprived areas of the city	<ul style="list-style-type: none"> <li>Collate/ gather further insight on inactive and less active children and young people and geographical (ward level) areas where health inequalities exist.</li> <li>Coordinate interventions and programmes targeted at Children and Young People to ensure equality of opportunity, particularly amongst children with Special Education Needs and Disabilities (SEND).</li> <li>Ensure 40% of participants in the Youth Games are from LSEG communities.</li> <li>Seek to establish a sports kit ‘bank’ to support families in reducing costs of clothing, footwear and sports equipment.</li> <li>Ensure all partners involved in a primary role to increase physical activity levels, are aware of the Bristol Children’s Charter and are committed to its vision, particularly points 3, 5 and 10.</li> </ul>		
3. To work in a coordinated way to ensure schools have equal access to a broad range of physical activity and sport opportunities for their	<ul style="list-style-type: none"> <li>Establish a coordinated approach to use of Primary School Premium.</li> <li>Establish best practice guidance to support schools in commissioning quality coaching and sports participation leadership and specifically ensure that there are tailored sessions led by suitably experienced</li> </ul>		

Theme – Active People			
Objectives	Actions	Timeframe (TBC)	Lead / Partners (TBC)
students.	coaches for SEND pupils.		
4. To develop and embed a robust talent development system to ensure children reach their full potential in sport and excel through the talent pathway.	<ul style="list-style-type: none"> <li>• Create a talent development working group to identify good practice in the City and develop a framework for a new talent development system.</li> <li>• Identify key partners such as schools, clubs, Universities and National Governing Bodies of Sport (NGBs) to play a role in the new system.</li> <li>• Ensure all partners involved in a primary role delivering this new system are aware of the Bristol Children’s Charter and are committed to its vision, particularly points 3, 5 and 10.</li> </ul>		
5. To increase physical activity levels amongst groups of people where inactivity inequalities are the greatest e.g. those with a disability, older people and women and girls.	<ul style="list-style-type: none"> <li>• Collate /gather continuous insight on inactive and less active residents (eg where they live) and where specific inequalities exist for certain demographic profiles of residents (eg people with a disability)</li> <li>• Ensure this insight is used to identify target audiences where resources and interventions should be focused the most.</li> <li>• Interventions should ensure that facilities are accessible, affordable and address key barriers including both the range of services offers and the provision of specialist support where necessary.</li> </ul>		
6. To adopt a resident-led and insight-led approach to developing, delivering and monitoring the impact of the Strategy.	<ul style="list-style-type: none"> <li>• Adopt co-design principles when developing new interventions and ensure this is resident-led.</li> <li>• Create a monitoring and evaluation framework and consider partnerships with academic institutions to support the delivery of this framework.</li> </ul>		

## Theme – Active People

Objectives	Actions	Timeframe (TBC)	Lead / Partners (TBC)
7. To advocate a greater use of innovation and technology in interventions that are designed to increase physical activity.	<ul style="list-style-type: none"> <li>Review strengths and opportunities of UK and world-wide exemplars of innovate ways to engage people and create lifelong behaviour change.</li> <li>A specific focus of research will be on identifying successful uses of technology to increase physical activity.</li> </ul>		
8. To develop new and sustainable local community programmes to encourage more people to adopt healthier lifestyles.	<ul style="list-style-type: none"> <li>Utilising insight gathered for objectives 1 and 2, work with trusted community stakeholders and leaders to develop a range of sustainable and affordable community programmes designed by local people.</li> <li>Co-ordinate planning of interventions and programmes through the Bristol Sports Forum members on a cyclical basis.</li> <li>Produce and deliver a marketing and communications plan for the new Strategy that effectively engages people at a local level.</li> </ul>		
9. To facilitate long-term behaviour change through improving the marketing of existing physical activity and sport opportunities and ensuring there is strong understanding of the benefits.	<ul style="list-style-type: none"> <li>Develop a marketing plan for the strategy which includes the promotion of the new CMO guidelines published in 2019.</li> <li>Identify and agree a method of ensuring insight regarding what works and what doesn't work in terms of behaviour change is gathered. Ensure learning through the delivery of the strategy is recorded and used in future planning and design of activity interventions.</li> </ul>		

## Theme – Active Partnerships



Objectives	Actions	Timeframe (TBC)	Lead / Partners (TBC)
1. Identify the priority strategic partners, networks and trusted community champions required to create robust and impactful partnership working.	<ul style="list-style-type: none"> <li>Review the strengths of, and areas for improvement for the Bristol Sports Forum as the main agency to govern the adoption and delivery of the strategy. This review leads to the identification of the right governance arrangements for the Strategy.</li> <li>Undertake a mapping exercise to identify the key partners that can benefit from supporting the delivery of the Strategy. This includes strategic partners at policy level and those working more closely with inactive and less active people on the ground. Prioritise working with those that have the most contact with less active residents or at most risk of developing poor health conditions.</li> </ul>		
2. To improve the reach and impact of Healthy Living Centres on increasing physical activity through a whole system approach.	<ul style="list-style-type: none"> <li>Examine the current successes and areas of improvement for Healthy Living Centres, particularly regarding the connections and methods of engagement with residents. This can be around awareness of the benefits of physical activity and how, through effective behaviour change, it can be built into daily lives.</li> <li>Using available insight, identify potential new places where new Healthy Living Centres and associated networks should be explored and established.</li> </ul>		
3. To encourage residents to take an active approach in their communities to promote the benefits of physical activity and create opportunities for physical activity.	<ul style="list-style-type: none"> <li>Consider models of delivery such as Distributed Leadership, Asset-based Community Development and place-based approaches to designing and delivering affordable and sustainable physical activity programmes.</li> <li>Identify and support trusted community champions or individuals who can more effectively engage with hard to reach community groups.</li> </ul>		
4. To ensure the voice of priority groups are represented across all partnerships.	<ul style="list-style-type: none"> <li>Ensure the future governance arrangements for the SPA Strategy include broad representation from all groups, particularly those target audiences from target locations across the City.</li> <li>Through the monitoring and evaluation undertaken annually, ensure that this is</li> </ul>		

	a key priority objective and that it has several measurable actions against it.		
5. To tackling inactivity using effective local networks which engage with and empower local people to increase their activity levels.	<ul style="list-style-type: none"> <li>Identify good practice examples of community empowerment in the context of increasing physical activity such as the Birmingham Active Wellbeing Project where the use of 'Crowds' (groups of local citizens who want to see positive changes in their community) that feel confident enough to tell their stories and ideas to make their communities healthier and happier places to live.</li> <li>Provide support for people who want to set up and deliver sport and physical activity programmes/ clubs etc in their local areas.</li> </ul>		
6. To work in a coordinated way to ensure schools have equal access to a broad range of physical activity and sport opportunities for their students.	<ul style="list-style-type: none"> <li>Annual planning sessions from key Bristol Sports Forum partners to ensure a coordinated approach to providing school-based opportunities across the City, in particular in deprived areas.</li> </ul>		
7. To use relevant role models as a core method of changing attitudes towards physical activity.	<ul style="list-style-type: none"> <li>Gather evidence of when the use of role models has been successful and unsuccessful in the public health sector and seek support from Sport England / other agencies regarding types of approaches which have been tested and succeeded in other places.</li> </ul>		

## Theme – Active Environments

Objectives	Actions	Timeframe (TBC)	Lead / Partners (TBC)
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## Theme – Active Environments

Objectives	Actions	Timeframe (TBC)	Lead / Partners (TBC)
1. To design and implement a sustainable travel plan for all schools.	<ul style="list-style-type: none"> <li>Identify examples of successful sustainability travel plans already in place at some schools and collate evidence of their impact in order to successfully engage schools in target locations in the City.</li> </ul>		
2. To increase physical activity in all parks and open spaces.	<ul style="list-style-type: none"> <li>Connect with the Future Parks programme being launched in Bristol following receipt of grant funding from National Trust and National Lottery Heritage Fund.</li> <li>Establish a clear vision for each of the different parks and open spaces in terms of their purpose, use and role in providing opportunities to be physically active and supporting the achievement of individual behaviour change.</li> <li>Identify key 'Active Partners for Parks' and support the coordination of interventions and programmes at a local level linking with friends and community groups.</li> <li>Support capacity building of community groups to take greater ownership of their parks and local interventions and programmes.</li> </ul>		
3. To positively influence planning developments to support increased physical activity.	<ul style="list-style-type: none"> <li>Liaise with Sport England to identify best practice design principles for confident, active travel and communicate this to strategic leaders, planners and developers.</li> </ul>		
4. To provide safer places to ride bikes for pleasure.	<ul style="list-style-type: none"> <li>Increase awareness, through a marketing campaign, of the top 5 safe cycling routes for residents to ride their bikes for pleasure.</li> </ul>		

## Theme – Active Environments

Objectives	Actions	Timeframe (TBC)	Lead / Partners (TBC)
5. To improve the quality and safety of streets and neighbourhood 'grey spaces' for healthy physical activity and play.	<ul style="list-style-type: none"> <li>In target locations where activity is lowest, identify opportunities where streets and grey spaces could be better utilised for physical activity.</li> <li>Explore and test the use of initiatives such as doorstep sports and free bootcamp activities in local streets.</li> </ul>		

## Theme – Active Places

Objectives	Actions	Timeframe (TBC)	Lead / Partners (TBC)
1. To better connect low socio-economic groups (LSEG) to accessible and affordable facilities.	<ul style="list-style-type: none"> <li>Ensure that all facility providers in the City and particularly those delivering activities from facilities in priority areas, are on board with the strategy.</li> <li>Facility providers involved in co-designing interventions which could be delivered from their facilities targeting these groups.</li> <li>Encourage all facility providers to make use of and increase their awareness of the barriers to inactivity which exist for low socio-economic groups through sharing knowledge collated by Sport England and published in their insight packs.</li> </ul>		
2. To maximise use of community assets, particularly in target	<ul style="list-style-type: none"> <li>Identify key community assets which exist in target geographical locations through an asset-mapping exercise.</li> </ul>		

Theme – Active Places			
Objectives	Actions	Timeframe (TBC)	Lead / Partners (TBC)
locations by target audiences.	<ul style="list-style-type: none"> <li>Identify ways which these assets could be improved (access, programming, awareness etc.) to be better utilised for physical activity.</li> </ul>		
3. To ensure leisure facilities are sustainable, efficient and effective at increasing participation by inactive people in the least active areas of the city.	<ul style="list-style-type: none"> <li>Through the City Council’s leisure management contracts, maximise the opportunity to improve leisure centres as a core place where inactive people go to start building more exercise into their daily lives.</li> </ul>		
4. To create active places and active communities through active design.	<ul style="list-style-type: none"> <li>Invite Sport England to run a briefing session to the Sports Forum and Themed Groups relating to active design principles and examples of where this has worked well elsewhere in increasing physical activity.</li> <li>Ensure this briefing session is supplemented by regular working group sessions to help collate a base of evidence of the impact of active design on increasing physical activity in Bristol.</li> </ul>		

**APPENDIX A – DATA, INSIGHT AND STRATEGIC CONTEXT**

## **UK Chief Medical Officer's (CMO) Physical Activity Guidelines - update September 2019**

For good physical and mental health, adults (19 to 64 years) should aim to be physically active every day. Adults should aim to minimise the amount of time spent being sedentary, and when physically possible should break up long periods of inactivity with at least light physical activity. Adults should do activities to develop or maintain strength in the major muscle groups. Each week, adults should accumulate at least:

- 150 minutes (2 1/2 hours) of moderate intensity activity (such as brisk walking or cycling)
- 75 minutes of vigorous intensity activity (such as running)
- even shorter durations of very vigorous intensity activity (such as sprinting or stair climbing)
- or a combination of moderate, vigorous and very vigorous intensity activity.

Children and young people (5-18 years) should engage in moderate-to-vigorous intensity physical activity for an average of at least 60 minutes per day across the week. This can include all forms of activity such as physical education, active travel, after-school activities, play and sports. Children and young people should engage in a variety of types and intensities of physical activity across the week to develop movement skills, muscular fitness, and bone strength. Children and young people should aim to minimise the amount of time spent being sedentary, and when physically possible should break up long periods of not moving with at least light physical activity.

Older adults (over 65 years) should participate in daily physical activity to gain health benefits, including maintenance of good physical and mental health, wellbeing, and social functioning. Some physical activity is better than none: even light activity brings some health benefits compared to being sedentary, while more daily physical activity provides greater health and social benefits.

Older adults should maintain or improve their physical function by undertaking activities aimed at improving or maintaining muscle strength, balance and flexibility on at least two days a week. Each week older adults should aim to accumulate 150 minutes (two and a half hours) of moderate intensity aerobic activity, building up gradually from current levels. Older adults should break up prolonged periods of being sedentary with light activity when physically possible, or at least with standing, as this has distinct health benefits for older people.

The new guidance also publishes for the first-time recommendations for pregnant women and people with a disability:

- People with a disability – should try to undertake strength and balance exercise on two days a week as well as 150 minutes each week of moderate intensity activity
- Pregnant women – should try to do muscle-strengthening activities twice a week and undertake 150 minutes each week of moderate intensity activity.

## **Sport England Active Lives Survey 2017-2018**

The annual survey of activity levels amongst adults over 16 helps National and Local Governments track the impact of their policies and interventions on helping people to be more active. The surveys also provide useful insight into the types of people and geographic locations where inactivity tends to be highest on a consistent basis. The latest report released in April 2019 for the period of November 2017 to November 2018 indicates the following consistent inequalities relating to regular participation in sport and physical activity:

- 25% of the population in England are inactive (not meeting any of the CMO's recommendations for physical activity)
- Men (65% or 14.2m) are more likely to be active than women (61% or 13.9m)
- Those in routine/semi-routine jobs and those who are long term unemployed or have never worked (NS-SEC 6-8), are the most likely to be inactive (33%)
- Inactivity levels generally increase with age, but the sharpest increase comes at ages 75-84 (to 47%) and age 85+ (to 70%)
- Inactivity is more common for disabled people or those with a long-term health condition\* (42%) than those without (21%). Furthermore, it increases sharply as the number of impairments an individual has increases – 51% of those with three or more impairments are inactive
- Activity levels are highest for mixed race (72%) and 'white other' adults (67%), and lowest for South Asian (56%), other (56%) and black (57%) adults.

## **The Bristol Physical Activity Needs Assessment 2019**

The Physical Activity Needs Assessment was undertaken by Bristol City Council Public Health Officers. The international, national and local policy context was considered, and quantitative data was analysed from sources such as the local Quality of Life survey, the Active Lives survey (Sport England 2018) and Joint Strategic Needs Assessment (JSNA) data profile. This intelligence was combined and analysed to offer an overview of physical activity in Bristol and recommendations for improvements.

Bristol's population is increasing at a higher rate than other similar UK cities and there are many things that set Bristol apart and make it a place where an increasing number of people want to live, work and study. The city is home to a unique mix of cultures with at least 91 different languages spoken. It can also be a city of contrasts where some of the most affluent areas border some of the most deprived. New challenges are emerging such as travel congestion, environmental pollution and increasing house prices.

### ***Deprivation in Bristol***

The Indices of Deprivation 2015 combine several indicators covering a range of economic, social, environmental and housing issues, into a deprivation score for each small area (called lower-layer super output areas) in England. The Ministry of Housing, Communities and Local Government will publish new 2019 English Indices of Deprivation by the end of October 2019. Figure 1 illustrates the results of the 2015 Indices for Bristol.



Figure 1: Index of Multiple Deprivation 2015

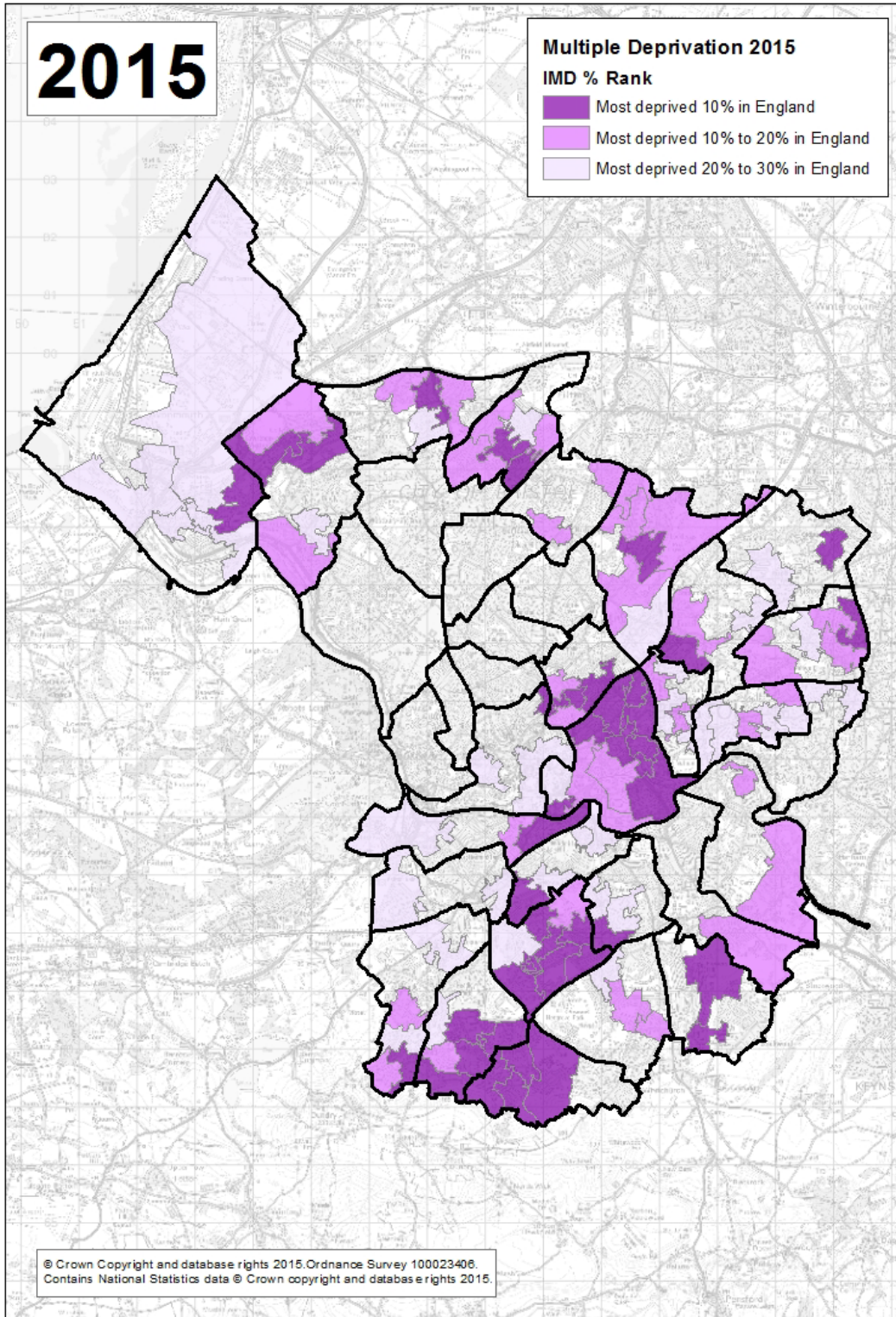


Figure 1 shows the areas of highest multiple deprivation. These areas are shown in the darkest colour on this map and correspond to areas within 17 wards: Ashley, Avonmouth and Lawrence Weston, Central, Filwood, Frome Vale, Hartcliffe and Withywood, Hengrove and Whitchurch Park, Hillfields, Knowle, Lawrence Hill, Lockleaze, Southmead, Southville, Stockwood, Windmill Hill.

**Inactivity in Bristol**

The following data on physical activity is taken from the following sources:

- Sport England Active Lives Survey 2017/18
- BCC’s Quality of Life survey 2018/19.

Figure 2 shows Active Lives data for the percentage of inactive respondents in Bristol compared to those across England and the trend over the last few years. This data suggests that levels of inactivity compare favourably to national levels with Bristol consistently showing lower percentages of inactive respondents. However, inequalities exist across Bristol populations and examples of data which show this follow.

**Figure 2 Percentage of inactive adults (aged 19+), Bristol vs England 2017/18**

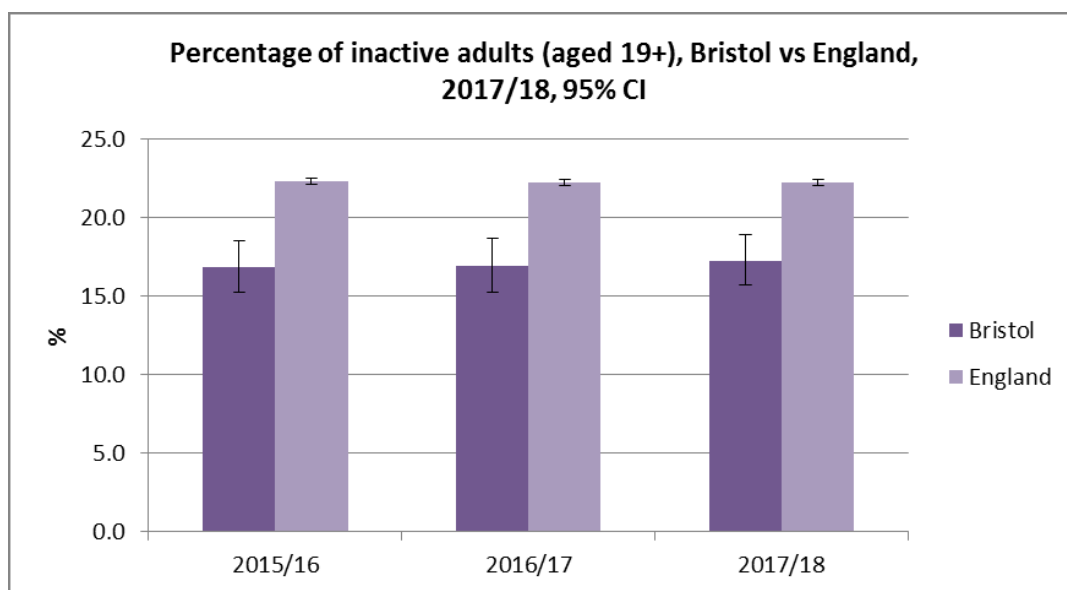
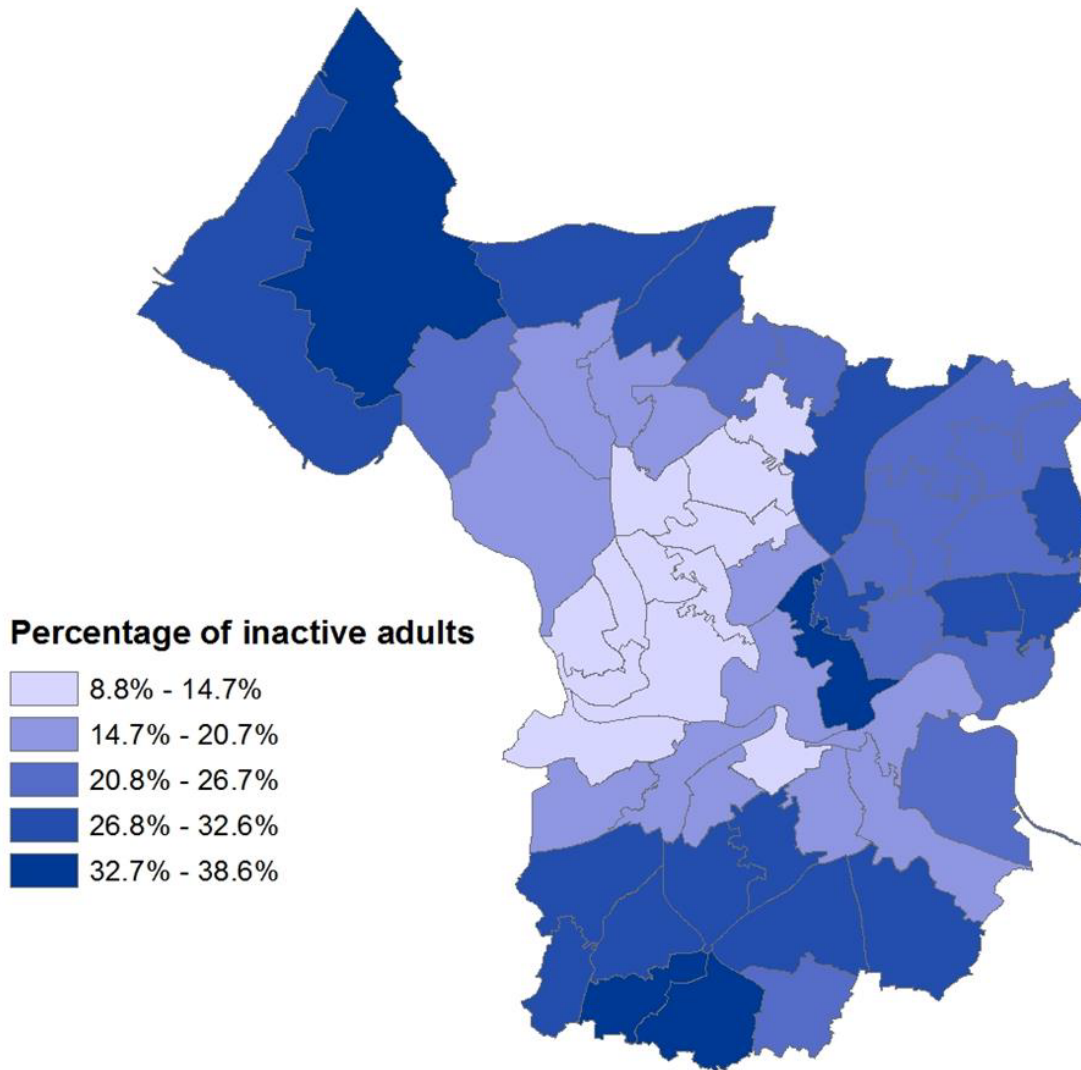


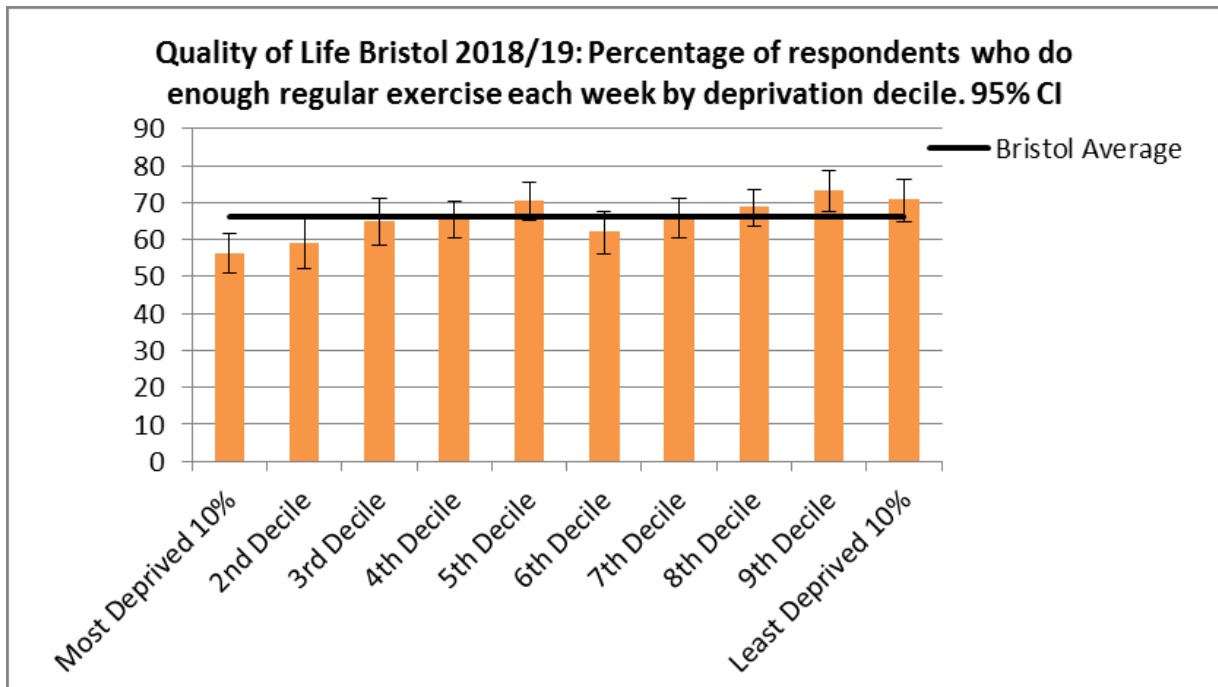
Figure 3 shows the areas which have the highest percentage of inactivity reported by respondents at Medium Super Output Area (MSOA) as surveyed through Sport England Active Lives. There is noticeable correspondence with the areas of highest deprivation in Bristol.

**Figure 3 Percentage of inactive adults aged 16+ 2017/18**



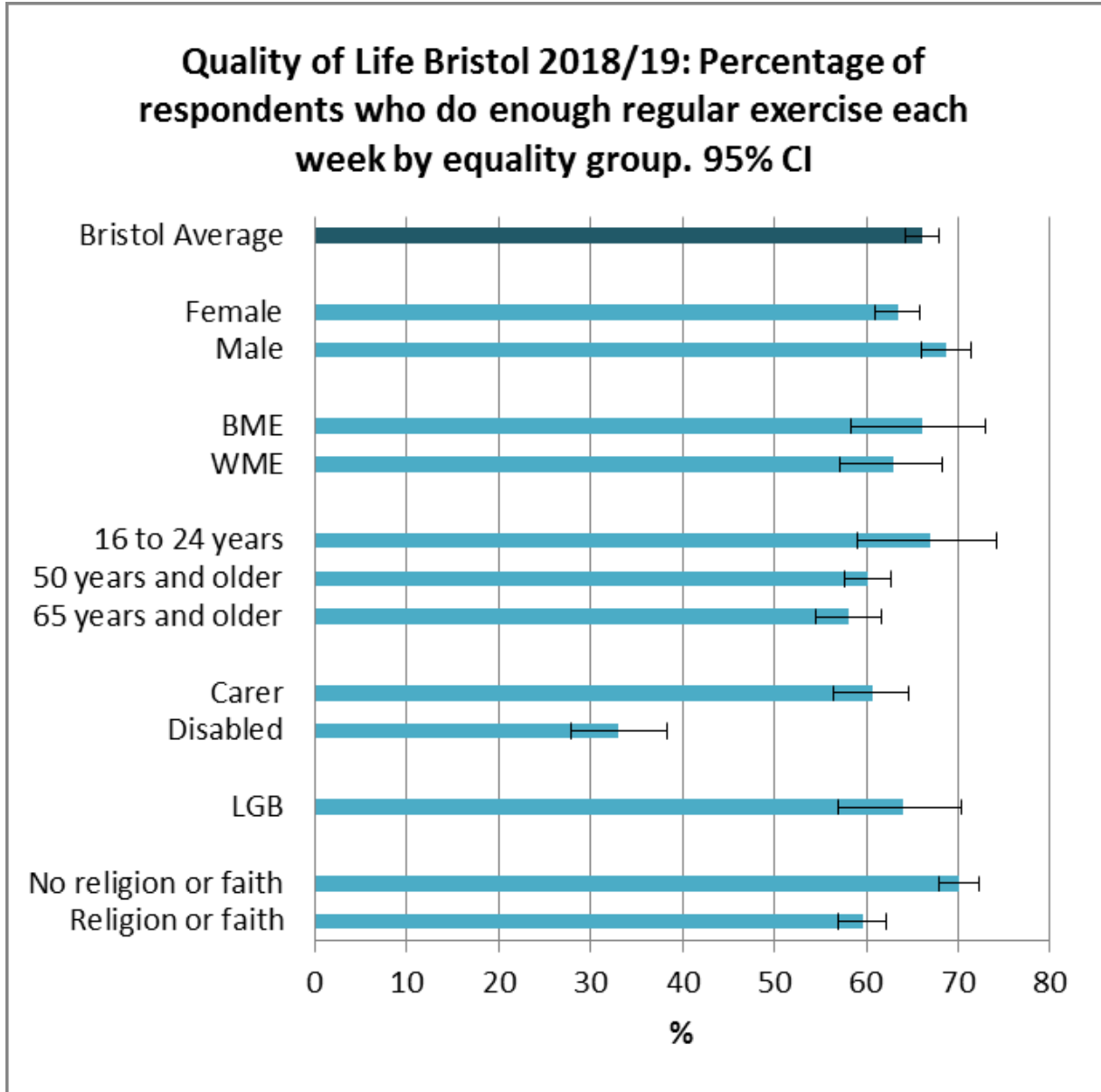
Data gathered through the local Quality of Life survey also shows this correlation between those in the most deprived 10% and lower levels of activity. The following graph in Figure 4 shows the percentage of respondents who reported they “do enough exercise” (and meet CMO recommendations) with the Bristol average expressed as a dark line. The Bristol average from this data source is 66.1% with the percentage for those living in the most deprived areas significantly lower at 56.4%.

**Figure 4 – Quality of Life Bristol 2018/19 – Percentage of respondents who do enough regular exercise each week by deprivation decile**



Further analysis of data from the Quality of Life survey reveals more variations of inactivity depending on whether you are male or female, from BME communities, how old you are and other factors as shown below in Figure 5.

*Figure 5 –Percentage of respondents who do enough regular exercise each week by minority group*



### ***Conclusions of the Physical Activity Needs Assessment 2019***

The data collated by the Needs Assessment suggests that many adults in Bristol are meeting the CMO guidelines and will be gaining the associated health benefits. **However, there are high levels of inactivity for people living in areas of deprivation and for some demographic groups.** Consequently, the many health benefits of physical activity are being disproportionately enjoyed more by those who already enjoy better health and thus adding to the gap in health inequalities in Bristol.

Target populations in Bristol have therefore been identified as:

- **Disabled Adults** - the data suggests that Disabled adults in Bristol are far less likely to report they engage in physical activity than the Bristol average including cycling or walking to work
- **Older Adults** - national and local data suggests that physical activity levels are lower amongst older adults
- **Women and Girls** - data across most activities suggested lower percentages of women and girls engaging in physical activity compared to men and boys
- **Those living in the most deprived areas** - local data suggests that those living in the most deprived areas were less likely to report they do enough exercise, play sport once a week or cycle to work.

The Needs Assessment Report also highlights 12 areas of focus to be addressed in the Sport and Physical Activity Strategy:

- Active transport
- Campaigns and resources
- Children and young people
- Community empowerment
- Data and insight
- Families
- Facilities
- Leadership
- Policy and strategy
- Professional partnerships
- Research and guidance
- Technology.



**This report has been written by The Sport, Leisure and Culture Consultancy (SLC). SLC was established in 2009 and advises organisations by developing effective strategies, planning sustainable facilities and procuring successful operational partnerships.**

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## **Appendix B**

### **Summary of all consultation work carried out for the Sport and Physical activity strategy**

#### **Background**

The new draft Sport and Physical Activity Strategy for the city has been developed with consultants SLC and key stakeholders in Bristol. As part of this initial draft a consultation was carried out with all key partners in the city and the respective National Governing Bodies (NGBs) of sport. This included workshops to discuss the vision, theme's and actions for the strategy.

Bristol City Council, supported by Sport England, commissioned the Sport, Leisure and Culture consultancy company in July 2019. It was asked to engage with key players in the city and produce an updated strategy document to reflect the current position, new local and national agendas and the contemporary views of key partners.

This strategy has been produced based upon the work carried out by SLC and input from key stakeholders. Its focus is to provide clear direction to all partners in Bristol and its surrounding areas so that together they can maximise the use of existing facilities and plan and deliver the range of sport, health provision and leisure facilities that Bristol requires. The Strategy work builds upon data from the Physical Activity Needs assessment.

#### **Physical Activity Needs assessment**

To inform the strategy a physical activity needs assessment was undertaken between April and July 2019. The needs assessment was compiled by encompassing:

- The international, national and local policy.
- Quantitative data from sources such as the local quality of life survey, the active lives survey, joint strategic needs assessment data profile and CMO guidelines for physical activity levels.
- Data was gathered through existing feedback and research as well as gathering qualitative data from local people through focus groups and a survey using Bristol City Council's Citizens Panel.
- This intelligence was combined and analysed to offer an overview of physical activity in Bristol and recommendations for improvements.

The physical Activity needs assessment highlighted ten recommendations including:

#### **1. ACTIVE TRANSPORT**

Partner with internal council transport colleagues as well as external transport and active travel organisations to strengthen links between physical activity, sport, health and transport to ensure



cohesive systems across these. Work together to achieve common aims such as active travel plans for schools, workplaces and sporting events ensuring engagement of local target populations.

## 2. CAMPAIGNS AND RESOURCES

Link in with national level campaigns and advertise and promote trusted sources of information on physical activity ensuring these are accessible to and reach local target population.

## 3. CHILDREN

Through the Healthy Schools work and other interventions, target children and young people, especially women and girls of secondary school age within relevant local target populations.

## 4. COMMUNITY EMPOWERMENT

Use community empowerment approaches and co-production of solutions in line with Asset Based Community Development ABCD to agree projects and improvements to physical activity access with local target populations.

## 5. DATA

Continue with regular population surveillance of physical activity and sedentary behaviour. Strengthen data collection and evaluation of uptake of physical activity offers by target populations. Consider facilities and locations which may be used for physical activity and investigate possibilities to monitor uptake of use of parks, pavements, cycle routes and all green, grey and blue outdoor areas as well as leisure centres and sports pitches.

## 6. LEADERSHIP

Identify a senior level physical activity champion who is responsible for developing and implementing local strategies, policies and plans.

## 7. POLICY and STRATEGY

Use this needs assessment and recommendations as a foundation for a physical activity strategy for Bristol which links in with other appropriate strategies such as transport, cycling and walking strategies.

## 8. PROFESSIONAL PARTNERSHIPS

Work across disciplines and organisation including healthcare, Public Health, Sport and Leisure, transport, planning, academic, education and business sectors to share information, best practice and resources.

## 9. RESEARCH AND GUIDANCE

With support from academic partners, monitor the latest research and guidance on physical activity from trusted sources such as Public Health England, Sport England and NICE and revise approaches as new evidence emerges.

## 10. TECHNOLOGY

Explore the use of and engage with developments in digital technologies to aid behaviour change and data collection for the local population.

## Public consultation- October 2019 to November 2019

A full public consultation was undertaken following the completion of the draft strategy document, supporting evidence base and action plans. An equality impact assessment (EqIA) has been ongoing throughout the strategy development and this was used to inform the design and distribution of the public consultation. The aim was to try to ensure we received feedback from all parts of the Bristol population and relevant user groups. The public consultation had the following features:

- Online survey designed so people could comment on the objectives most relevant to them, without having to complete pages of information.
- Online survey publicised extensively through council and partner communication channels.
- Six week consultation period designed to ensure maximum opportunity for third sector organisations and individual members of the public to respond.

### Public consultation summary of findings

A total of 84 completed responses were received with varying levels of comment attached to each objective.

#### A table to show the responses to the agreement with the strategy vision

Total responses	84
Strongly agree	56
Agree	18
Neither agree nor disagree	3
Disagree	3
Strongly disagree	2
Not answered	2

Out of a total of 84 respondents, 74 either strongly agreed or agreed with the vision for the strategy.

For each key theme, respondents were asked to select which of the identified objectives was the highest priority, the table below highlights the top objective selected.

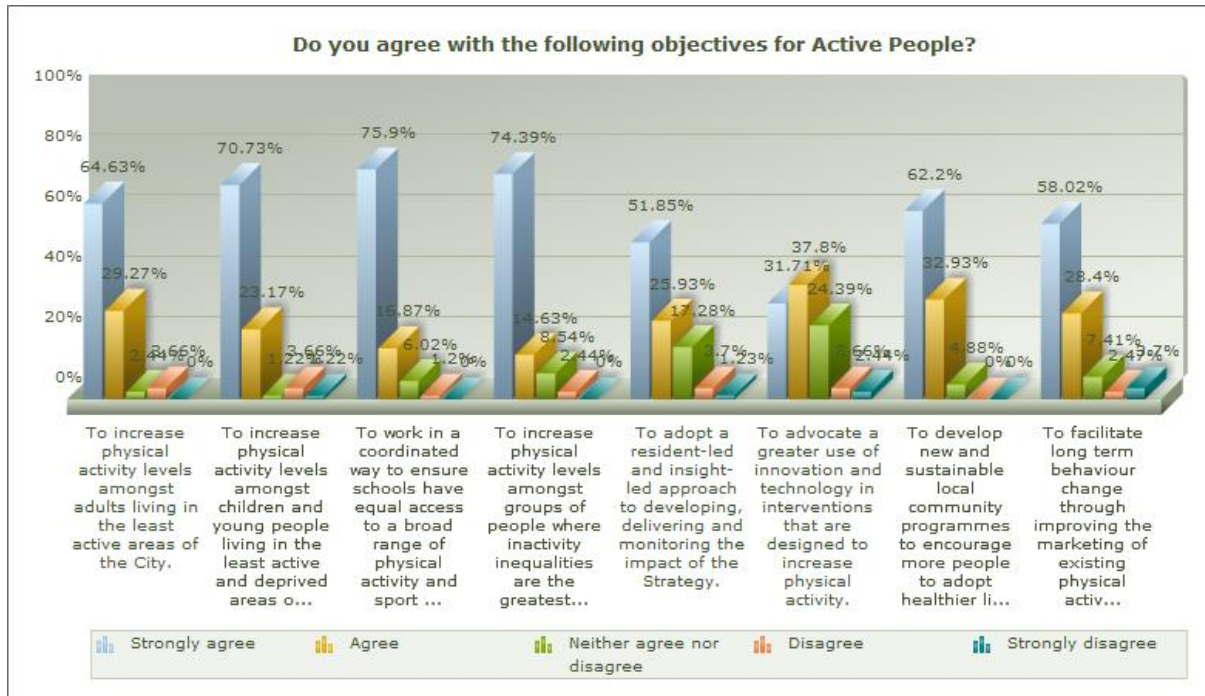
#### A table to show responses on the priority objectives for each theme

Strategy theme	Priority Objective
Active Partnerships	To work in a coordinated way to ensure schools have equal access to a broad range of physical activity and sport opportunities for their students
Active People	To increase physical activity levels amongst children and young people living in the least active and deprived areas of

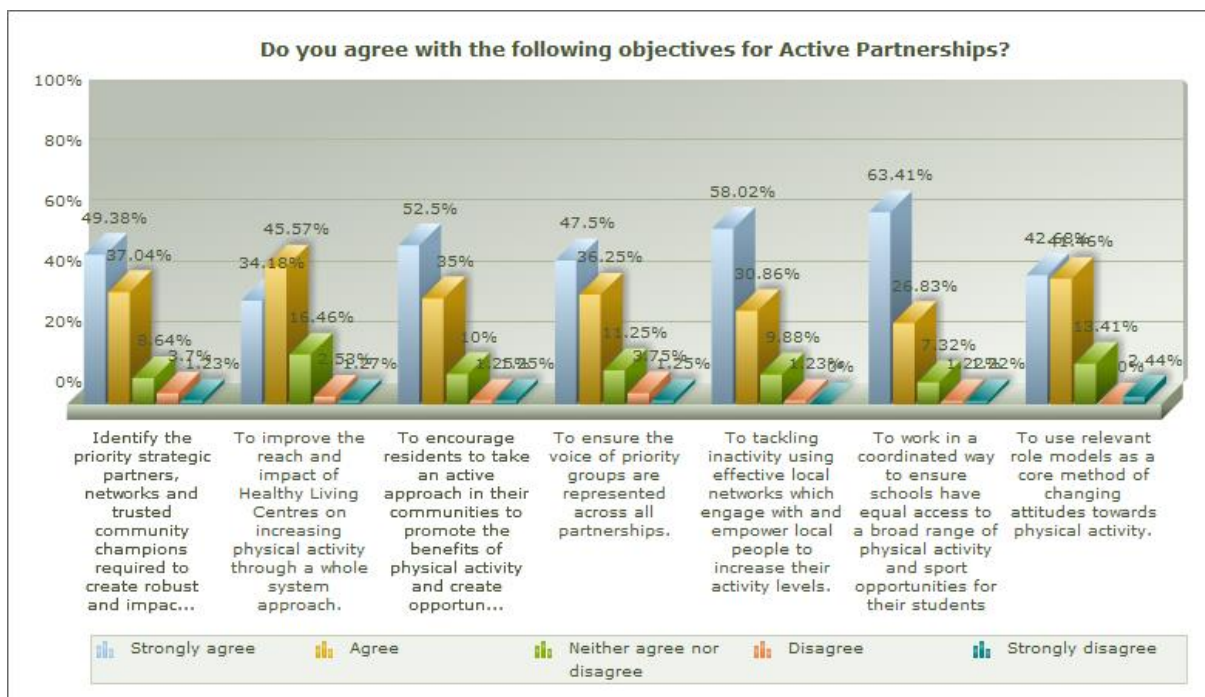
	the city
Active Environments	To increase physical activity in all parks and open spaces
Active Places	To ensure leisure facilities are sustainable, efficient and effective at increasing participation by inactive people in the least active areas of the city.

Agreement with the objectives is shown in the charts below:

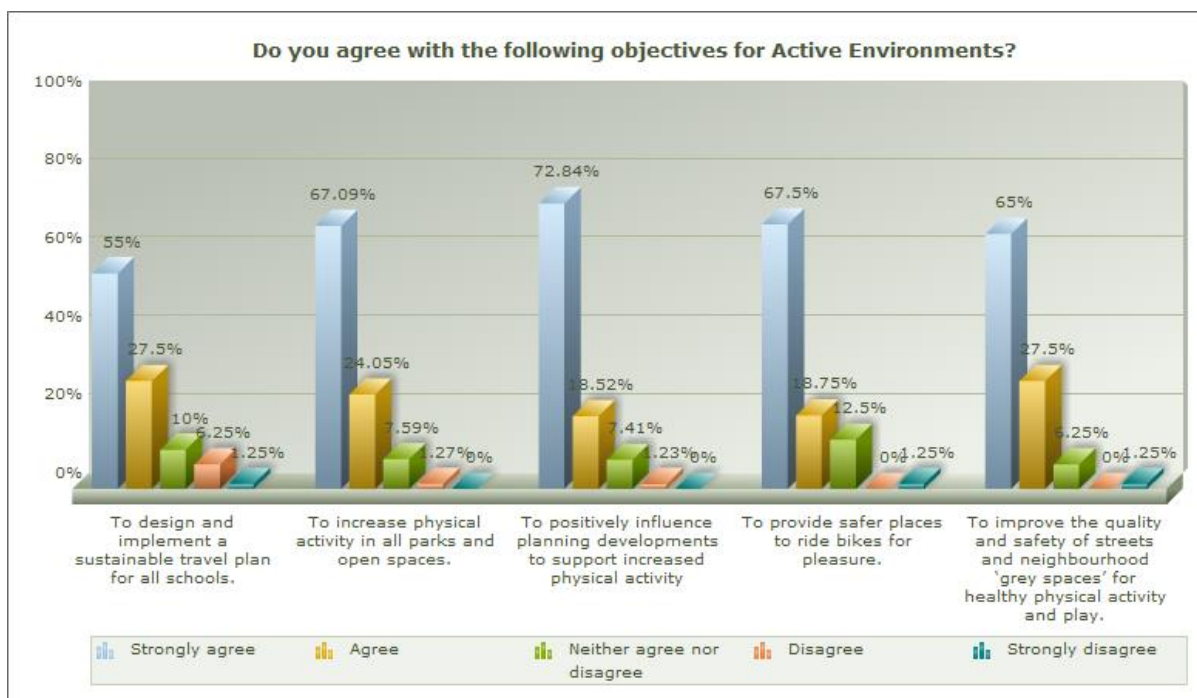
Active People:



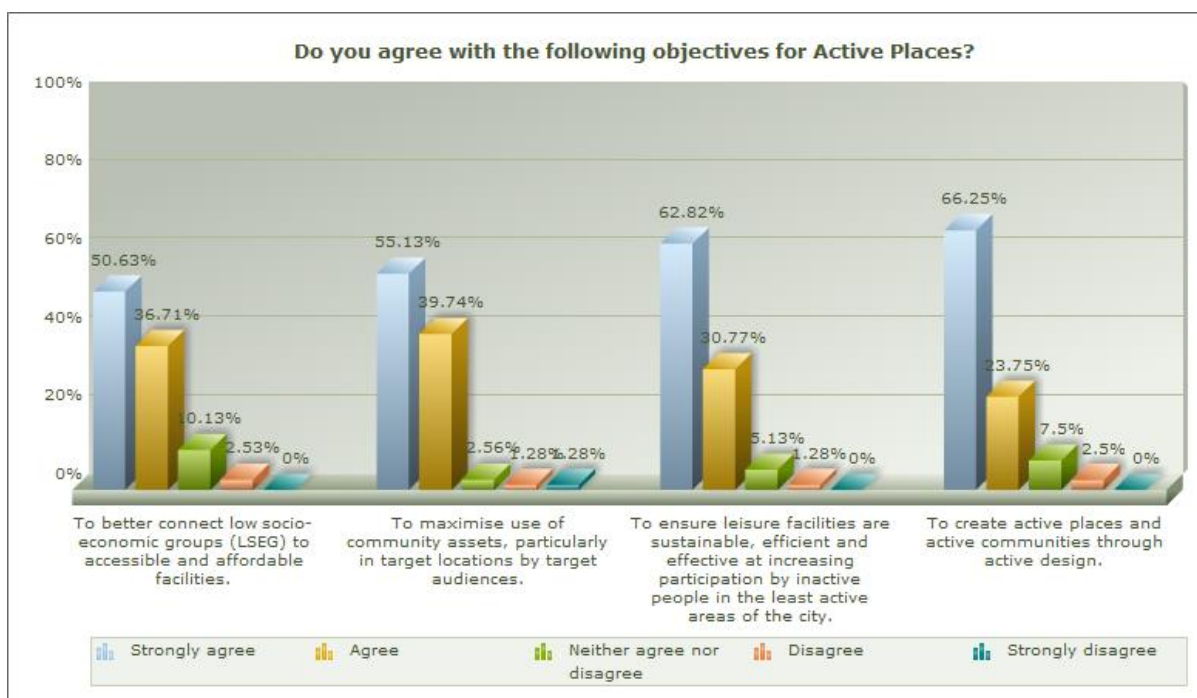
Active Partnerships



Active Environments



### Active Places



### Public consultation outcome

Responses from the public consultation do not significantly affect the proposals themes, objectives or actions identified in the draft strategy. The feedback raised as part of the consultation will be addressed, where necessary, through clearer reference in some instances and clarity around some of the language used.

The overall direction of the strategy remains unchanged. As a result of public consultation the narrative in some parts of the document has been amended to reflect feedback.



## Bristol City Council Equality Impact Assessment Form

(Please refer to the Equality Impact Assessment guidance when completing this form)



Name of proposal	Bristol Sport and Physical Activity Strategy 2020-2025
Directorate and Service Area	Public Health – Sport and Physical Activity
Name of Lead Officer	Guy Fishbourne/David Hudgell

### Step 1: What is the proposal?

Please explain your proposal in Plain English, avoiding acronyms and jargon. This section should explain how the proposal will impact service users, staff and/or the wider community.

#### 1.1 What is the proposal?

Bristol aspires to have a Sport and Physical Activity Strategy which brings together a wide group of partners with the shared objectives of creating, promoting and enhancing opportunities for sport and physical activity as a key means to help create a healthier, resilient and more prosperous city.

This Strategy is intended to support the city's stakeholders in the planning and delivery of sport and physical activity investment, services and opportunities through a clearly defined set of strategic outcomes, objectives and a robust and measurable action plan. A new framework for the governance and implementation of the strategy will also be identified.

The Strategy presents the new requirements and guidelines of the UK's Chief Medical Officer (published in September 2019) as well as the current state of the health and wellbeing of Bristolians and the physical activity levels in the city. This context and associated data will subsequently be used as a baseline for 2019 against which the impact of this Strategy will be measured.

The role of competitive sport in helping the city to be healthy and prosperous is a key priority of this Strategy. It will seek to ensure there are actions taking place which promote the opportunities for talented athletes to develop as well as ways in which major sporting events can be used to engage inactive audiences and have a wider social and economic impact.

The **Vision** for the Strategy is:

***“To ensure that all Bristol citizens have the encouragement, opportunity and environment they need to lead active, healthy and fulfilling lives. By working collaboratively and cooperatively, as a whole system, we will seek to transform attitudes and behaviours and make it easier for residents to enjoy sport and physical activity and embed it into their everyday lives.”***

## **Step 2: What information do we have?**

Decisions must be evidence-based, and involve people with protected characteristics that could be affected. Please use this section to demonstrate understanding of who could be affected by the proposal.

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

The strategy is informed by a number of data sources and evidence, the Active Lives survey from Sport England, the Bristol Physical Activity Needs Assessment, the UK Chief medical Officers physical activity guidelines and Bristol Quality of life data.

This is detailed in Appendix A – Data, Insight and Strategic Context’ of the Strategy.

### **2.2 Who is missing? Are there any gaps in the data?**

Some equalities groups were under-represented in responses to the public consultation on the Strategy: Black and minority ethnicity (8.9%); Non-Christian faiths (5.1%); Lesbian, Gay and Bisexual (2.8%); and Women (31.4%). There were no consultation responses from people with protected characteristics: Children and young people (aged under 24); Gender reassignment; or Pregnancy and Maternity.

### **2.3 How have we involved, or will we involve, communities and groups that could be affected?**

We held three workshops to inform the Strategy which involved over 30 stakeholders from a range of organisations and agencies across the city, including members of the Bristol Sports Forum and representatives of equalities groups e.g. Bristol Multi Faith Forum.

We held a six week consultation to seek the views of citizens and organisations on the draft strategy.

Actions to take place in the strategy include (1) adopting co-design principles when developing new interventions and ensure this is resident led. (2) Create a monitoring and evaluation framework and consider partnerships with academic institutions to support the delivery of the framework.

### **Step 3: Who might the proposal impact?**

Analysis of impacts on people with protected characteristics must be rigorous. Please demonstrate your analysis of any impacts in this section, referring to all of the equalities groups as defined in the Equality Act 2010.

#### **3.1 Does the proposal have any potentially adverse impacts on people with protected characteristics?**

We have not identified any negative impact from the proposal. However we need to ensure that the Strategy fully addresses the differing needs of Bristol citizens with regard to their protected characteristics.

The proposal includes the positive targeting of people with low levels of physical activity and developing a system wide approach to support people with protected characteristics to get involved in Sport and Physical activity.

Target populations in Bristol have therefore been identified as:

- Disabled Adults - the data suggests that Disabled adults in Bristol are far less likely to report they engage in physical activity than the Bristol average including cycling or walking to work. This is a key objective of the strategy and with the sports forum and key partners involved in developing physical activity opportunities within the city this will provide a greater opportunity for disability physical activity.
- Older Adults - national and local data suggests that physical activity levels are lower amongst older adults. A key objective of the strategy is to increase physical activity in adults in the least active and deprived areas of the city.



- Women and Girls - data across most activities suggested lower percentages of women and girls engaging in physical activity compared to men and boys. Ongoing engagement of this group will happen through the Bristol girls can programme and leisure centre delivery of free pregnant swims.
- Those living in the most deprived areas - local data suggests that those living in the most deprived areas were less likely to report they do enough exercise, play sport once a week or cycle to work.
- Religion or belief - Effective consultation and ongoing engagement through the sports forum and mayoral working groups will ensure user groups are fully engaged in this process.

### 3.2 Can these impacts be mitigated or justified? If so, how?

The objectives and actions outlined within the strategy aim to reduce the current health inequalities that exist within the city as currently the many health benefits of physical activity are being disproportionately enjoyed more by those who already enjoy better health and thus adding to the gap in health inequalities in Bristol.

### 3.3 Does the proposal create any benefits for people with protected characteristics?

The benefits for people with protected characteristics are targeted within the overall strategy outcomes which include targets as follows:

- Outcome 1: Through physical activity, reduce health inequalities and the Healthy Life Expectancy gap by 10% between the most affluent wards and deprived wards by 2025.
- Outcome 2: 50% more people living in wards where there are the greatest levels of socio-economic deprivation, are doing more than 30 minutes physical activity per week by 2025.
- Outcome 3: Halt the rise in levels of childhood and adult obesity by 2025.
- Outcome 4: Bristol will be the most active Core City in the country, with at least 65% of people in all parts of the city achieving the recommended amount of physical activity by 2025.

### 3.4 Can they be maximised? If so, how?

The benefits will be maximised through the ongoing support of the Bristol Sports Partnership monitoring and evaluating against the set objectives. The ongoing work of resident led approach being developed and use of community champions will ensure this work continues to benefit those with protected characteristics.

#### Step 4: So what?

The Equality Impact Assessment must be able to influence the proposal and decision. This section asks how your understanding of impacts on people with protected characteristics has influenced your proposal, and how the findings of your Equality Impact Assessment can be measured going forward.

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

The equalities Impact assessment has informed the need to engage and co-design interventions in communities and people with protected characteristics. This resident and insight led approach will make sure that sport and physical activity delivery will target people appropriately depending on their specific need and protected characteristics.

The actions generated from the equalities impact assessment have informed many of the actions within the strategy. Various actions have been highlighted in this document that will impact upon people on the basis of their protected characteristics.

4.2 What actions have been identified going forward?

Data on sports and physical activity participation needs to be supported ongoing through the strategy and one of the key objectives for the strategy is that a resident-led and insight led approach to developing, delivering and monitoring of this impact of the strategy. This will allow continual updating of relevant data sources to deliver the outcomes of the strategy.

We will address the under-representation of equalities groups in the public consultation on the Strategy with a communications plan to increase future engagement and co-design through the Bristol Sports Forum.

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

The impact of the strategy will be measured by creating a monitoring and evaluation framework and consider partnerships with academic institutions to support the delivery of the framework.

Service Director Sign-Off:



Date: 3/12/2019

Equalities Officer Sign Off:

*Reviewed by Equality and Inclusion Team*

Date: 3/12/2019

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## Eco Impact Checklist

<b>Title of report: A Sport &amp; Physical Activity Strategy for Bristol (2020 -2025)</b>				
<b>Report author: Guy Fishbourne</b>				
<b>Anticipated date of key decision 28/01/2020</b>				
<p><b>Summary of proposals:</b> The purpose of this report is to inform Cabinet members that public consultation on the draft Sport &amp; Physical Activity Strategy has now been completed. The consultation received 84 responses where the overarching response was that respondents either strongly agreed or agreed with the contents of the strategy.</p> <p>Public consultation has not resulted in any significant change to the direction of the draft strategy and with the exception of some minor drafting amendments officers are now seeking approval for the final draft strategy to be formally adopted by the Council.</p>				
Will the proposal impact on...	Yes/No	+ive or -ive	If Yes...	
			Briefly describe impact	Briefly describe Mitigation measures
Emission of Climate Changing Gases?	No			
Bristol's resilience to the effects of climate change?	No			
Consumption of non-renewable resources?	No			
Production, recycling or disposal of waste	No			
The appearance of the city?	No			
Pollution to land, water, or air?	Yes	+ive	The theme 'Active environments' includes areas such as designing sustainable travel plans for schools, communicate best practice active travel design principles to strategic leaders, planners and developers and increase awareness of safe cycling routes.	All will encourage active and sustainable travel.
Wildlife and habitats?	Yes	+ive/ -ive	The theme 'Active environments' includes the objective to increase physical	Ensure activities do not affect park wildlife or habitats by working closely with the parks

			activity in parks and open spaces	teams. Will likely encourage usage of parks and interaction with green spaces.
<b>Consulted with:</b>				
<b>Summary of impacts and Mitigation - <u>to go into the main Cabinet/ Council Report</u></b>				
<p>The significant impacts of this proposal are limited as this is mainly a strategic document. However there are some impacts linked to the encouragement through the encouragement/ advertising of active travel and development of travel plans. This will encourage active and sustainable travel.</p> <p>The net effects of the proposals are positive.</p>				
<b>Checklist completed by:</b>				
Name:			David Hudgell	
Dept.:			Public Health	
Extension:			25632	
Date:			03/12/2019	
Verified by Environmental Performance Team			Nicola Hares	

# Decision Pathway Report

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**PURPOSE:** For reference

**MEETING:** Cabinet

**DATE:** 07 January 2020

<b>TITLE</b>	<b>Quarterly Performance Progress Report (Quarter 2 - 2019/20)</b>	
<b>Ward(s)</b>	All – city wide	
<b>Author:</b> Tim Borrett Nick Smith	<b>Job title:</b> Director: Policy, Strategy and Partnerships Strategic Intelligence and Performance Manager	
<b>Cabinet lead:</b> Cllr Cheney	<b>Executive Director lead:</b> Mike Jackson	
<b>Proposal origin:</b> BCC Staff		
<b>Decision maker:</b> Officer <b>Decision forum:</b> <i>Officer Meeting</i>		
<b>Purpose of Report:</b> 1. To brief Cabinet on the progress made by all directorates against their Key Performance Indicators (KPIs) and project measures for Q2 2019/20 (Appendix A1) – designed around the themes in the Corporate Strategy and annual Business Plan.		
<b>Evidence Base:</b>  This Q2 performance progress report (Appendix A1) is designed around the Corporate Strategy 2018-23. The KPIs in the performance framework have been designed to demonstrate outcomes for citizens on the Corporate Strategy themes, and were approved by Corporate Leadership Board (CLB) in March 2019, scrutinised by Overview and Scrutiny Management Board (OSMB) and noted at Cabinet.  This report is complemented by a more detailed set of KPIs relevant to the business plan and directorate ‘business as usual’ as defined with management teams.		
<b>Performance summary:</b>  Taking the 50 available KPI results this quarter: <ul style="list-style-type: none"> <li>• 33.3% (16 of 48) of those with established targets are performing on or above target,</li> <li>• 41.5% (17 of 41) of those with a direct comparison from 12 months ago have improved.</li> </ul> <p>Q2 is not a full reflection of corporate performance as almost half the measures do not have any Q2 data due. In many cases data is only available annually.</p> <p>For comparison though, 2018/19 Q2 results showed 36% of KPIs on or above target and 55% improving.</p> <p>A selection of the most notable performance highlights are displayed on the one page summary by theme.</p>		
<b>Corporate Strategy Themes:</b>		
<u>Empowering &amp; Caring:</u>  Permanent admissions to residential care are improving compared to this time last year, however they remain below target. The Better Lives Programme continues to deliver improvements to the service resulting in reductions in the		

number of new admissions. Quarterly improvements are also being reported in the number of people contacting Adult Social Care and receive Tiers 1 & 2 services and are forecast to continue on this improvement trajectory although Q2 performance remains below target.

Improvements in preventing homelessness continue to report positive impacts, however with increasing numbers of people presenting as homeless there is increased use of temporary accommodation resulting in KPI's reporting below target performance.

#### Fair & Inclusive:

The Special Educational Needs and Disabilities (SEND) service has well publicised challenges in meeting processing targets for Educational Health Care Plans; however a restructure of the service during Q2 and the introduction of additional resources starting in Q3 suggest a forecast of improved performance moving forward.

The percentage of young people who are Not in Education Employment & Training, or are destination unknown, has improved since this time last year, and shows continuing signs of improvement; however it remains below target.

The project to increase apprenticeships within BCC has exceeded expectations, and is now also above target for apprenticeships from priority groups. The Apprenticeship Diversity Hub is further reinforcing the Council's reputation and there will be further promotional activity over the next 6 months in the lead up to National Apprenticeship Week.

Affordable housing delivery is now slightly below the expected position for this period.

#### Wellbeing:

The proportion of Bristol Year 6 pupils (10-11yr olds) with excess weight is now significantly lower than the England average. The number of attendances at BCC leisure centres and swimming pools has dropped since last year, however the service is working to address this and meet the target set.

The Bristol Intermediate Care project has identified a shortfall in intermediate care and home care provision and highlighted the investment needed to change this. Levels of Delayed Transfers of Care (DTOC), where patients are kept in hospital longer than required medically, remain high due to this shortfall.

Bristol continues to be one of the best performing English cities for household waste recycling, despite seeing a drop since this time last year.

The figure for new electric and hybrid vehicle registrations is well below target; however further investment in charging infrastructure is expected to support an improvement in future. Fleet Services remain committed to achieving an overall target of 10% of the fleet being electric and have identified further infrastructure needs at council sites to achieve this, although this may take beyond the current year to implement.

#### Well Connected:

The number of adults in low paid work and receiving benefits who are accessing in-work support has increased significantly, due to growth in the Future Bright and Get Well - Get On programmes.

The number of people able to access care and support through the use of adaptive technology is slightly below target but is expected to pick back up in Q3.

Public transport measures are still slightly below target, although more Park & Ride journeys have been made compared to Q2 last year.

#### Organisational Priorities:

The introduction of a new electronic case management system in Q2 is designed to improve the number of Freedom of Information requests and complaints responded to within target timescales. Whilst current performance is well below target it is forecast this will improve as staff become familiar with the new system.

Finance KPIs are below target for Q2, but latest position shows confidence in targets being met at year-end on the collection KPI's. Sickness absence figures are below target overall, but are improved on this time last year.

For all themes, attention is drawn to the commentaries on annual indicators where the service has indicated exception in delivery, and/or details of plans and activities underway.

**Cabinet Member / Officer Recommendations:**

1. That Cabinet note the report and measures underway to improve performance.

**Corporate Strategy alignment:**

1. All BCP PIs contained within Appendix A1 have been previously approved by CLB for 2019/20 to demonstrate our progress towards the Corporate Strategy (2018/23).

**City Benefits:**

1. Understanding whether BCC is delivering outcomes for the citizens and city ensures organisational effort can be focussed on benefit realisation.

**Consultation Details:**

1. Performance progress has been presented to EDMs and CLB prior to the production of this report.

**Background Documents:**

1. [BCC Corporate Strategy](#)
2. [BCC 2019/20 Business Plan](#) and [Performance Framework](#)

<b>Revenue Cost</b>	£0	<b>Source of Revenue Funding</b>	N/A
<b>Capital Cost</b>	£0	<b>Source of Capital Funding</b>	N/A
<b>One off cost</b> <input type="checkbox"/>	<b>Ongoing cost</b> <input type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <input type="checkbox"/>

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

**1. Finance Advice:** There are no specific financial implications as part of the report.

Identification and delivery of meeting key performance indicators is a major part of annual service planning including budget setting. Identifying key outcomes and targets should have a significant impact on allocation of resources through annual budget setting process, similarly availability of resources to delivery outcomes will have an impact on the achievability of targets. Performance information should be viewed alongside services financial information and progress of delivery of key projects.

**Finance Business Partner:** Michael Pilcher – 19<sup>th</sup> Nov 2019

**2. Legal Advice:** There are no specific legal implications in this report. Reporting performance against the business plan and corporate strategy assists the Council to comply with its duty to make arrangements to secure continuous improvement in the way in which the Council's functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

**Legal Team Leader:** Nancy Rollason - 19th Nov 2019

**3. Implications on IT:** There are no direct IT implications arising from publication of this report

**IT Team Leader:** Gavin Arbuckle - 22<sup>nd</sup> Nov 2019

**4. HR Advice:** There are no specific HR implications arising from the report. However, the Key Performance



Indicators (KPIs) are an integral part of the council's performance management system. Annual Service plans and employee performance objectives should be linked appropriately to the KPIs.

**HR Partner:** Mark Williams, Head of Human Resources – 19th Nov 2019

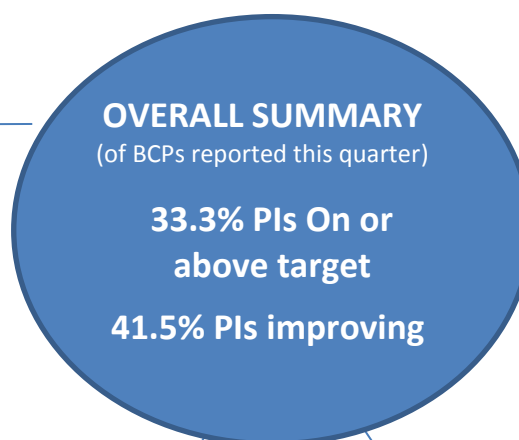
<b>EDM Sign-off</b>	All (Resources and G&R EDM Performance reports on 6 November '19; People EDM report circulated via email). CLB review on 12/11/19.	6/11/19
<b>Cabinet Member sign-off</b>	CLlr Craig Cheney	11/11/19
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	19/12/19

<b>Appendix A – Further essential background / detail on the proposal</b> Appendix A1: Performance Progress Update (Q2 2019/20)	<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b> An abridged version of this report with "Appendix A1: Performance Progress Update (Q2 2019/20)" was sent to Overview and Scrutiny Management Board for the 18 Dec 2019 meeting.	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b> This is the quarterly Performance Report, for the themes in the Corporate Strategy and annual Business Plan, so does not require Equalities screening itself.	<b>NO</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>

# BRISTOL CITY COUNCIL – Q2 2019/20 Performance Summary

EMPOWERING & CARING	
Title	Target status
BCP222: Increase the take-up of free early educational entitlement by eligible 2 year olds	Below
BCP276a: Reduce the permanent admissions aged 65+ to residential and nursing care, per 100,000 population	Well below
BCP280: Increase the % of people who contact Adult Social Care and then receive Tiers 1 & 2 services	Well below
BCP352b: Reduce number of people sleeping rough on a single night in Bristol – BCC quarterly Count	Below
BCP356: Reduce the number of households who were in Temporary Accommodation for more than 6 months	Below

FAIR & INCLUSIVE	
Title	Target status
BCP263a: Reduce the % of young people of academic age 16 to 17 years who are NEET & destination unknown	Well Below
BCP227: Percentage of Final Education Health Care Plans issued within 20 weeks including exception cases	Well Below
BCP230a: KS2 - Increase the % of pupils achieving the expected standard in reading, writing and maths	Above
BCP261b: Increase the % of BCC apprentices starting apprenticeship training from priority groups	Above
BCP425: Increase the number of affordable homes delivered in Bristol	Below



WELLBEING	
Title	Target status
BCP249: Prevalence of child excess weight in 10-11 year-olds	Above
BCP253: Increase the number of attendances at BCC leisure centres and swimming pools	Below
BCP279: Improve the monthly Delayed Transfers of Care for BCC (Delayed Days per 100,000 population)	Well below
BCP433: Reduce the total CO2 emissions in Bristol City (k tonnes)	Above
BCP513: Increase the number of new electric and hybrid vehicle registration	Well below

WELL CONNECTED	
Title	Target status
BCP268: Increase the number of adults in low pay work & receiving benefits accessing in-work support	Well Above
BCP308: Increase the number of people able to access care and support through the use of adaptive technology	Below
BCP474: Increase the number of single journeys on Park & Ride into Bristol	Below
BCP475 Increase the number of passenger journeys on buses	Below

WORKPLACE ORGANISATIONAL PRIORITIES	
Title	Target status
BCP531: Increase % of all Corporate Plan PIs on target	Well below
BCP327: % Corporate FOI requests responded to within 20 working days	Well below
BCP518: Increase % of stage 1 non-statutory complaints responded to within 15 days	Well below
BCP502: Increase the percentage of invoices paid on time (BCC)	Below
BCP522: Reduce the average number of working days lost to sickness	Below



CLB / Cabinet - Quarter 2 (1st April - 30 September '19) Performance Progress Report



Corp Plan KC ref	Code	Title	+/-	2018/19 Outturn	2019/20 Target	Q1 Progress	Q2 Progress	Comparison over last 12 months	Officer Notes	Directorate
<b>2019/20 Corporate Plan: Empowering &amp; Caring</b>										
EC1	BCP212	Reduce the number of adolescents (aged 13-17) who need to enter care due to abuse or exploitation	-	27	24	8	19	↓	During this period, 19 children came into care because of neglect/abuse predominantly as result of a court decision and often as part of a larger sibling group where neglect/abuse has not diminished as a result of work with the family. The decision to seek a Care Order for any child is subject to scrutiny and challenge from the Senior Leadership Team. Legal Advice is sought and wherever possible, family solutions are identified.	PE
EC1	BCP214	Increase the % of child referred who are seen promptly	+	n/a	90.0%	Data not entered	Data not entered	n/a	This is a new performance measure and work is progressing to report progress for this in Q3	PE
EC1	BCP219	Increase the percentage of Family Outcome Plans where agreed outcomes were achieved	+	n/a	Establish baseline	30.4%	39.0%	n/a	87 outcome plans evidence the achievement of agreed outcomes. The outcomes are now embedded in the children's recording system (Early Help). We anticipate improved recording and therefore improved reliability of reports on outcomes achieved.	PE
EC1	BCP222	Increase the take-up of free early educational entitlement by eligible 2 year olds	+	68.0%	70.0%	n/a	64.0%	↓	The 2019/20 progress reports the 2018/19 financial year, as published by the DfE. The uptake of the Free Early Education offer for Eligible two year olds is in decline nationally and Bristol is no exception, with a drop of 6% in 2018/19. An analysis has been undertaken by the Early Years Services and processes are now in place to support families in the application process. As a result the percentage is beginning to increase.	PE
EC2	BCP352a	Reduce the number of people sleeping rough on a single night in Bristol - Annual Count	-	82	70	n/a	n/a	n/a	The annual count is generally done during November and will be reported at Q3. There are in-year quarterly counts which are reported below at BCP352b.	G&R
EC2	BCP352b	Reduce the number of people sleeping rough on a single night in Bristol - BCC quarterly Count	-	72	60	106	117	↓	This figure is an average of two separately quarterly counts which took place during July and September. The figures for each of these counts were 130 and 103 respectively. Levels of rough sleeping tend to be higher than when the winter shelters are open. St Anne's Winter Shelter opened again on 1st October and this should have an impact on next quarter's count. We are still hopeful of developing an additional night shelter in 2020. The Rapid Rehousing Pathway has achieved outcomes for 143 people who have been placed in temporary, emergency or long-term accommodation or reconnected to accommodation in an area where they have a local connection. We are assured by MHCLG that funding for the service will continue for next year. It is likely that the Outreach team will have contact with 1,200 to 1,300 people this year and this is largely a result of the lack of affordable housing in the city and the impact of Welfare Benefit Reforms.	G&R
EC2	BCP353	Increase the number of households where homelessness is prevented	+	n/a	1,000	268	567	n/a	Performance of the Housing Options Service is on track to meet target. We increased the number of successful preventions compared to Q1. This is a new measure for 2019 so no trend is available.	G&R
EC2	BCP356	Reduce the number of households who were in Temporary Accommodation for more than 6 months	-	279	260	255	278	↓	The number of households in temporary accommodation (TA) for more than 6 months has increased. We have Move-On team officers vacancies which are in the process of being recruited to. Whilst this happens some of the team activities are being covered by the service but not the full range of interventions.	G&R
EC2	BCP357	Reduce the number of households in temporary accommodation	-	524	500	513	545	↓	The number of households in temporary accommodation (TA) has increased since the previous quarter. We have improved our prevention of homelessness this quarter, however, the number of households who are presenting as homeless or threatened with homelessness is increasing and up by 15% compared with 18/19. This is driving the increase in use of Temporary Accommodation.	G&R
EC3	BCP276a	Reduce the permanent admissions aged 65+ to residential and nursing care, per 100,000 population	-	570	550	603.4	613.4	↑	For July to September 1,101 out of 179,487 (59,829 x3) There has been a small increase in the number of placements in Q2 which has taken us above target. After detailed analysis we have found the main reason for this is that there has been less turnover than usual meaning that there have been few exits in this period. The number of new placements is only slightly higher than q1 due to high no of admissions to hospital. Through Better Lives we have continued plans to avoid admissions to care homes through increased Reablement provision and Extra Care Housing.	PE

Corp Plan KC ref	Code	Title	+/-	2018/19 Outturn	2019/20 Target	Q1 Progress	Q2 Progress	Comparison over last 12 months	Officer Notes	Directorate
EC3	BCP277	Percentage of adult social care service users, who feel that they have control over their daily life	+	77.70%	78.00%	n/a	n/a	n/a	Although this data is taken from the annual survey and therefore we cannot track progress on a quarterly basis we do have outcomes within the Better Lives programme to ensure we are improving in this area. This includes the basic principle of ensuring that people remain as independent as possible in their own homes through the investment in tier 2 services to support them and avoiding admissions to care homes. Also through more outcomes based support planning that is focussed on the individual and the promotion of Direct Payments which are above national average and plans to implement Individual Service Funds.	PE
EC3	BCP278	% of older people at home 91 days after discharge from hospital into reablement/rehabilitation *	+	86.1%	88.0%	88.2%		↓	This performance indicator has a 3 month data lag and reports the 2019/20 Qtr 1 performance, which is currently on or just above target. Of those not at home 91 days following discharge the majority had died, showing the increasing frailty of the people receiving a service.	PE
EC3	BCP280	Increase the % of people who contact Adult Social Care and then receive Tiers 1 & 2 services	+	47.4%	60.0%	50.5%	52.8%	↑	This has increased by 2.3% since last quarter as we continue to increase the level of tier 1/2 support for people. We set an ambitious target of 60% and continue to work to achieve this through further work we are doing on developing community assets and expansion of tier 2 reablement services. For July to September, 482 T1 / T2 outcomes / 913 total outcomes	PE
EC3	BCP307	Increase the number of disabled people enabled to live more independently through home adaptations	+	3,370	3,400	1,020	1,545	↑	Performance on target for Q2.	G&R
EC4	BCP312	Increase % respondents who volunteer or help out in their community at least 3 times a year (QoL)	+	67.8%	69.0%	n/a	n/a	n/a	The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in Jan 2020 followed by full results in March.	RE
EC4	BCP314	Reduce the percentage of people who lack the information to get involved in their community (QoL)	-	28.6%	28.0%	n/a	n/a	n/a	The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in Jan 2020 followed by full results in March.	RE
<b>2019/20 Corporate Plan: Fair &amp; Inclusive</b>										
FI1	BCP310	Increase the number of private sector dwellings returned into occupation	+	537	490	167	355	↑	Performance is well ahead of target for Q2, however performance is likely to slow down in Q3 and Q4.	G&R
FI1	BCP425	Increase the number of affordable homes delivered in Bristol	+	260	440	41	148	↑	The figure reported is 2 affordable homes less than projected for this quarter as the East Street scheme has been delivered as private rent rather than affordable rent.	G&R
FI1	BCP430a	Increase the number of new homes to meet the corporate target	+	1,498	2,000	n/a	n/a	n/a	This measure is calculated annually and generally reported at q2 of the following year. It is therefore anticipated that the number of new homes for 2019/20 will be reported after September 2020	G&R
FI2	BCP227	Percentage of Final Education Health Care Plans issued within 20 weeks including exception cases	+	7.0%	61.3%	2.3%	0.4%	↓	This indicator covers the previous year, showing the most recent quarter and the previous 3 quarters combined (so Q2 shows Oct 2018 to Sept 2019). During this year, 234 EHCPs were completed, but only 1 was done within the required timescale. For Q2 itself, 137 EHCPs were completed (with 1 being on time) compared to 36 EHCPs completed in Q1 itself (with 0 on time), showing that there has started to be an increase in the volume of Plans processed. [Note - this comment has been updated following People Scrutiny mtg in Nov to provide further clarity on the total numbers processed each Quarter] Overall, issues have been due to staffing shortages within the SEND team, an increase in statutory assessment requests (nationally as well as in Bristol) and resourcing issues causing other professionals to be unable to provide their assessment reports on time. SEND resourcing issues are currently being addressed; The SEND Team has now been restructured, with additional posts due to be filled before the end of 2019. New working practices have been designed to improve the quality of service to families and young people, and improve performance within statutory timescales.	PE
FI2	BCP230a	KS2 - Increase the % of pupils achieving the expected standard in reading, writing and maths	+	63.0%	64.0%	n/a	64.2%	↑	Provisional data indicates that 64.2% of pupils achieved the expected standard in reading, writing and Mathematics which is above target. This figure is subject to revision during the national validation process.	PE
FI2	BCP230b	KS2 - increase the % of disadvantaged pupils, at KS2, achieving the expected standard in RWM	+	49%	50%	n/a	49.0%	↓	Provisional data indicates that 48.9% of disadvantaged pupils achieved the expected standard in reading, writing and Mathematics which is slightly below target. This figure is subject to revision during the national validation process.	PE
FI2	BCP231a	Key Stage 4: Improve the Average Attainment 8 score per pupil	+	45.5 points	47.0 points	n/a	45.3 points	↓	Provisional national data indicates that Bristol attainment 8 is 45.3 points. This is slightly below the Bristol average in the previous year (45.54 points)	PE
FI2	BCP231d	Key Stage 4: Attainment 8 - Reduce the Points gap between the Disadvantaged and Non-Disadvantaged	-	16.2 points	15.0 points	n/a	16.4 points	↓	Provisional GCSE data was published in October, final data issued alongside performance tables in January 2020	PE
FI2	BCP245	Improve the level of Bristol Schools' pupil attendance	+	94.7%	95.2%	n/a	n/a	n/a	An Attendance Strategy Manager post has been created and appointed. The attendance toolkit has been launched to support schools with tackling attendance. School attendance network meetings are also in place for each locality to build the capacity of attendance leads in schools.	PE

Corp Plan KC ref	Code	Title	+/-	2018/19 Outturn	2019/20 Target	Q1 Progress	Q2 Progress	Comparison over last 12 months	Officer Notes	Directorate
FI3	BCP218	Improve the % of 17 - 21 year old care leavers in EET (statutory return - recorded around birthday)*	+	65%	65%	63%		↑	This performance indicator captures the Education, Employment and Training (EET) status of young people who have previously been in care (recorded on or around their Birthday). The way in which the measure is taken (a national requirement) means there is a 3 month lag in data reporting. There were 397 eligible care leavers on 30/06/2019. Of these, 249 were in education, employment or training within their statutory birthday contact period. Performance is greatly improved when compared to Q1 2018, which was 57%. Performance is top quartile when compared with other local authorities. The performance target reflects our ambition and is therefore a stretch target. This means that whilst performance is slightly below target, performance is still relatively good. There is a constant focus on ensuring young people are supported to achieve their ambitions in education, training and employment and to ensure this is recorded. Bristol's social impact bond delivers specialist support to young people and is delivered in partnership with 1,625 Independent People (Reboot). Workers are embedded in our Through Care Teams and regular events enable young people and Leaving Care Personal Advisers to maximise opportunities for EET. The number of young people allocated to each Personal Adviser is monitored to ensure there is adequate time to provide meaningful support to every young person.	PE
FI3	BCP261a	Increase the total number of apprentices employed by Bristol City Council	+	184	214	176	241	↑	Starts during quarter matched plan and some completions did not come through on time. There are 36 starts on programme due at present during quarter 3 and we expect additional opportunities to arise in next month and thereafter a seasonal lull and a series of up to 47 programme completions. Likely year end outcome will be in excess of Public Sector Duty requirement	PE
FI3	BCP261b	Increase the % of BCC apprentices starting apprenticeship training from priority groups	+	29.3%	31.0%	29.0%	32.3%	↓	Over 50% of new entrant apprentice starters are recruited from priority groups and we are experiencing a similarly high percentage of applicants from these groups when we advertise. The Apprenticeship Diversity Hub is further reinforcing the Council's reputation and we are planning further community-led promotional activity over next 6-months in lead up to National Apprenticeship Week. This figure excludes young people aged 16 to 18 and we will review this as part of a joint initiative with HR and LGA to review BCC processes.	PE
FI3	BCP263a	Reduce the % of young people of academic age 16 to 17 years who are NEET & destination unknown	-	7.7%	6.5%	7.3%	10.1%	↑	This is the current performance data for young people who are Not in Education, Employment and Training (NEET), or their status is unknown; it is an improvement of 2.5% from last year at this time. This quarter includes the transition period of leaving school and starting post 16 provision, so always sees an increase, we do not receive all the data on enrolments until the end of October in line with the DfE statutory requirements. The months of July/August/September are very busy as we focus on capturing the predicted September guarantee information for the whole cohort. Predictions are that this data will reduce over the next quarter as we receive the data from the providers as we have continued to nurture positive partnerships with them to improve post 16 provision performance across the city. NEET and Not known Young people are being referred to Targeted Youth Support in a more timely manner with young people receiving support with Employment, Education and Training progression.	PE
FI3	BCP267	Improve the overall employment rate of working age population	+	76.6%	76.6%	77.1%	77.6%	↓	Whilst there has been growth in the rate from the previous quarter, due to the accuracy of the data, +/- 2%, it is difficult to draw accurate conclusions.	PE
FI3	BCP270	Increase experience of work opportunities for priority groups	+	n/a	2,750	340	996	n/a	In Q2, we have seen a real success in applicants from under represented groups apply and undertake work experience within the Council (39). Alongside this, we continue to have success in the career coach programme for children in care (26) and the apprenticeship diversity hub pilot projects (75). During this quarter 5 people have subsequently been offered paid employment and apprenticeships following the success of one of the diversity hub projects. WORKS experience of work offer has been taken up by 516 young people. The increase in numbers was predominately due to aspirational activity scheduled prior to the summer holidays. We have conducted all planning meetings with schools to ensure activity is underway for next quarter in all schools. We do anticipate much of the work to be specifically tailored to small group sessions with the addition of opportunity of Bristol Works for Everyone element.	PE
FI4	BCP324	Increase the percentage of people who feel they belong to their neighbourhood (QoL)	+	59.4%	59.4%	n/a	n/a	n/a	The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in Jan 2020 followed by full results in March.	RE
FI4	BCP327	Reduce the percentage of people who have noted "mainly negative effects" from gentrification (QoL)	-	28.0%	27.0%	n/a	n/a	n/a	The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in Jan 2020 followed by full results in March.	RE

Corp Plan KC ref	Code	Title	+/-	2018/19 Outturn	2019/20 Target	Q1 Progress	Q2 Progress	Comparison over last 12 months	Officer Notes	Directorate
<b>2019/20 Corporate Plan: Wellbeing</b>										
W1	BCP249	Prevalence of child excess weight in 10-11 year-olds	-	34.5%	34.0%	n/a	31.3%	↑	The results of the NCMP programme for the school year 18/19 were reported in October 2019. The proportion of Year 6 pupils (10-11yr olds) with excess weight in Bristol schools was 31.3% in , lower than the England average (34.3%) by a statistically significant margin. 18.2% of 10-11 year olds were classed as obese , also significantly lower than the national average prevalence (20.2%).After rising for many years, between 2015/16 and 2018/19 the prevalence of excess weight in year 6 pupils in Bristol, declined by a statistically significant margin to the lowest level observed since 2006/07. Measurement coverage in Bristol schools in 2006/07, the first year of the NCMP programme, was very poor and may well mean that the result for that year cannot be compared to other years of the programme when coverage has been much higher and provided more robust comparisons. Bristol schools in 2018/19 had the lowest year 6 prevalence of excess weight of any of the 8 Core Cities comparator group, by a statistically significant margin, and the lowest prevalence of obesity in year 6.	PE
W1	BCP250	Reduce the percentage of people in Bristol who report below national average Mental Wellbeing (QoL)	-	19.7%	19.6%	n/a	n/a	n/a	The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in Jan 2020 followed by full results in March.	PE
W1	BCP251	Reduce the rate of alcohol-related hospital admissions per 100,000 population	-	839	839	856	881	↓	This remains an area of concern. Public Health is working with the CCG and the hospital trust to review the available data on the pattern and reason for admission. This will enable more targeted and informed preventative action. Hospital admissions is one indicator and we will also be looking at presentations at A+E; alcohol in relation to anti-social behaviour and violence.	PE
W1	BCP255	Increase % of people living in the most deprived areas who do enough regular exercise each week (QoL)	+	56.4%	56.9%	n/a	n/a	n/a	The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in Jan 2020 followed by full results in March.	PE
W1	BCP279	Improve the monthly Delayed Transfers of Care for BCC (Delayed Days per 100,000 population)	-	187.8	187	201.2	239.3	↑	For August 874 DToCs / 18+ Population of 365,292. DTOC levels remain high due to an undersupply in Intermediate care (Home First and reablement) and general lack of Home Care capacity. This is impacting on flow. The Bristol Intermediate Care project has identified the shortfall in provision required and the investment needed to change the DTOC position. The Corporate Leadership Board have been made aware have requested more information.	PE
W2	BCP333	Increase the percentage of residents visiting a park or open space at least once a week (QoL)	+	49.7%	51.0%	n/a	n/a	n/a	The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in Jan 2020 followed by full results in March.	G&R
W2	BCP433	Reduce the total CO2 emissions in Bristol City (k tonnes)	-	1,547 K Tonnes	1,497 K Tonnes	n/a	1,491 K Tonnes	↑	This measure is reported at around 18 months after the end of the calendar year so the 2019/20 reported figure is for the calendar year 2017. On track for the target in place at that time.	G&R
W2	BCP434	Reduce the proportion of deaths attributed to particulate air pollution	-	5.1%	4.3%	n/a	n/a	n/a	This indicator is based on Public Health England data and calculations. These show that for the last year of data (2017) the fraction of deaths attributable to pollution from particulates rose significantly reversing a general downward trend of the previous 5 years. It is based on the fraction of very small particles (<2.5 micro metres) arising from human action. The main sources of this within the city are traffic and combustion.	G&R
W2	BCP480	Increase the % of monitoring sites that meet the annual air quality target for nitrogen dioxide	-	21.3%	100%	n/a	n/a	n/a	This is an annual measure to be reported at year end. In 2018/19 27 sites out of 127 were compliant.	G&R
W2	BCP513	Increase the number of new electric and hybrid vehicle registrations	+	n/a	26	0	6	n/a	6 new Electric Vehicles(EV) have been added to the City Council's fleet, taking the total of EVs & Hybrid vehicles up to 23: <ul style="list-style-type: none"> <li>• The Enterprise Car Club has 2 electric cars and 1 hybrid car based at Temple Street.</li> <li>• Parking Services has 12 at Days Road,</li> <li>• ICT Services has 1, based at City Hall</li> <li>• The Records Office has 1 at B Bond records office,</li> <li>• Ground maintenance has 1</li> <li>• Housing responsive repairs has 4 based at Sandy Park</li> <li>• And Sustainable Transport also has 1</li> </ul> At present, there are no further purchases planned for this year as there is a need to increase the Electric Vehicle(EV) infrastructure at council sites, to include additional charge points, before further EVs are added to the City Council's fleet.	RE
W2	BCP540	Reduce percentage of people who feel that street litter is a problem in their neighbourhood (QoL)	-	82.4%	80.0%	n/a	n/a	n/a	Programmes of targeted interventions at local levels are planned for this year in addition to ongoing regular work. It is anticipated that addressing a range of issues such as graffiti, fly-tipping and street litter as part of a consolidated/simultaneous programme has a greater, more positive impact overall on a locality. A review of waste measures is currently underway following the recent appointment of new strategic and operational BCC client managers, who are working with BWC to ensure accurate and timely reporting is delivered as part of wider contract management.	G&R
W2	BCP541	Increase the percentage of household waste sent for reuse, recycling and composting	+	45.70%	50.00%	47.57%	47.00%	↓	There has been an increase in the volumes of food waste recycling and some mechanical waste separation issues. Performance is slightly lower than the same period in 2018 when 48% was reported.	G&R

Corp Plan KC ref	Code	Title	+/-	2018/19 Outturn	2019/20 Target	Q1 Progress	Q2 Progress	Comparison over last 12 months	Officer Notes	Directorate
W3	BCP225	Increase the percentage of Bristol schools with Breakfast Clubs	+	99%	99%	n/a	n/a	n/a		PE
W3	BCP257	Increase the number of 'Bristol Eating Better Awards' issued to food outlets in priority wards	+	n/a	35	n/a	24	n/a	We are pleased with this increase in Bristol Eating Better award engagement in priority wards, following significant work from Public Health and others in BCC. However, we currently have an issue with staff resource to coordinate, audit and progress the award across the city. We have recently engaged schools with applying for the award for lunchtime meal service, so this may help to increase numbers and support meeting targets.	PE
W3	BCP258	Reduce the percentage of households which have experienced moderate or worse food insecurity (QoL)	-	7.3%	7.2%	n/a	n/a	n/a	The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in Jan 2020 followed by full results in March.	PE
W3	BCP334	Reduce the percentage of the population living in Fuel Poverty	-	10.8%	10.0%	n/a	11.7%	↓	Wider economic/market factors give caution to targets (ONS data) Data is released annually with a 2 yr lag i.e 2019 reported figure reflects 2017 data. Increase in gas/electric prices will influence this figure.	G&R
W4	BCP253	Increase the number of attendances at BCC leisure centres and swimming pools	+	2,723,628	2,764,482	663,762	1,305,677	↓	SLM facilities are struggling with their overall attendances this year, particularly casual swimming and lessons, which have had a knock on effect to the reporting. They are looking at new ways of marketing swimming, and working with external partners to turn this around. Jubilee swimming pool figures however have been particularly encouraging so we hope that continues.	PE
W4	BCP256	Increase the % of adults in deprived areas who play sport at least once a week (QoL)	+	36.2%	36.7%	n/a	n/a	n/a	The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in Jan 2020 followed by full results in March.	PE
W4	BCP410	Increase the number of visitors to Bristol Museums, Galleries and Archives	+	1,323,783	1,100,000	277,987	596,063	↓	The museums had a very busy summer with high quality exhibitions and events that were popular. Our Aardman Early man exhibition at M Shed is not only busy but has very high satisfaction rate. At Bristol Museum & Art Gallery we had the second of a series of Japanese prints exhibition which drew high numbers and we also showed a large Banksy painting which was particularly popular with our national and international visitors. A further positive element of increased visitor numbers is a strong increase in the commercial offer. The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in January 2020 followed by a full set of results in March 2020. It is anticipated that this will all be incorporated into Q4 reporting.	G&R
W4	BCP411	Increase the percentage of people who take part in cultural activities at least once a month (QoL)	+	45.5%	47.0%	n/a	n/a	n/a	The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in Jan 2020 followed by full results in March.	G&R
W4	BCP412a	Increase the % satisfied (in deprived areas) with the range and quality of outdoor events (QoL)	+	66.4%	70.0%	n/a	n/a	n/a	Small to large scale events continue to take place all over the city and are a mixture of free and ticketed activity. The team continue to work closely with key stakeholders including the communities as far ahead as possible. The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in Jan 2020 followed by full results in March.	G&R
W4	BCP415	Increase the number of tourists to the city	+	4,487,329	4,625,000	1,180,697	2,426,671	↓	Performance is 4.9% above target after a strong summer season; small to large scale events continue to take place all over the city and are a mixture of free and ticketed activity. Performance is slightly down (-1.49%) on the same period in 2018/19 when 2,463,379 visits were reported.	G&R
<b>2019/20 Corporate Plan: Well Connected</b>										
WC1	BCP470	Reduce the percentage of people saying that traffic congestion is a problem in their area (QoL)	-	80.2%	79.0%	n/a	n/a	n/a	Traffic congestion is an ongoing issue and is influenced by a number of issues outside of the council's control. Completing schemes such as Temple Circus will enable us to better manage congestion on a daily basis.	G&R
WC1	BCP471	Improve journey time reliability during the morning peak travel period	+	0	Establish baseline	n/a	n/a	n/a	There is ongoing work to establish an accurate methodology to measure this consistently.	G&R
WC1	BCP474	Increase the number of single journeys on Park & Ride into Bristol	+	1,716,174	1,720,000	427,807	841,829	↑	Although slightly below target overall journeys on park and ride services are up 3.5% on the same time last year.	G&R
WC1	BCP475	Increase the number of passenger journeys on buses	+	42,216,084	43,061,000	9,973,872	19,975,052	↑	Performance is higher compared to the same period last year, up 0.5% from 19.8 million journeys. There is also generally a strong increase in bus usage during the third quarter of the year at the start of the new academic year so this should contribute towards bringing future reporting nearer to target.	G&R
WC1	BCP476	Increase the number of people travelling actively to work by walking and cycling	+	0	Establish baseline	n/a	n/a	n/a	Annual measure, to be reported at Q4	G&R
WC2	BCP269	Increase digital skills development of those 19+ with no or few qualifications	+	n/a	25.0%	19.0%	27.0%	n/a	27% of learners are engaged on courses which incorporate aims for digital skills development through online learning and use of digital technologies to enhance and support learning. It is intended that building digital skills and online learning into courses will support the public to become more confident in accessing services and support systems digitally. Enabling them to understand new ways to use the internet and utilise smartphone and tablet resources to improve their skills, access information, find and secure work and access to services.	PE
WC2	BCP308	Increase the number of people able to access care and support through the use of adaptive technology	+	568	568	175	263	n/a	Slightly behind target for Q2 which is likely to be as a result of the installer being on leave during the summer. Installations should hopefully increase again in Q3.	G&R

Corp Plan KC ref	Code	Title	+/-	2018/19 Outturn	2019/20 Target	Q1 Progress	Q2 Progress	Comparison over last 12 months	Officer Notes	Directorate
WC2	BCP436	Improve the percentage of premises that have access to Ultrafast Broadband	+	88.4%	89.0%	n/a	n/a	n/a	There is no in-year target as the annual report 'Connecting Nations' will not be published by Ofcom until December 2019.	G&R
WC2	BCP438	Increase the % of people living in deprived areas who have access to the internet at home (QoL)	+	91.1%	92.0%	n/a	n/a	n/a	The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in Jan 2020 followed by full results in March.	G&R
WC3	BCP266	Increase % of adults with learning difficulties known to social care, who are in paid employment	+	7.1%	8.0%	5.1%	n/a	n/a	The significant drop in the percentage rate, seen last period was due to a 59% rise in the denominator, (people being counted) between the previous two quarters from 688 to 998. We are still investigating with the Data Team the reasons for this and will report performance when we know the data to be robust. The new Bristol WORKS for Everyone programme launched in September 2019 and this has generated significant interest from frontline teams who now not only have programmes but have a website which highlights the employment support options available for people with learning difficulties. Furthermore we have been successful in our WECA funding bid for £1.3m which is dependent upon our bid for £2.4m of ESF funding being approved - (notification will be in December)	PE
WC3	BCP268	Increase the number of adults in low pay work & receiving benefits accessing in-work support	+	n/a	314	151	379	n/a	This period we have seen steady growth in the Future Bright in work support programme and the Get Well - Get On programme which focusses on supporting people in work who have mental health of muscle, joint or bone conditions.	PE
WC3	BCP323	Increase % of people who see friends and family as much as they want to (QoL)	+	80.4%	80.5%	n/a	n/a	n/a	The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in Jan 2020 followed by full results in March.	PE
WC4	BCP412	Increase the percentage satisfied with the range and quality of outdoor events in Bristol (QoL)	+	76.6%	80.0%	n/a	n/a	n/a	Our annual outdoor activity including St Pauls Carnival, Balloon Fiesta and Harbour festival have all been popular and attracted positive press coverage. There was a packed series of ticketed third party events on BCC land that now a firm favourite for people who enjoy festivals. Continued close working with other departments, highways and PR has helped to maintain high satisfaction.	G&R
WC4	BCP533	Increase the percentage of people who feel they can influence local decisions (QoL)	+	17.6%	18.0%	n/a	n/a	n/a	The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in Jan 2020 followed by full results in March.	RE

### 2019/20 Corporate Plan: Workplace Organisational Priorities

WOP1	BCP523	Maintain appropriate staff turnover	-	14.2%	12.5%	12.6%	12.0%	↑	Target = 10-15%. Turnover remains stable at 12.0% and below 14.2% for the same time last year.	RE
WOP1	BCP530	Increase the satisfaction of citizens with our services (QoL)	+	35.2%	37.0%	n/a	n/a	n/a	The Quality of Life (QoL) survey ran in Autumn 2019. Headline results will be issued via the QoL Priority Indicators briefing report in Jan 2020 followed by full results in March.	RE
WOP1	BCP531	Increase the percentage of all Corporate Plan PIs on target	+	44.0%	67.0%	39.0%	33.3%	n/a	There are 16 Bristol Corporate Plan (BCP) indicators On or Above Target, out of the 48 BCPs with data (excluding these 2 summary indicators). Q2 is not fully indicative as many performance indicators are annual and therefore not included here	RE
WOP1	BCP532	Increase the percentage of all Corporate Plan PIs that are improving (over the last year)	+	62.5%	67.0%	43.8%	41.5%	n/a	17 of the 41 BCP metrics with a direct comparison to the same period last year have improved, with 24 performing worse than Q2 last year. [Note - Q2 is not fully indicative as many performance indicators are annual and therefore not included here]	RE
WOP2	BCP517	Increase the percentage of Corporate FOI requests responded to within 20 working days	+	76.5%	90.0%	68.4%	47.3%	↓	Performance has dipped since the implementation of the new system in August 2019. The drop in performance can be attributed to staff getting used to navigating the new system: analysis shows that staff have responded to the request in time, but did not close down the request in the system which is then reflecting as a late response. There have also been some technical issues which are being looked into. The Customer Relations team will be working with teams with low performance to further understand the issues, offer training and provide feedback to help teams improve. Performance will be closely monitored over the coming months.	RE
WOP2	BCP518	Increase the percentage of stage 1 non-statutory complaints that we respond to within 15 days	+	85.9%	90.0%	74.5%	55.4%	↓	Performance has dipped since the implementation of the new system in August 2019. The drop in performance can be attributed to staff getting used to navigating the new system: analysis shows that staff have responded to the request in time, but did not close down the request in the system which is then reflecting as a late response. There have also been some technical issues which are being looked into. The Customer Relations team will be working with teams with low performance to further understand the issues, offer training and provide feedback to help teams improve. Performance will be closely monitored over the coming months.	RE



Corp Plan KC ref	Code	Title	+/-	2018/19 Outturn	2019/20 Target	Q1 Progress	Q2 Progress	Comparison over last 12 months	Officer Notes	Directorate
WOP2	BCP521	Increase % of colleagues reporting they have the equipment to do their work effectively	+	61.0%	65.0%	n/a	n/a	n/a	This measure is reported annually at year end and will be informed by the annual employee survey. Action planning is underway using the analysis of the last survey: - Staff focus groups have been set up to look at a number of organisation-wide themes that emerged from the employee survey. - One of these themes was the physical workplace and workshops have been taking place to identify areas for action. - The roll-out of Office 365 in 2020 as part of the IT Transformation Programme will provide additional tools and opportunities for more efficient ways of working. A support package of training and guidance will help employees adapt to the new facilities.	RE
WOP3	BCP522	Reduce the average number of working days lost to sickness (BCC)	-	9.09 days	8.00 days	8.02 days	8.57 days	↑	This indicator covers a 'rolling year' of the last quarter & previous 3 quarters combined. Sickness in Q2 is slightly above its target of 8.5 days at, 8.57 days. Despite a small rise, sickness remains at its lowest level since Q4 2016/17. We are continuing our work on revising our sickness absence policy to take a holistic approach to health and wellbeing. We are committed to supporting our employees at work and our new health and wellbeing plan sets out the actions we will be taking this year to support our employees. We have made organisational health and wellbeing one of our major priorities (Organisational Improvement Plan) and in February 2019 we signed the Time to Change employer pledge which shows our commitment to tackling the stigma of mental ill health. Our major focus for the year ahead is ensuring our leaders continue to develop their skills to support those people reporting health and wellbeing concerns.	RE
WOP3	BCP525	Reduce the gender pay gap	-	3.99%	3.85%	n/a	n/a	n/a	Annual measure, to be reported at Q4	RE
WOP3	BCP526	Reduce the race pay gap	-	12.62%	12.25%	n/a	n/a	n/a	Annual measure, to be reported at Q4	RE
WOP3	BCP527	Increase the % of staff who are "clear about what the council is here to do and its priorities"	+	76%	80.0%	n/a	n/a	n/a	This measure is reported annually at year end and will be informed by the annual employee survey. Action planning is underway using the analysis of the last survey: - A refreshed communication strategy and corporate narrative has been developed to provide a consistent way of describing the city and council. This will be used in our communications externally and internally to help colleagues understand what the council is here to do and its priorities. - Directors are holding events to create a shared understanding of what a one-council approach looks like in practice and how we can best work with each other. - Each division has their own local action plan with activities to improve cascade of information and priorities.	RE
WOP3	BCP528	Increase the percentage of employment offers made to people living in the 10% most deprived areas	+	n/a	6.5%	5.7%	6.2%	n/a	The below actions are part of our Organisational Improvement Plan seek to increase the reach and targeting of job adverts to a greater diversity of applicants: - Launched a new online recruitment portal in July 2019 and applicant tracking system with improved communication and user experience for candidates and hiring managers. - We have worked with managers to improve the quality and clarity of job paperwork and advertisements. Introduce adaptable application and assessment processes to suit individual roles. - Developed our social media presence to attract a wider and more diverse audience for job opportunities. In Q2 2019 6.2% (50) of all jobs offered were to candidates living in the Most Deprived areas of Bristol. 36% (18) of these jobs were in Adult Social Care, with 14% (7) in Homes and Landlord Services, 10% (5) in Commercialisation, and 6% (3) in Transport. 22% (11) of all jobs offered are to employees declared as BAME and 10% (5) disabled.	RE
WOP4	BCP428	Increase annual revenue generated from the council's investment estate	+	£275,243	£120,000	£19,555	£46,955	↓	An additional £27,400 was realised during the second quarter of 2019-20; when added to the additional income already consolidated during 2018-19 contributes to the total reported at q2 this year. There are no standard in-year quarterly targets for this measure as income is determined by the rent review cycle for the investment estates which is scheduled across the whole year. (The 5-year MTFP target for the period 2018/19-2022/23 was set at £523,00 per annum increase in total rental income; since 2018/19 £600,000+ per annum increase in rental income has already been added).	G&R
WOP4	BCP501a	Projected forecast outturn as a percentage of approved budget (BCC)	-	99.40%	100.00%	100.80%	101.20%	↓	Overspend of £4.3m forecast at the end of September, predominantly within Adult Social Care, Education and Facilities Management. This has increased since the end of June. Management actions are expected to be taken which will bring this will be in line with available resources by year end. This is monitored on a regular basis by management and reported to Cabinet.	RE

Corp Plan KC ref	Code	Title	+/-	2018/19 Outturn	2019/20 Target	Q1 Progress	Q2 Progress	Comparison over last 12 months	Officer Notes	Directorate
WOP4	BCP502	Increase the percentage of invoices paid on time (BCC)	+	80.30%	90.00%	82.74%	81.69%	↑	Performance has improved compared to the previous fiscal year and we are striving to meet target. Additionally, a reporting framework has been delivered providing a high level analysis of the reasons for late payment with further improvements to these reports in train. Notifications to Budget Managers have been implemented but compliance with the purchase order process continues to be an issue across all directorates.	RE
WOP4	BCP503	Maintain the percentage of Council Tax collected	+	96.82%	96.82%	27.96%	54.96%	↓	Council Tax collection for September 2019 shows a decrease of £81k on last month's deficit of £461k. Changes in debit, after billing, fluctuate according to cycles and in particular the end of the student academic year. This will balance itself out over the coming months and there is no concern regarding the reduction and reinstatement of exemptions, at this stage. The introduction of a new online 12 instalment form at the beginning of the year and the increased use of our other automated online forms has seen a greater number of citizens opting to pay Council tax over 12 instalments and has resulted in Council tax instalments being deferred to February and March 2020. The monthly profile from October 2019 has been altered to reflect this trend. End of year collection target is still expected to be met.	RE
WOP4	BCP504	Increase the percentage of non-domestic rates collected	+	98.31%	98.35%	28.38%	56.05%	↓	Business Rates collection for September 2019 shows a deficit of £1.05m. Some large assessments have recently been billed or had their payment plan adjusted, with instalments being moved to February and March. Adjusting the in-year target profile for the latter months is being considered and may be adjusted from next month if significant. The collection fund deficit for 19/20 is £1.6m and the majority of the deficit is brought forward from previous financial years and the on-going effect of successful appeals or reductions due to significant refurbishment works. Based on collectable business rates, confidence remains that the year-end collection target is achievable.	RE
WOP4	BCP505	Increase the percentage of procurement spend with 'Small and Medium sized Enterprises' (SME's)	+	5.0%	5.0%	n/a	n/a	n/a		RE
WOP4	BCP514	Increase income generation from Commercialisation opportunities	+	n/a	Establish baseline	£0	£0	n/a	A Commercialisation Development Manager has now been appointed, and remaining permanent appointments to the team will be in place by the end November; we are working on opportunities including in Fleet, Joinery, Education, Events and Conferences, in addition to exploring opportunities to bring in additional funding streams. It is likely that cashable opportunities will not be realised until the latter end of the Financial Year.	RE



Progress Key
Well Above Target
Above Target
On Target
Below Target
Well Below Target

Improvement Key	
↑	Direction of travel <b>IMPROVED</b> compared to same period in the previous year
=	<b>SAME</b> as previous same period in the previous year
↓	Direction of travel <b>WORSENE</b> D compared to same period in the previous year

Directorate	
PE	People
G&R	Growth and Regeneration
RE	Resources

### Corporate Strategy - Key Commitments

Empowering & Caring	
EC1	Give our children the best start in life by protecting and developing children's centre services, being great corporate parents and protecting children from exploitation or harm.
EC2	Reduce the overall level of homelessness and rough sleeping, with no-one needing to spend a 'second night out'.
EC3	Provide 'help to help yourself' and 'help when you need it' through a sustainable, safe and diverse system of social care and safeguarding provision, with a focus on early help and intervention.
EC4	Prioritise community development and enable people to support their community.
Fair & Inclusive	
FI1	Make sure that 2,000 new homes (800 affordable) are built in Bristol each year by 2020.
FI2	Improve educational outcomes and reduce educational inequality, whilst ensuring there are enough school places to meet demand and with a transparent admissions process.
FI3	Develop a diverse economy that offers opportunity to all and makes quality work experience and apprenticeships available to every young person.
FI4	Help develop balanced communities which are inclusive and avoid negative impacts from gentrification.
Wellbeing	
W1	Embed health in all our policies to improve physical and mental health and wellbeing, reducing inequalities and the demand for acute services.
W2	Keep Bristol on course to be run entirely on clean energy by 2050 whilst improving our environment to ensure people enjoy cleaner air, cleaner streets and access to parks and green spaces.
W3	Tackle food and fuel poverty.
W4	Keep Bristol a leading cultural city, helping make culture, sport and play accessible to all.
Well-Connected	
WC1	Improve physical and geographical connectivity; tackling congestion and progressing towards a mass transit system.
WC2	Make progress towards being the UK's best digitally connected city.
WC3	Reduce social and economic isolation and help connect people to people, people to jobs and people to opportunity.
WC4	Work with cultural partners to involve citizens in the 'Bristol' story, giving everyone in the city a stake in our long-term strategies and sense of connection.
Workplace Organisational Priorities	
WOP1	Redesign the council to work effectively as a smaller organisation.
WOP2	Equip our colleagues to be as productive and efficient as possible.
WOP3	Make sure we have an inclusive, high-performing, healthy and motivated workforce.
WOP4	Be responsible financial managers and explore new commercial ideas.



# Decision Pathway Report

**PURPOSE:** For reference

**MEETING:** Cabinet

**DATE:** 21 January 2020

<b>TITLE</b>	<b>Corporate Risk Management Report (CRR)</b>		
<b>Ward(s)</b>	City Wide		
<b>Author:</b> Jan Cadby	<b>Job title:</b> Risk and Insurance Manager		
<b>Cabinet lead:</b> Councillor Cheney	<b>Executive Director lead:</b> Mike Jackson / Denise Murray		
<b>Proposal origin:</b> BCC Staff			
<b>Decision maker:</b> Cabinet Member			
<b>Decision forum:</b> Cabinet			
<p><b>Purpose of Report:</b> Managing risks are an integral element to the achievement of the Bristol City Council’s (BCC) Corporate Strategy (CS) deliverables. The report provides an update on work completed to improve risk management at BCC and sets out the council’s current significant risks and summarises progress in managing the risks as at Quarter 3 2019-20. The Q3 Corporate Risk Management Report will be presented to Cabinet in January 2020.</p> <p>The Corporate Risk Report (CRR) is a key document in the council’s approach to the management of risk; it captures strategic risks set out in the Corporate Strategy 2018-2023. It also provides a context through which Directorates construct their own high level risk assessments and is used to inform decision making about business planning, transformation and service delivery.</p> <p>The CRR provides assurance to management and Members that Bristol City Council’s significant risks have been identified and arrangements are in place to manage those risks within the tolerance levels agreed. It should be noted that ‘risk’ by definition includes both threats and opportunities, which is reflected in the CRR.</p> <p>The CRR summary of risks is attached to this report at Appendix A is the latest formal iteration following a review by members of the council’s Corporate Leadership Board (CLB) in January 2020.</p>			
<p><b>Evidence Base:</b> The Accounts and Audit Regulations 2015 require the council to have in place effective arrangements for the management of risk. These arrangements are reviewed each year and reported as part of the Annual Governance Statement (AGS).</p> <p>Ensuring that the Service Risk Registers (SRR), Directorate Risk Reports and the Corporate Risk Reports (CRR) are soundly based will help the council to ensure it is anticipating and managing key risks to optimise the achievement of the council’s objectives and prioritise actions for managing those risks.</p> <p>The registers and reports are a management tool. They need regular review to ensure that the occurrence of obstacles or events that may put individual’s safety at harm, impact upon service delivery and the council’s reputation are minimised, opportunities are maximised and when risks happen, they are managed and communicated to minimise the impact.</p>			
<b>Cabinet Member Recommendations</b> That Cabinet note the report and progress on embedding Risk Management arrangements within the Council.			
<b>Corporate Strategy alignment:</b> Managing risks are an integral element to the achievement of the BCC Corporate Strategy (CS) deliverables.			
<b>City Benefits:</b> Risk Management aims to maximise achievement of the council’s aims and objectives by reducing the risks to those achievements and maximising possible opportunities that arise.			

## Summary

### 1. Corporate Risk Report- Summary of Corporate Risks:

Members of the CLB reviewed the CRR in January 2020 and accept it as a working summary report of the critical and significant risks from the Service Risk Registers.

The CRR sets out the significant critical and high rated risks both threats and opportunities. All other business risks reside on the Service Risk Registers and reported in through the Directorate Risk Reports and the Corporate Risk Report.

The Corporate Risk Report (CRR) as December 2019 contains:

Threat Risks	Opportunity Risks	External / Contingency Risks
<ul style="list-style-type: none"><li>• 0 critical threats</li><li>• 14 high rated</li><li>• 8 medium</li><li>• 0 new risk</li><li>• 4 improving</li><li>• 0 deteriorating</li><li>• 0 closed</li></ul>	<ul style="list-style-type: none"><li>• 1 significant opportunity</li><li>• 2 high</li><li>• 1 medium</li><li>• 0 improving</li><li>• 0 deteriorating</li><li>• 0 closed</li></ul>	<ul style="list-style-type: none"><li>• 2 high threats</li><li>• 1 improving</li><li>• 0 deteriorating</li><li>• 0 closed</li></ul>

A summary of the progress of improving risks for this reporting period are set out below.

There are 4 improving threat risks:

- CRR1: Long Term Commercial Investments and Major Projects Capital Investment. The risk rating being 2x7= (14) high risk. This risk is managed and monitored within the Growth and Regeneration Service Risk Registers.
- CRR22: Partnership Governance. The risk rating being 2x3= (6) medium risk. This risk is managed and monitored within the Resources Service Risk Registers.
- CRR27: Capital Transport Programme Delivery. The risk rating being 3x3= (9) medium risk. This risk is managed and monitored within the Growth and Regeneration Service Risk Registers.
- CRR30: Clean Air - Failure to deliver Bristol City Council's wider Clean Air Plan (excluding traffic clean air zone). Communication /engagement with stakeholders do not result in sufficient behavioural change. The risk rating being 2x5= (10) medium risk. This risk is managed and monitored within the Growth and Regeneration Service Risk Registers.

The risks BCCC2/OPP4 - Brexit is an unpredictable external threat and opportunity, and because of this the reporting for these entries may already be out of date. This is being managed within the Resources Service Risk Registers via a council-wide Brexit Project Board (for general preparedness) and Brexit Coordination Group (a tactical response group to manage any immediate issues presented in a 'no deal' scenario).

All risks on the CRR have management actions in place. The CRR will continue to be subject to a refresh during 2020.

As with all risks, it is not possible to eliminate the potential of failure entirely without significant financial and social costs. The challenge is to make every reasonable effort to mitigate and manage risks effectively, and where failure occurs, to learn and improve.

Further details are contained in Appendix A: The summary of the threat risks are set out on pages 1 to 12, opportunity risks pages 13 to 14, and external and civil contingency risks on page 15 all including controls and management actions. A summary of risk performance on pages 16 and 17 by level of risk, the risk matrix on page 18 and the risk scoring criteria on page 19. More detail is available on request.

## 2. Risk Management Framework

Risk management is the culture, process and structures that are directed towards effective management of potential opportunities and threats to the council achieving its priorities and objectives and a key element of the council's governance framework. The Annual Governance Statement (AGS) declaration for 2018-19 highlighted a number of opportunities to enhance Risk Management. Areas for improvement include:

- Increasing the level of engagement and ownership by Service Managers.
- Enhancing the engagement of Members in the risk management process.
- Refreshing the Corporate and Directorate Risk Reports.
- Risk Management training and awareness.
- Risk Management within Business Case approvals, Project Management and Procurement Frameworks.
- Maintaining the focus of the process on reducing risk against the council's Corporate Plan 2018-23.

The risk management process continues to be developed over the year. During this quarter we have:

- Integrated Risk Management into the Service Planning Process to aid decision making and will inform on the annual Budget Risk Register.
- Provided Risk Management drop in sessions.
- Recruited to the Risk and Insurance Team additional support.
- Refreshed the SharePoint to include Risk Reporting.

<b>Revenue Cost</b>	£0	<b>Source of Revenue Funding</b>	N/A
<b>Capital Cost</b>	£0	<b>Source of Capital Funding</b>	N/A
<b>One off cost</b> <input type="checkbox"/>	<b>Ongoing cost</b> <input type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <input type="checkbox"/>

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

**1. Finance Advice:** The CRR is a live document refreshed regularly following consultation across the organisation, and aims to provide assurance that the council's main risks have been identified and appropriate mitigations are in place to ensure they are managed within agreed tolerances. This includes, as set out in the annual budget report, measures to ensure appropriate financial provision is made through the budget planning process and reserves.

**Finance Business Partner:** Michael Pilcher, Chief Accountant, Deputy Section 151 Officer 13<sup>th</sup> January 2020

**2. Legal Advice:** There are no specific legal implications in the report. The CRR enables the council to monitor and manage identified risks and mitigations to ensure good governance and compliance with its statutory and other duties.

**Legal Team Leader:** Nancy Rollason, Head of Legal Service and Deputy Monitoring Officer 10<sup>th</sup> January 2020

**3. Implications on IT:** The CRR contains a number of references to IT as well as other areas of the Council. These IT elements are being managed and addressed as stated within the register. The accountable Directors for IT and Information Security Risks are working together developing a training plan and new processes to accelerate the necessary changes.

**IT Team Leader:** Simon Oliver, Digital Transformation Director 7<sup>th</sup> January 2020.

**4. HR Advice:** It is essential that staffing resources are appropriately deployed to manage these risks that are highlighted. There are no HR implications arising from the CRR report.

**HR Partner:** Mark Williams, Head of Human Resources 9<sup>th</sup> January 2020

<b>EDM Sign-off</b>	Denise Murray	7 <sup>th</sup> January 2020
<b>Cabinet Member sign-off</b>	Clr. C. Cheney	6 <sup>th</sup> January 2020
<b>CLB Sign-off</b>	Denise Murray	7 <sup>th</sup> January 2020
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	13 <sup>th</sup> January 2020

<b>Appendix A – Further essential background / detail on the proposal:</b> Q2 2019/20 Corporate Risk Report (CRR) The corporate risk summary report sets out the risks on pages 1 to 15 including controls and management actions, a summary of risk performance on page 16 and 17, the risk matrix on page 18 and the risk scoring criteria on page 19.	<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>NO</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>

Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating
<p><b>CRR1: Long term commercial investments and major projects.</b>                      BCC's long-term commercial investments and major projects may require greater than anticipated capital investment.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>The cost is higher than expected.</li> <li>The project is delivered later than planned.</li> <li>The operating and maintenance cost of the asset exceeds expectations.</li> <li>Strategic, geographic, social, financial and economic conditions changing over time.</li> <li>Oversight of Project Interdependencies not well managed.</li> <li>Insufficient in-house resources to progress major projects lead to missed opportunities to leverage third party investment.</li> <li>Failure to anticipate and secure investment and resources to deliver enabling works and infrastructure.</li> </ul>	<p>In July 2019 the Corporate Leadership Board (CLB) / Capital and Investment Board (CIB) were launched and meet on a monthly basis. They have an oversight and stewardship role for the delivery of the Capital Programme and capital investments.</p> <p>Some examples of recent key projects which were reviewed by CIB include Harbour Strategy, Cattlemarket Road, and Colston Hall.</p> <p>The Growth and Regeneration (G&amp;R) Board meets monthly to continue to improve project, programme and portfolio risk management and to ensure robust arrangements are in place and there is challenge against deliverables.</p> <p>The G&amp;R Board identified a number of Areas of Growth and Regeneration (AGR) across the City to enable place shaping and contribute to regeneration, affordable housing, community building and the financial sustainability of the Council. The AGR are regularly reviewed and re-prioritised by the G&amp;R Board.</p>	<p>↑</p>	2	7	14	<p>The Growth and Regeneration Leadership Team undertook Capital Programme Workshops in August – October 2019 to review and re-prioritise the Capital Programme. This is reviewed on a monthly basis.</p> <p>Colston Hall - we continue to de-risk the building elements of the project. The roof structure has been removed and most of the demolition completed. During this process there have been a number of elements discovered that are of both of historic and archaeological importance. We are working with the relevant Statutory bodies, the Design Team and the Main Contractor to ascertain the best way of dealing with these issues and in due course we will be in a position to assess any effect on cost and/or programme timings.</p> <p>Harbour Strategy: Colleagues across Growth &amp; Regeneration and Resources Directorates are working together to ensure we have a joined up approach to delivering a new Harbour Strategy. We are carrying out condition surveys on the docks walls to produce a future maintenance schedule as part of the BCC Asset Management Plan.</p> <p>Energy: Commissioning a strategic partner to deliver the ambitions as outlined in the City Leap prospectus.</p>	1	7	7
<p>Risk Owner: Executive Director Growth and Regeneration, Executive Director Resources and S151 Officer.</p>	<p>Action Owner: Executive Director Growth and Regeneration, Director Finance, Director Commercialisation and Citizens.</p>	<p>Portfolio Flag: Finance, Governance and Performance.</p>	<p>Strategy Theme: Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing.</p>						

Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating
<p><b>CRR3: Failure to Manage Asbestos.</b>                      Failure to manage the asbestos management plan for properties.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>Staff availability to carry out work plans in a safe way.</li> <li>Lack of appropriate training.</li> <li>Lack of oversight and control by local management.</li> <li>Lack of information on the potential or known risks.</li> <li>Inadequate contract management arrangements.</li> <li>Lack of effective processes and systems consistently being applied.</li> <li>Policies are not kept up to date.</li> <li>Budget pressures.</li> </ul>	<p>An action plan is in place within Housing department. The plan is being governed on a regular basis by the Health, Safety and Wellbeing Team.</p> <p>Progress has been made to raise the risk profile of asbestos amongst managers and operatives, introduction of more robust strategies for managing staff and contractors, asbestos good working practice is also regularly communicated.</p> <p>Staff and operatives have attended asbestos training.</p> <p>A management directive has been made this training a mandatory requirement for staff at every level with Housing and Landlord Services.</p> <p>Properties are surveyed prior to any work being undertaken by Asbestos Consultants plus an ongoing programme of surveys is being carried out.</p> <p>Asbestos incidents are investigated in-house and appropriate actions taken.</p> <p>Property Services have improved the contract management arrangements with MSS, the surveyor to ensure that all inspections are carried out according to required timescales.</p> <p>A new dedicated safety Team based within Housing and Landlord Services has been created.</p> <p>Property CHASM project is underway, to ensure all premises report on compliance.</p>	<p>↔</p>	2	7	14	<p>The structure of the new team is currently being formulated by the newly appointed Construction Safety Manager.</p> <p>The terms of reference for the new Team are being developed, it is envisaged that the team will take working responsibility for the Keystone asbestos management software and for leading other asbestos improvement strategies. Jan 2020.</p> <p>We are holding regular 'Asbestos working group' meetings to progress the management of Asbestos across the authority. Ongoing.</p> <p>Now that progress has been made with the plan, a second detailed review will be carried out by the Safety Health and Wellbeing Team and the Construction Health and Safety Manager to reassess the effectiveness of all action that has been taken to date and to ensure the Asbestos Management arrangements are continually improving. Jan 2020.</p> <p>Mandatory asbestos staff training within Housing and Landlord Services is in progress.</p>	1	7	7
<p>Risk Owner: Head of Paid Service and Corporate Leadership Board (CLB) / Director HR, Workforce and Organisational Design.</p>	<p>Action Owner: Director of Commercialisation and Citizens (for Corporate Estate) and Director of Housing and Landlord Services (for Social Housing).</p>	<p>Portfolio Flag: Finance, Governance and Performance.</p>	<p>Strategy Theme: Our Organisation.</p>						

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Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating
<p><b>CRR4: Corporate Health, Safety and Wellbeing.</b></p> <p>If the City Council does not meet its wide range of Health &amp; Safety requirements then there could be a risk to the safety of employees, visitors, contractors, citizens and BCC corporate body.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>• If services do not have sufficient staff numbers to carry out work plans in a safe way.</li> <li>• If services are not able to order appropriate equipment required for staff safety.</li> <li>• Lack of appropriate equipment.</li> <li>• Lack of appropriate training.</li> <li>• Lack of oversight and control by local management.</li> <li>• Lack of information on the potential or known risks.</li> <li>• Inadequate contract management arrangements.</li> <li>• Lack of effective processes and systems consistently being applied</li> <li>• Policies are not kept up to date.</li> </ul>	<p>The Corporate Safety, Health &amp; Wellbeing (SH&amp;W) team support the council and provide advice and guidance. The Corporate Policy Statement, service specific policies, procedures and systems of work/safety arrangements are in place and routinely reviewed.</p> <p>BCC has a Corporate Health and Safety Management System (CHaSMS) to identify and monitor hazards, risks and appropriate actions. Each manager (with staff and /or premises responsibilities) has an action plan which is completed on a quarterly basis. Once completed the HS&amp;W team check the returns and give relevant feedback to the individual Managers and report the overall results to Senior Management/EDM and develop appropriate action plans.</p> <p>BCC has a comprehensive programme of e-learning and personal face to face course delivery available to all directors, managers, staff and members.</p> <p>There is a corporate accident/incident reporting procedure. The Corporate Safety Information System is in place to share with staff details of addresses which due to potential violence &amp; aggression or police notification are considered to present risks.</p> <p>Benchmarking and annual reports are provided to BCC along with the annual performance report.</p> <p>All contracts set up with external providers include a check of their relevant Health and Safety competency.</p> <p>The council's audit programme monitors compliance with statutory duty and best practices.</p> <p>We have reviewed the Health and Safety Management arrangements and developed a (project) service development and improvement plan.</p>	↔	2	7	14	<p>A revised electronic accident/incident local reporting database is being developed; approval will be required by the Project Board. Target date April 2020.</p> <p>The Project plan and work streams are being implemented to improve all elements of the health and safety management system. This plan is being governed quarterly by Statutory and Policy Board. Ongoing.</p> <p>All policies and procedures are being reviewed and refreshed. Target date April 2020.</p> <p>CHASMs will be expanded to include a greater focus on property risk, with a new arrangement for those "persons in charge" for reporting and discussing premises risks. Target date May 2020.</p> <p>A review of training is being undertaken. Linked to CHASM review by April 2020.</p> <p>Arrangements for controlling risks of Hand Arm Vibration, Noise and respiratory sensitizers will be carried out, with a supporting Occupational Health Surveillance programme where required. Programme started – ongoing.</p> <p>A refreshed focus on wellbeing and health is in progress with a plan in place within the project Improvement Plan to focus on mental health. Work has started and is ongoing.</p> <p>Time to Change action plan scheduled for April 2020 which will be monitored. Started and ongoing.</p> <p>Improved collaboration between Safety, Health &amp; Wellbeing, Risk and Insurance, Civil Contingencies (including Business Continuity), Procurement and Legal Services</p>	1	7	7
<p>Risk Owner: Head of Paid Service and Corporate Leadership Board (CLB).</p>	<p>Action Owner: Director of Workforce Change.</p>	<p>Portfolio Flag: Finance, Governance and Performance.</p>	<p>Strategy Theme: Our Organisation.</p>						

Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
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<p><b>CRR5: Business Continuity and Councils Service Resilience.</b></p> <p>If the council has a Business Continuity disruption and is unable to ensure the resilience of key BCC operations and business activities, then the impact of the event maybe increased with a greater impact on people and council Services.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>• Strikes (People, Fuel).</li> <li>• Loss of key staff (communicable diseases and influenza epidemics).</li> <li>• Loss of suppliers.</li> <li>• Loss of accommodation to deliver key services.</li> <li>• Loss of equipment.</li> <li>• Any event which may cause major disruption.</li> <li>• Unavailability of IT and/or Telecoms.</li> <li>• Loss of staff/staff availability.</li> <li>• Knowledge loss.</li> <li>• Reduced chances of preventing/responding to incidents due to a lack of forward planning or investment.</li> </ul>	<p>The council's Corporate Resilience Group (CRG) is supported by directorate representatives who meet quarterly to oversee the council's Business Continuity arrangements / receive significant risks outside council's Control which are reflected on the Local Resilience Forum Community Risk Register (LRF).</p> <p>Policies and procedures are in place. The Business Continuity Policy communicated to relevant staff. The Incident Response Plan updated in December 2019.</p> <p>Service Business Continuity Plans undergo 'refreshing by services' annually.</p> <p>An Incident Management Team training session was carried out November 2019.</p> <p>A Senior Management on-call rota has been devised agreed and is regularly monitored.</p> <p>A successful annual Pandemic Flu-themed continuity exercise was held on 5 Nov 2019.</p> <p>CLB accepted growth bid for extra staff on Civil Protection Unit (CPU) team.</p> <p>A Business Continuity Coordinator has been recruited and in post since the beginning of December 2020 and will lead the February review of service BC Plans.</p>	↔	2	5	10	<p>The Business Continuity Policy and the Corporate Business Continuity Plan will be reviewed before the end of the financial year.</p> <p>Annual Service Continuity Plan reviews.</p> <p>Business Continuity refresher training - workshops held at 100TS and City Hall.</p> <p>A review of Service Level Business Continuity Plans will be carried out in early 2020. We are introducing a quality assurance approach for our business continuity plans to emphasise service accountability.</p> <p>The Businesses Continuity Working Group will be refreshed within the year and we are currently drafting a plan for future exercises to test different elements of BCC Business Continuity arrangements with partners.</p>	1	7	7
Risk Owner: Executive Director Growth and Regeneration / Head of Paid Service	Action Owner: Director Management of Place and Civil Protection Manager.	Portfolio Flag: Finance, Governance and Performance.	Strategy Theme: Our Organisation, Wellbeing.						

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<p><b>CRR6: Fraud and Corruption.</b></p> <p>Failure to prevent or detect acts of significant fraud or corruption against the council from either internal or external sources.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>• Failure of management to implement a sound system of internal control and/or to demonstrate commitment to it at all times.</li> <li>• Not keeping up to date with developments in new areas of fraud.</li> <li>• Insufficient risk assessment of new emerging fraud issues.</li> <li>• Lack of clear management control of responsibility, authorities and / or delegation.</li> <li>• Lack of resources to undertake the depth of work required to minimise the risks of fraud / avoidance.</li> <li>• Under investment in fraud prevention and detection technology and resource.</li> </ul>	<p>A Policy is in place on anti-fraud, corruption and bribery and a Bribery and Corruption review has been completed which concluded that controls in the services most at risk of corruption are in place.</p> <p>The counter Fraud and Investigations team concentrates on areas of high fraud risk, investigates fraud promptly where suspected and sanctions appropriately.</p> <p>An accessible route to report suspected fraud is available to both the public and employees via a Whistleblowing Policy.</p> <p>We have been improving awareness of fraud and compliance through a process of reminders about ethics and conduct, fraud awareness training and other publicity, continual maintenance of Counter Fraud information on Web pages and monitoring and review of the effectiveness of the Counter Fraud Arrangements.</p> <p>Counter Fraud Performance is monitored by Audit Committee via the Annual and half yearly Counter Fraud Update, periodic Internal Audit Updates and the Annual review of arrangements against CIPFA Count Fraud Assessment Tool. Improvements are highlighted in an action plan which is monitored by Audit Committee.</p> <p>An initiative to provide an amnesty period for tenancy fraudsters to return keys to Council properties has been completed.</p> <p>We are monitoring fraud indicators (warning signs and fraud alerts) to ensure anti- fraud approach is correctly targeted and we regular meet with Legal services to ensure cases progress swiftly.</p> <p>Data sets submitted to National Fraud Initiative and output received for review.</p>	↔	3	5	15	<p>The Fraud Policy is currently being reviewed and updated.</p> <p>Work is underway with legal services to ensure maximum recovery with minimum resource. Analysis of how much 'recoverable' overpayment is actually 'recovered' is currently underway to ensure resources are targeted most effectively.</p> <p>By investing in specialist fraud prevention and detection software and utilising cross organisation data will minimise the council's exposure to fraud risk and aid early detection / prevention. Project to develop a New Fraud Case Management System and data hub is being considered. Ongoing exercises to establish proof of concept are under way.</p> <p>Council wide fraud and avoidance initiatives will continue on a rolling basis and include the following:</p> <ul style="list-style-type: none"> <li>• NNDR Small Business Rate Relief</li> <li>• National Fraud Initiative</li> <li>• Personal Budgets</li> <li>• Bribery and Corruption Risk Assessment</li> </ul>	2	5	10
Risk Owner: Executive Director Resources and Director of Finance (S151 Officer).	Action Owner: Director of Finance and Chief Internal Auditor.	Portfolio Flag: Finance, Governance and Performance.	Strategy Theme: Our Organisation.						

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<p><b>CRR7: Cyber-Security.</b></p> <p>The Council's risk level in regards to Cyber-security is higher than should be expected.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>Lack of investment in appropriate technologies.</li> <li>Reliance on in-house expertise, and self-assessments (PSN).</li> <li>Lack of formal approach to risk management (ISO27001).</li> <li>Historic lack of focus.</li> </ul>	<p>Budget provision for Cyber Security was allocated within the Future State Assessment Plan (FSA) as approved by Cabinet June 2018.</p> <p>Independent full security assessments were carried out November 2018.</p> <p>An Information Governance Board was established to provide oversight of information security and an escalation point to the Council's SIRO.</p> <p>Head of Information Assurance commenced in post September 2019.</p>	↔	3	7	21	<p>The Council is starting to use a SIRO checklist to capture and escalate cyber security risks.</p> <p>The Council is procuring an Information Security Management System which will review and enhance the Council's policies and strategies for information management. The Information Assurance Service is working closely with the Council's ICT Department to improve the approach to all aspects of Information Assurance (including adoption of ISO27001).</p> <p>The ITTP (formerly FSA Programme) currently has plans to implement technology platforms to move the Council from file storage to document storage platforms, increase team collaboration without use of email, implement file retention policies, introduce document marking and rights management, implement data classification and improve federated search across structured and unstructured data stores.</p> <p>The ITTP (formerly FSA Programme) will align with the new Information Assurance approach and the strategy set by the Council's SIRO.</p> <p>As well as technical controls, the Council continues to carry out regular Phishing attack exercises where we are sending emails to staff to see how users react to this type of Cyber Attack. Anyone clicking on links is directed towards targeted training.</p> <p>The Information Assurance and ICT team will continue to work together to support the SIRO to develop appropriate targeted training for all Council staff relating to cyber security.</p>	1	5	5
Risk Owner: Senior Information Risk Owner (SIRO).	Action Owner: Director, Digital Transformation.	Portfolio Flag: Finance, Governance and Performance.			Strategy Theme: Our Organisation.				

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<p><b>CRR9: Safeguarding Vulnerable Children.</b></p> <p>The council fails to ensure that adequate safeguarding measures are in place, resulting in harm or death to a vulnerable child.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>Failure to meet the requirements of the Children Act and associated legislation.</li> <li>Inadequate controls result in harm.</li> <li>Demand for services exceeds its capacity and capability.</li> <li>Increase in complex safeguarding risks, criminal exploitation, serious youth violence and gang affiliation.</li> </ul>	<p>The Keeping Bristol Safe Board provides independent scrutiny of children's safeguarding arrangements in the city and holds BCC and partner agencies to account. This includes delivery of Safer Communities and the Prevent Duty.</p> <p>BCC works with partners to effectively identify victims and perpetrators of extra-familial abuse including Child Sexual exploitation, Criminal Exploitation and Serious Violence, taking action to disrupt and protect.</p> <p>Bristol's published policies and procedures, comprehensive training and development and monthly professional supervision help ensure safe practice and adequate control of risks.</p> <p>Bristol has invested in an integrated localities and team around the school and family approach aimed at meeting the needs of children and families at the earliest point.</p> <p>Children and Families' Services invests in its workforce and provides career progression opportunities.</p> <p>Bristol has established Violence Reduction Unit focussing on prevention, disruption and recovery from serious youth violence and is working with the University of Bedfordshire to develop its approach to contextual safeguarding in the city.</p>	↔	2	7	14	<p>Information sharing and analysis to improve our ability to understand and respond to children at risk of criminal exploitation and going missing.</p> <p>In response to an identified and increasing risk of serious youth violence and criminal exploitation a multiagency plan is being implemented under the Serious Youth Violence Exec Group.</p> <p>Service Delivery Plans for 2020-21 set out further actions to mitigate risks identified and deliver on our ambitions for children and families.</p>	1	7	7
Risk Owner: Executive Director, People	Action Owner: Director Children's and Families Services.	Portfolio Flag: Children and Young People.			Strategy Theme: Our Organisation, Empowering and Caring, Wellbeing.				

Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
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<p><b>CRR10: Safeguarding Adults at Risk with Care and support needs.</b></p> <p>The council fails to ensure adequate safeguarding measures are in place, Adults at risk.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>• Adequacy of its controls.</li> <li>• Management and operational practices.</li> <li>• Demand for its services exceeded its capacity and capability.</li> <li>• Poor information sharing.</li> <li>• Lack of capacity or resources to deliver safe practice.</li> <li>• Failure to commission safe care for adults at risk.</li> <li>• Failure to meet the requirements of the “Prevent Duty” placed on Local Authorities.</li> </ul>	<p>The Adults Safeguarding Board has been reconstituted into the Keeping Bristol Safe Board which also includes responsibility for Children and Community Safety. The Board has senior executive representation and will ensure a strong focus on strategic matters of concern. The constitution for the Board has been confirmed and it will meet regularly and have oversight of safeguarding priorities.</p> <p>Safeguarding improvement plans are in place for Older People, Physical Disability and Disabled Children and the Capability framework for safeguarding and the Mental Capacity Act have been introduced. The Adult Change Programme ‘Better Lives’ Transforming Care Programme has been established to implement policy objectives of moving people into more suitable care settings.</p> <p>We have an active strategy in place to attract, recruit and retain social workers through a variety of routes with particular emphasis on experienced social workers. The Adult South West Recruitment and Retention Strategy has been drafted, the risks and costs identified. The strategy will be presented through the Decision Pathway. Regular strategies and campaigns support the recruitment and retention of high calibre social workers and managers, with competent agency social workers and managers used on temporary basis to fill vacancies.</p> <p>All key staff working with people directly at risk are trained in the essentials of safeguarding and BCC has an ongoing awareness-raising ‘Prevent’ training programme.</p> <p>Regular reporting on safeguarding is taking place quarterly for Directors and Cabinet Members, with an annual report for elected Members to allow for scrutiny of progress. The quality assurance framework and performance framework is routinely monitored and reported on.</p> <p>Focused work is being undertaken to address the backlog in safeguarding referrals and good progress has been made in bringing the number outstanding down to more manageable numbers.</p>	↔	2	7	14	<p>Social workers working with Multi-agency partners supporting Adults and elderly people to live safely within their families and communities.</p> <p>We are increasing capacity this year in the commissioning team to lead on monitoring quality in the care sector. Improving the quality services for those who need it and ensuring effective management oversight.</p> <p>It is planned to make a one off retention payment to all social workers as part of the council's retention policy. A wider review of the remuneration package for social workers is planned to improve recruitment and retention.</p> <p>Review of the Safeguarding Pathway.</p> <p>Transforming the Safeguarding Adults Board.</p> <p>Considering transformational approaches to home care re-commissioning that may offer a more flexible employment offer.</p> <p>Planning placed based approaches to include working with micro providers.</p>	1	7	7
Risk Owner: Executive Director, People	Action Owner: Director Adult Social Care.	Portfolio Flag: Adult Social Care.			Strategy Theme: Our Organisation, Empowering others and Caring, Fair and Inclusive, Well connected, Wellbeing.				

Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
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<p><b>CRR12: Failure to deliver suitable emergency planning measures and respond to and manage emergency events when they occur.</b> (Civil Contingency and Resilience)</p> <p>If the City has a Major Incident, Contractor Failure or the council inadequately responds, then the impact of the event may be increased with a greater impact on people and businesses.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>• Critical services unprepared or have ineffective emergency and business continuity plans and associated activities.</li> <li>• Lack of resilience in the supply chain hampers effective response to incidents.</li> <li>• Lack of trained and available strategic staff.</li> </ul>	<p>BCC plays a leading role in the Avon and Somerset Local Resilience Forum (LRF), the multi-agency partnership of all the organisations needed to prepare for an emergency in the LRF area. It includes the emergency services, health services, Maritime and Coastal Agency, Environment Agency, volunteer agencies, utility companies, transport providers and the five councils of Bath and North East Somerset, Bristol, North Somerset, Somerset and South Gloucestershire. The Avon and Somerset works to the Avon and Somerset Community Risk Register.</p> <p>A system is in place for ongoing monitoring of severe weather events (SWIMS).</p> <p>Emergency planning training has been rolled and a multi-agency exercise is regularly conducted to test different elements of BCC emergency arrangements with partners. The most recent exercises being Day Two May 2018, Dark Zodiac April 2018, Saxon Resolve November 2017 and major COMAH training exercise in November 2018 (Operation Spitfire).</p> <p>A senior management on-call rota has been devised, agreed and is monitored. Emergency volunteers have been recruited to aid emergency responses. Duty rotas in other key service delivery areas (e.g. Housing and Social Care) are also in place.</p> <p>The Bristol Operations Centre capacity to support multi-agency operations has been tested.</p> <p>BCC took receipt the South West’s share of the National Emergency Mortuary Equipment in July 2018 and arrangements for establishing Flax Bourton Public Mortuary as a dedicated disaster mortuary are in place.</p> <p>A progress paper on Civil Contingency is scheduled to go to the Corporate Leadership Board in early 2020.</p> <p>Recruitment and training of additional Emergency Centre Managers and Emergency Volunteers is ongoing.</p> <p>A review and exercise of the COMAH (Control of Major Accident Hazards) Plan is complete.</p>	↔	2	7	14	<p>An ‘Introduction to Emergency Planning’ e-learning package is in progress.</p> <p>Emergency Planning College (EPC)-led Strategic Incident Management Training session was delivered to senior officers in November 2019.</p> <p>Voluntary agency capacity to support incidents has been reviewed by BCC through the LRF.</p> <p>Training for staff to support incident response and recovery (admin, logging, logistics and support to victims, survivors and evacuees) is ongoing.</p>	1	7	7
Risk Owner: Executive Director Growth and Regeneration.	Action Owner: Director Management of Place.	Portfolio Flag: Finance, Governance and Performance.			Strategy Theme: Our Organisation, Wellbeing.				

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Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
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<p><b>CRR13: Financial Framework and Medium Term Financial Plan (MTFP).</b></p> <p>Failure to be able to reasonably estimate and agree the financial 'envelope' available, both annually and in the medium-term and the council is unable to set a balanced budget.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>Failure to achieve Business Rates income- appeals/general economic growth/loss of major sites (in budget setting).</li> <li>Economic uncertainty impact on locally generated revenues - business rates and housing growth, impacting on council tax, new homes bonus and business rate income.</li> <li>Brexit - the general uncertainty affecting the financial markets, levels of trade &amp; investment.</li> <li>Governments spending review 2020.</li> <li>Inadequate budgeting &amp; budgetary control/Financial Settlements &amp; wider fiscal policy changes:                             <ul style="list-style-type: none"> <li>The potential for new funding formulas such as fair funding, business rates retention to significantly reduce the government funding available to the council alongside possible increase in demand for council services.</li> <li>Embedding of the new national funding formula for schools and High Needs.</li> <li>Political failure to facilitate the setting of a lawful budget.</li> <li>Unable to agree a deliverable programme of propositions that enable the required savings to be achieved.</li> <li>Inefficient reserves to mitigate risks and liabilities and provide resilience.</li> <li>High inflation could lead to increased cost.</li> <li>Judicial review.</li> </ul> </li> </ul>	<p>BCC manages its financial risks through a range of controls including budget preparation, budget setting and a Budget Accountability Framework. Roles and responsibilities for managing, monitoring and forecasting income and expenditure against approved budgets have been updated.</p> <p>The council has developed a strong rolling Medium-term financial planning process to enable the strategic objectives and the statutory duties are met. We are working to ensure a rigorous structure exists to oversee the budgetary control process from budget setting through to monitoring, oversight and scrutiny including:</p> <ul style="list-style-type: none"> <li>The maintaining of the evolving financial model that reflects in a timely manner changes in national and local assumptions.</li> <li>The level of reserves and balances are regularly reviewed to ensure that account is taken of any financial/economic risk and the adequacy of general reserves is determined as part of this exercise.</li> <li>Financial Regulations and Financial Scheme of Delegation is in place.</li> <li>Regular in-year monitoring and reporting, review of future financial plans and assessment of financial risks and reserves are undertaken to ensure the financial plans are delivered.</li> <li>Changes to savings in year are monitored by delivery executive.</li> </ul> <p>Restructured the finance team and planned skills development remains a key priority which will include commercial and business acumen. This will be an ongoing and aligned with professional development.</p> <p>Ensuring that Bristol City Council is engaged with or receiving timely feedback from the range of Government working groups exploring future local funding.</p> <p>Refreshed of the MTFP and Capital Strategy and expanded our model to take in a longer term view.</p>	↔	2	5	10	<p>A review will be ongoing to identify a programme of propositions that exceed the forecasted budget gap to provide members with options and headroom for variations in financial estimates.</p> <p>2020 Budget presented to Cabinet to consider and recommend to Full Council for approval Feb 2020.</p> <p>CIPFA Financial Management Code for Local Authorities has been released for full implementation from April 2021 which will have some additional requirements for the Council's financial management and governance of which we will seek to begin some implement measures in shadow form from April 2020.</p>	1	5	5
Risk Owner: S151 Officer and Director of Finance.	Action Owner: Section 151 Officer, Executive Director Resources and Director of Finance.	Portfolio Flag: Finance, Governance and Performance.	Strategy Theme: Our Organisation.						

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<p><b>CRR15: Financial Deficit.</b></p> <p>The council's financial position goes into significant deficit in the current year resulting in reserves (actual or projected) being less than the minimum specified by the council's reserves policy.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>A failure to appropriately plan and deliver savings.</li> <li>Unscheduled loss of material income streams.</li> <li>Increase in demography, demand and costs for key council services.</li> <li>The inability to generate the minimum anticipated level of capital receipts.</li> <li>Insufficient reserves to facilitate short term mitigations, risks and liabilities.</li> <li>Interest rate volatility impacting on the council's debt costs.</li> <li>Impairments in our commercial Investments are realised.</li> </ul>	<p>BCC's Financial framework ensures that we have in place sound arrangements for financial planning, management, monitoring and reporting through to Corporate Leadership Team and Cabinet.</p> <p>The ongoing review and due diligence of all budget savings by Delivery Executive, Corporate Leadership Board and the Executive continues to be captured and monitored in the reports to Cabinet.</p> <p>We refreshed the Policy and Budget Framework and provided greater clarity in relation to the approval process for supplementary funding both capital and revenue.</p> <p>We have continual oversight and ongoing management of the council's financial risks and deep dives in areas reported of non-containable pressures.</p> <p>Regular reviews have been undertaken on the level and appropriateness of the earmarked reserves and where redirections have been south reported to Cabinet.</p>	↔	2	5	10	<p>Recovery plans are being fully assessed and requirements for any supplementary estimates will be incorporate into the period 8 monitoring reports and ongoing pressures and growth captured in the 2020/21 Budget report.</p> <p>Ensuring engagement at local, regional and national level in round table and working groups to keep abreast the spending review (now scheduled for 2020), Business Rates retention and new funding formulas for Local Government. To ensure funding for Bristol is maximised and impact of changes are fed into our long term financial planning and strategic planning.</p> <p>Ensure that there are sufficient reserves available to provide the Council with some resilience to material variations in spend forecasting and economic shocks.</p> <p>We will carry out frequent re-assessment of service delivery risks and opportunities and risk and other reserves.</p>	1	5	5
Risk Owner: S151 Officer and Director of Finance.	Action Owner: Section 151 Officer, Executive Director Resources and Director of Finance.	Portfolio Flag: Finance, Governance and Performance.	Strategy Theme: Our Organisation.						

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<p><b>CRR18: The risk of failing to deliver the range of housing to meet Bristol's needs and not realise the ambition to deliver 2000 homes, of which 800 are affordable, per annum by 2020.</b></p> <p>Strategies and delivery models designed to further stimulate growth in the housing market and deliver diversity of the housing offer across the city prove to be ineffective and do not attract and retain economically active residents.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>• Not enough planning applications submitted.</li> <li>• Not enough permission granted.</li> <li>• Inability of the housebuilding industry to deliver at this level.</li> <li>• Increased uncertainty in the market due to Brexit.</li> <li>• Lack of capacity within the council's delivery system and the local market.</li> <li>• Insufficient housing land identified in planning documents.</li> </ul>	<p>Secured planning permissions.</p> <p>Secured additional grant funding for infrastructure.</p> <p>Releasing land.</p> <p>Issuing grants to Registered Providers (RPs).</p> <p>Established Local Housing Company (Goram Homes).</p> <p>Secured funding from Homes England under HIF and Accelerated Construction and Community Development in order to release further housing land.</p> <p>Established a grant funding programme to subsidise the delivery of affordable homes.</p> <p>Introduced the Affordable Housing Practice Note.</p> <p>Working collaboratively with Homes England to maximise subsidy in schemes to provide as much affordable housing as possible.</p> <p>Requiring a minimum of 30% affordable housing on land released by the Council.</p>	↔	2	5	10	<p>We are addressing all areas of provision including: Community Led Housing (CLH), Registered Providers (RPs) and Direct Delivery, (New Council Homes).</p> <p>We are carrying out a Service Review of the Housing Delivery Team.</p> <p>Significant land release programme to Registered Partners (RPs).</p> <p>We are looking at opportunities to fund the acquisition of additional units in developments on site.</p> <p>External funding bids have been made to secure infrastructure funding to accelerate delivery.</p> <p>Revised the Affordable Housing Grant Funding Policy to ensure it is relevant and assist the delivery of new affordable homes.</p> <p>Working Closely with Homes England to ensure additional subsidy is secured</p> <p>Identifying opportunities to acquire additional affordable homes off the shelf.</p> <p>We are monitoring performance closely.</p>	1	5	5
Risk Owner: Executive Director Growth and Regeneration.	Action Owner: Director Development of Place.	Portfolio Flag: Housing.			Strategy Theme: Fair and Inclusive.				

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Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating
<p><b>CRR19: Tree Management.</b></p> <p>Risk of trees and tree limbs falling and causing harm to people or property due to unfavourable weather conditions and tree diseases.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>• The Council has 100,000 trees. Severe weather conditions and / or disease can leads to tree failure.</li> <li>• Lack of maintenance of trees can result in tree failure.</li> <li>• Some council trees are not being managed or inspected, increasing the chance of failure.</li> </ul>	<p>Analysis of all trees is the main task and this takes time to complete.</p> <p>Analysis work on trees is underway by the tree team and Desktop mapping is complete.</p> <p>Cabinet report in June2019 was agreed including re-procuring the tree management contract to create additional capacity to manage all off the councils trees. The cost of this will be covered by the departments on whose land the trees are situated - more finance work is needed on this.</p>	↔	3	5	15	<p>Analysis continues on trees potentially at risk. Desktop mapping is completed and trees will need to be assessed.</p> <p>Contract has been extended for tree maintenance</p> <p>Budget for 18/19 has been protected. Budget for 19/20 is available to continue tree analysis and maintain trees on the existing contract.</p> <p>Additional resource being recruited to undertake the work.</p> <p>New tree management contract going through procurement process.</p>	1	5	5
Risk Owner: Executive Director Growth and Regeneration.	Action Owner: Director Management of Place.	Portfolio Flag: Communities.			Strategy Theme: Our Organisation, Wellbeing.				

Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating
<p><b>CRR21: General Data Protection Regulation (GDPR) compliance.</b></p> <p>If the Council fails to maintain a defensible and compliant response to the Data Protection Act 2018 and General Data Protection Regulation (GDPR) then it will fail to fully comply with its statutory requirements.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>Failure to invest in the required systems, equipment and posts required to implement these regulations.</li> <li>Failure to adequately train staff in the requirements of the regulations.</li> <li>Lack of resource (capacity or expertise) to manage Subject Access Requests.</li> </ul>	<p>A Steering Group and Working Group is in place and regular reports continue to be provided to Executive Directors Meetings (EDM's) to ensure that the high-level of engagement and buy-in across all levels of the organisation is maintained.</p> <p>Improved data breach reporting for EDM's.</p> <p>Guidance on GDPR compliance and breach reporting has been published on the Council's intranet (Source).</p> <p>Improved PIA process and PIA register.</p> <p>Business Continuity plan produced and updated to reflect new IG Service.</p> <p>The Council provides e-learning training for new starters on data protection.</p> <p>Data protection staff have attended training courses to maintain up to date knowledge and expertise.</p>	↔	2	5	10	<p>Continuing delivery of prioritised objectives to embed GDPR compliance in this quarter we are working on:</p> <ul style="list-style-type: none"> <li>New starters induction and awareness training.</li> <li>Training for offline staff.</li> <li>Reviewing procurement templates.</li> <li>Reviewing data protection policies.</li> <li>Progressing the business case for a privacy management system (with Head of Service and Director).</li> <li>Implementing a case management system.</li> <li>Team training plan.</li> <li>Targeted training for data protection champions within the Council.</li> <li>The purchase of a privacy management system is being considered as part of service and budget planning for 2020/21.</li> </ul>	2	3	6
Risk Owner: Senior Information Risk Owner (SIRO).	Action Owner: Senior Information Risk Owner (SIRO) and Statutory Data Protection Officer (SDPO).	Portfolio Flag: Finance, Governance and Performance.			Strategy Theme: Our Organisation.				

Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
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<p><b>CRR22: Partnerships Governance</b></p> <p>If the council does not maximise (or cannot quantify) the benefits of partnership working and/or experiences negative or counter-productive results may arise from partnership working.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>Failure to establish and/or manage contracts, Service Level Agreements and/or Terms of Reference in relation to partnerships.</li> <li>Not maintaining a central register of partnerships, membership, governance arrangements and performance measures.</li> <li>No identified lead officer to progress development of partnership working as in proposals presented to the Audit Committee in April 2016.</li> <li>Outdated partnership policy and toolkit (last iteration 2010).</li> <li>A broad range of partnerships with variable degrees of formality.</li> </ul>	<p>BCC has close involvement of Elected Mayor and Members in key partnerships. Regular review and evaluation of the current position by CLB.</p> <p>BCC has mechanisms in place for regular dialogue including formal partnerships.</p> <p>The role of Director: Policy and Strategy has been expanded to include oversight of partnerships and a permanent appointment to this post has been made.</p> <p>A refreshed Partnerships Policy has been drafted and iterated in consultation with relevant business partners. (June-Dec 2019).</p> <p>Scoping and reviewing the need for Commercial Training for relevant managers as part of Procurement and Commercial Strategy.</p> <p>Created a central partnership register.</p>	↑	2	3	6	<p>We are reviewing and refreshing the Partnership Policy and Toolkit.</p> <p>Creating a template Terms of Reference and porting existing Terms of reference to it where required.</p>	2	3	6
Risk Owner: Head of Paid Service.	Action Owner: Head of Policy and Public Affairs	Portfolio Flag: Finance, Governance and Performance.			Strategy Theme: Our Organisation.				

Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
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<p><b>CRR23: Better Lives Programme.</b></p> <p>Failure to deliver the required outcomes and savings from the Better Lives Programme, whilst delivering against our statutory duties and maintaining quality services.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>Increased demand and complexity of Service Users' needs.</li> <li>The Provider Market is unable to meet needs in the required way and/or we suffer relationship breakdown.</li> <li>Other Directorates within the organisation are unable to support the Programme in the way required.</li> <li>Statutory requirements of Adult Social Care (ASC) mean resources have to be diverted away from Programme activity.</li> <li>Changes to the priorities of the wider health system and/or the National context, requires us to divert resources/focus away from the Programme's objectives.</li> </ul>	<p>Programme Board in place that meets monthly with representation from Executive Directors, cabinet member for Adults and NHS and has a key governance role for the Programme in terms of managing risk. Risks and issues are shared and actions and decisions arising are minuted and logged. The Programme Senior Responsible Officer (SRO) flags up risks and issues at key internal governance meetings e.g. People EDM, Statutory &amp; Policy Board.</p> <p>A Trajectory management approach tracks key performance metrics across all areas which are shared with Programme Board, ASC DMT and People to identify risks, dependencies and alter priorities accordingly.</p> <p>Key interventions to improve Provider Market's ability to respond to changing requirements and needs e.g. Bristol Price introduced for residential and nursing care and unit cost for Home Care.</p> <p>Working closely with wider Council partners where there are dependencies e.g. Change Services, Housing, Communities, Information Communication Technology (ICT) and Procurement colleagues as well as external partners including NHS where there is direct impact between services.</p> <p>All workstreams focussing on practice which ensure we are meeting statutory requirements and that people receive the correct care and support, including a Reviews workstream.</p> <p>Interventions that are impacting new demand and enabling individuals to maximise their independence e.g. the introduction of the Bristol Price; increased capacity and investment in Home Care; increased capacity in the Reablement Service; Introduced a new Home First Service and a new Technology Enabled Care offer.</p>	↔	2	7	14	<p>Current phase of programme includes activities to deliver further changes which are required around Older People's services and an increased focus on Adults of Working Age and Preparing for Adulthood and Preparing for Adulthood.</p> <p>Provider reviews to ensure that people are receiving the right care and support and freeing up capacity in the Market is now embedded into business as usual.</p> <p>New technology and ways of working to our Home First and Reablement teams in place and continue to increase the capacity of the Reablement service to the required level.</p> <p>Introducing a further rate increase for Home Care.</p> <p>Embedding the new Pathway to Independence service.</p> <p>Safeguarding Pathway review to ensure greater efficiency and response to Safeguarding Alerts.</p> <p>Opening two new Extra Care Housing sites in the City each with 60 units with BCC nomination rights (120 units in total). Also new 'First Home' provision for young adults (Preparing for Adulthood) March 20.</p>	1	7	7
Risk Owner: Executive Director, People	Action Owner: Director Adult Social Care.	Portfolio Flag: Adult Social Care.			Strategy Theme: Our Organisation, Empowering others and Caring, Fair and Inclusive, Well connected, Wellbeing.				

Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
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<p><b>CRR24: Procurement and Contract Management Compliance</b></p> <p>Failure to ensure that BCC:</p> <ul style="list-style-type: none"> <li>Achieves value for money when purchasing goods and services.</li> <li>Complies with legislation (including the risk of legal challenge), quality and cost.</li> <li>Meets social value requirements for contract awards.</li> <li>Ensure orders for goods / services are efficiently placed and observes agreed terms.</li> <li>BCC do not take into account long term view with regards to TCO (Total Cost of Ownership) &amp; Life Cycle Costs.</li> <li>High incidence of non-contracted spends.</li> </ul> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>Poor / weak pre procurement forward planning and tender specifications.</li> <li>Over reliance and inappropriate use of waivers.</li> <li>Ineffective Supply chain and market engagement.</li> <li>Poor / weak contract monitoring.</li> <li>Supplier failure and missed opportunities of warning signs.</li> </ul>	<p>The Procurement Service has been subject to a number of changes to the Procurement service which includes the following:</p> <ul style="list-style-type: none"> <li>Combined the "Procurement Service" and CSRM under one service area as the new Strategic Procurement and Supplier Relations Service.</li> <li>Alignment of resources at Senior Management to enable direction of resources across Category Areas, Governance and Contract Management.</li> <li>Overhauled the Procurement Rules endorsed by Full Council in December 2019 and the streamlined the procurement process in line with Officer Delegated Authority providing greater empowerment and accountability.</li> <li>Related Audit report recommendations captured and plans established to address identified issues.</li> <li>Procurement resources engaged from inception on a number of key strategic projects e.g. City Leap and engagement on the service planning of the Service in the Council's Service Planning Process.</li> </ul>	↔	3	5	15	<p>A Service improvement plan is being developed to address some of the issues outlined in Internal Audit reports.</p> <p>Additional resources capacity being considered for Contract Management and service delivery.</p> <p>Strengthen the reporting to CLB / statutory policy board on areas of compliance, procurement rules and PFI reporting</p>	3	3	9
Risk Owner: Section 151 Officer, Executive Director Resources.	Action Owner: Director Finance (Section 151 Officer).	Portfolio Flag: Finance, Governance and Performance.			Strategy Theme: Our Organisation.				



Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
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<p><b>CRR25: Suitability of Line of Business (LOB) systems</b></p> <p>The Councils reliance on legacy systems.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>• Lack of desire to change; systems.</li> <li>• Significant transition activity leads to systems being expensive/complex to change.</li> <li>• Lack of understanding of consequences of not changing systems on ICT.</li> <li>• Lack of adherence to Procurement rules in relation to re-procurements.</li> </ul>	<p>IT Services continue to highlight risks and shortcomings with systems (in an informal manner) to Heads of Service and Senior Leadership whilst the on-going formal review continues. We continue to work with Information Assurance colleagues in regards to those systems which may perpetuate a Cyber Security or Information Management risk.</p>	↔	4	5	20	<p>Planning for the roll out Windows 10, ICT are undertaking a review of the Council’s application portfolio to check compatibility with the new operating system. This has resulted in a widening of the review to look at a number of other aspects, such as cost, contract status, security and whether the functionality could be delivered through other products/solutions.</p> <p>We will continue to assess functionality and compatibility of LOS systems as part of the roll out of Windows 10. This will continue through to mid-2020.</p> <p>It is the intention of ITTP to produce a report against the Council’s line of business review which places the applications into groups which can be considered by stakeholders for replacement/removal/upgrade.</p>	2	5	10
Risk Owner: Senior Information Risk Owner (SIRO) for Cyber Security. Service Areas for BCP/DR.	Action Owner: Director, Digital Transformation.	Portfolio Flag: Finance, Governance and Performance.			Strategy Theme: Our Organisation.				

Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
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<p><b>CRR26: ICT Resilience</b></p> <p>The Councils ability to deliver critical and key services in the event of ICT outages, and be able to recover in the event of system and/or data loss.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>• Poor BCP planning and understanding of key system architecture.</li> <li>• Untested DR arrangements including data recovery.</li> <li>• Untested network reconfiguration to alleviate key location outage.</li> <li>• Untested recovery schedules in terms of order and instructions.</li> <li>• Lack of resilience available for legacy systems (single points of failure – people and technology).</li> <li>• Services undertaking their own IT arrangements outside of the corporate approach.</li> </ul>	<p>Resilience has been implemented within the Corporate Network to ensure that the network remains active and available in the event of a building becoming unavailable or a circuit being interrupted. Work to date.</p> <p>Backups are held within, and external, to the corporate network to ensure availability. Work to date.</p> <p>The IT Transformation Programme has the movement to more resilient hosting as part of a core deliverable. Utilising cloud hosting improves resilience and recovery and enables access to key systems from outside of the corporate network, and if necessary, from non-corporate devices.</p> <p>The ITTP includes the review of future DR arrangements with the move to cloud for most services, and a move to crown hosting for remaining, servers.</p> <p>The ITTP includes work to aid with the survivability and recovery of Cyber Security Incidents which will aid the resilience of key Council systems.</p>	↔	2	7	14	<p>The Council has a contract with a third party to provide DR capability. The Council is working to undertake a full end- to- end test of the services it procures however, this has been challenging. The Council continues to engage with the third party supplier and have recently received a quote to undertake a full DR test, which is under review.</p> <p>The small scale tests undertaken to date have taken far longer and have been more complex than was envisaged. This has reduced confidence in the ICT service.</p> <p>It is our intention to undertake a full DR test on an annual basis. However, as the small scale tests have been problematic, this has not been possible to date.</p> <p>As part of the project to replace the Council’s on premise SAN, the Council is improving the resilience of hosted services by extending our replication of data. Our on-going move of service to Cloud infrastructure will reduce the Council’s risk profile over time.</p>	2	5	10
Risk Owner: Head of Paid Service and Service Area Leads.	Action Owner: Director, Digital Transformation.	Portfolio Flag: Finance, Governance and Performance.			Strategy Theme: Our Organisation.				

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Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
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<p><b>CRR27: Capital Transport Programme Delivery</b></p> <p>Management of the overall transport capital programme is key to ensuring we deliver against mayoral priorities in the most cost and time efficient way possible. Failure to do so negatively impacts the council's reputation and finances and makes the council less likely to reduce congestion, air pollution and inequality.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>• Overspend on individual schemes leading to uncontainable cost pressures.</li> <li>• Underspend on annual profile.</li> <li>• Lack of coordination and programme management across divisions.</li> </ul>	<p>Transport Programme Team and Delivery Board established.</p> <p>Shared paperwork and highlight reporting process initiated.</p> <p>Regular briefings and reporting to senior management and cabinet members.</p> <p>5 year capital programme mapping process underway.</p>	↑	3	3	9	<p>Working with Transport Planning Team (TPT) and other managers to develop systems further engaging with Directors of Economy of Place and Management of Place, to develop proposals for overall improved management of capital programme and recruitment of appropriate resource levels.</p> <p>We continuing to develop Transport Planning Team (TPT), Transport Development Board (TDB) and highlight report processes which are governed by the Growth and Regeneration (G&amp;R) Board (monthly meeting).</p> <p>5 Year mapping ongoing, 19/20 programme mapped and ongoing.</p> <p>We continuing to develop Transport Planning Team (TPT), Transport Development Board (TDB) and highlight report processes which are governed by the Growth and Regeneration (G&amp;R) Board (monthly meeting).</p>	2	3	6
Risk Owner: Executive Director Growth and Regeneration.	Action Owner: Director Economy of Place.	Portfolio Flag: Communities.			Strategy Theme: Our Organisation, Wellbeing.				

Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
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<p><b>CRR29: Information Security Management System (ISMS)</b></p> <p>There is a risk that if the council does not have an Information Security Management System then it will not be able to effectively manage Information Security risks.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>• Ineffective Information Security Management System, inadequate resources to create and maintain an ISMS, management buy in and support to operate an ISMS</li> </ul>	<p>We have worked with Information Governance Board (IGB) and ICT on introducing and/or designing an ISMS aligned to ISO 27001.</p> <p>The Information Assurance Team have started a procurement process to design and deliver a new information security management system.</p>	↔	4	5	20	<p>Information Assurance are continuing to work with ICT and IGB on implementing an Information Security Management System.</p>	1	5	5
Risk Owner: Senior Information Risk Owner (SIRO).	Action Owner: Senior Information Risk Owner (SIRO) and Statutory Data Protection Officer (SDPO).	Portfolio Flag: Finance, Governance and Performance.			Strategy Theme: Our Organisation.				

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Corporate Risk Register as at December 2019 – Threat Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
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<p><b>CRR30: Failure to deliver Bristol City Council's wider Clean Air Plan (excluding traffic clean air zone) Communication/engagement with stakeholders does not result in sufficient behavioural change.</b></p> <p>We are unable to deliver actions committed to by Mayor in the wider Clean Air Plan (excluding Traffic Clean Air Zone) - which is addressed in Management of Place service area.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>• Staff capacity.</li> <li>• Procurement risks.</li> <li>• Lack of resources.</li> <li>• Unable to secure political agreement.</li> <li>• Unable to secure stakeholder buy in in the time available.</li> </ul>	<p>Measures have been developed and will form part of the Clean Air Plan. Mayors Speech June 2019 announced some of these as policy commitments (Mayors Office).</p> <p>Officers undertake initial works and the Mayor's Report was presented to Full Council 17th July 2019.</p> <p>Officers are working on the plan. Staff and consultancy resources are in place.</p> <p>Stakeholder engagement plan is in place and being implemented. Timetable remains very challenging.</p> <p>Mayor led Environment Sustainability Board being set up to oversee Climate Plan. 1st Meeting 10th July 2019.</p> <p>A proposal to allocate £250k of reserves has been approved by G&amp;R EDM and CLB, and has now been approved by Cabinet.</p>	<p>↑</p>	2	5	10	<p>Measures have been finalised and implementation plans are being developed.</p> <p>Staff being allocated to complete the work.</p> <p>Commissioning consultants have been engage to help develop the Bristol Climate Strategy.</p> <p>Engagement plan with stakeholders is being implemented.</p>	1	3	3
Risk Owner: Executive Director Growth and Regeneration.	Action Owner: Climate Change & Sustainable City Manager	Portfolio Flag: Strategic Planning and City Design			Strategy Theme: Wellbeing				

Corporate Risk Register as at December 2019 – Opportunity Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
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<p><b>OPP1: One City Approach</b></p> <p>The One City Approach will offer a new way to plan strategically with partners as part of a wider city system.</p> <p>Key potential causes:</p> <ul style="list-style-type: none"> <li>• Mayoral aspiration and widespread partner sign-up to the principle.</li> <li>• Work to date has produced outline plan and engaged partners in the long-term vision and necessary work to complete the plan.</li> </ul>	<p>We have Launched the One City Plan v1 in January 2019.</p> <p>We have funded the core City Office staff team for 2019/20 (April 2019).</p> <p>We appointed to the Head of City Office role, 2x Operational and Stakeholder Engagement Managers, a SDG Coordinator and a sequence of interns, work experience and external offers of resourcing to support the initiatives.</p> <p>We have established all One City Boards.</p> <p>We have agreed the top three priority One City projects for 19/20 and are actively supporting these.</p> <p>Aligned internal resourcing for One City Plan development with our review of Partnership Policy (see CRR21) to ensure a joined-up approach.</p> <p>Established the leadership framework with a regular meeting pulse and associated governance mechanisms.</p>	↔	3	7	21	<p>Have implemented the citywide governance structure including establishing the Economy Board, Environment Board and the associated city Climate Advisory Committee. All boards have now met and are refreshing their contributions to the One City Plan.</p> <p>The City Office has engaged a sponsorship expert to scope potential opportunities for future funding. Project activity will also be supported by the 100,000 Euros awarded to One City as a prize-winner for European Capital of Innovation.</p> <p>Producing One City Plan for v2 in January 2020.</p>	4	7	28
Risk Owner: Head of Paid Service.	Action Owner: Director Policy, Strategy and Partnerships.	Portfolio Flag: Mayor.			Strategy Theme: Our Organisation.				

Corporate Risk Register as at December 2019 – Opportunity Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
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<p><b>OPP2: Corporate Strategy</b></p> <p>The approved Corporate Strategy presents an opportunity to fundamentally refresh and strengthen our business planning, leadership and performance frameworks.</p> <p>Key potential causes:</p> <ul style="list-style-type: none"> <li>• Approved Corporate Strategy provides the foundation and direction for the organisation.</li> </ul>	<p>We have approved and adopted the Corporate Strategy, Business Plan 18/19 and Performance Framework 18/19 through appropriate Decision Pathways.</p> <p>Re-launched and completed 'My Performance' reviews for all colleagues including annual objective setting linked to the Corporate Strategy and Business Plan 18/19.</p> <p>Designed and launched an integrated business planning approach for 2019/20, linking financial planning, service planning, Risk Management and performance management more closely and from an earlier starting point.</p> <p>The LGA Corporate Peer Challenge completed, providing fresh learning opportunities to improve our approach.</p> <p>Leadership Framework introduced and senior management posts recruited against it.</p>	↔	4	7	28	<p>Running an integrated business planning approach for 2020/21, linking financial planning, and service planning and performance management more closely and from an earlier starting point.</p> <p>Following up roll-out of iTrent for performance.</p>	4	7	28
Risk Owner: Head of Paid Service.	Action Owner: Director Policy, Strategy and Partnerships.	Portfolio Flag: Finance, Governance and Performance.			Strategy Theme: Our Organisation.				

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Corporate Risk Register as at December 2019 – Opportunity Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
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<p><b>OPP3: Devolution</b></p> <p>Should the potential arise for opportunities from a region's devolving, second devolution deal that could lead to an opportunity to align the Council's corporate priorities and strengthen regional partnership working.</p> <p>Key potential causes:</p> <ul style="list-style-type: none"> <li>Potential development of second devolution deal.</li> </ul>	<p>We have continued engagement with WECA; but with recognition that focus has been placed more on a proposed housing fund. The national uncertainty around long term government funding and approach has decreased the opportunity slightly (Q1 19/20), but this has recovered given the opportunity around a potential 'powerhouse' for the West of Britain, which has early positive momentum. (Q2 19/20)</p> <p>We have commissioned work to investigate the potential for a Western Powerhouse, a cross-border, cross-sector partnership akin to the Northern Powerhouse or Midlands Engine.</p> <p>We worked with partners to establish a cross-border economic powerhouse for western England and south Wales, the Western Gateway, an entity similar to the well-established Northern Powerhouse.</p>	↔	3	5	15	<p>We will continue to engage with WECA at strategic level.</p> <p>We will continue to engage with HM Government following suggestion that more devolution opportunities may be available following Brexit, including specific spending review asks and engagement on the Western Powerhouse proposal.</p> <p>We are establishing a Secretariat for the proposed western powerhouse and will continue to engage partners and HM Government on this project.</p>	3	7	21
Risk Owner: Head of Paid Service.	Action Owner: Director Policy, Strategy and Partnerships.	Portfolio Flag: Finance, Governance and Performance.			Strategy Theme: Our Organisation.				

Corporate Risk Register as at December 2019 – Opportunity Risks to the achievement of Bristol City Councils Objectives.									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
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<p><b>OPP4: Brexit.</b></p> <p>If exiting the European Union provides benefits, such as increased domestic concentration of power, this may lead to opportunities for this to be harnessed at a local or regional level.</p> <p>Key potential causes for enhancing and exploiting:</p> <ul style="list-style-type: none"> <li>Exiting the European Union.</li> </ul>	<p>Undertaken an internal assessment of threat and opportunities following an externally-provided workshop, publishing our No Deal Scenario Assessment and updated it in Q2 2019.</p> <p>Established a city Brexit Response Group and met since 2016.</p> <p>Met Michel Barnier in Brussels with the Core Cities.</p> <p>Been monitoring the environment; including news of threats from large local employers of leaving UK.</p> <p>Collaborated on draft Inclusive Economic Growth Strategy and Local Industrial Strategy.</p> <p>Participating in MHCLG events and national working group of local authority representatives.</p> <p>We continue to work with Core Cities and M8 leaders on concerted joint efforts.</p> <p>We have formed a Brexit Project Board for internal preparedness and provided fortnightly updates to all Members on preparedness work.</p> <p>We have agreed terms of reference for a Brexit Coordination Group to manage daily operations in the event of a No Deal exit.</p>	↔	1	5	5	<p>We are monitoring the issue on an ongoing basis. We have further meetings of Bristol Brexit Response Group and Brexit Project Board.</p> <p>Continued monitoring of external environment and government relations.</p> <p>Promoting a potential powerhouse for the West of Britain as a post-Brexit opportunity to invest in the region and city.</p>	1	5	5
Risk Owner: Head of Paid Service.	Action Owner: Director Policy, Strategy and Partnerships.	Portfolio Flag: Finance, Governance and Performance.			Strategy Theme: Our Organisation.				

**Key External Risk and Civil Contingency Risks to note - Flooding and Brexit**

Corporate Risk Register as at December 2019 - External and Civil Contingency Risks									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating
<p><b>BCCC2: Brexit</b></p> <p>The risk that Brexit (and any resulting 'deal' or 'no deal') will impact the local economy, local funding and delivery of council services, and that uncertainty around Brexit could impact our ability to accurately assess or plan for potential positive or negative outcomes.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>• Exiting the European Union.</li> <li>• Lack of agreed Trade Deal and/or a defined permanent future relationship with the EU.</li> <li>• Unprecedented and complex national / international process.</li> <li>• Lack of planning by the authority.</li> </ul>	<p>We have established and operated a city-wide Bristol Brexit Response Group.</p> <p>Working with Core Cities and M8 leaders on concerted joint efforts, including meeting Michel Barnier.</p> <p>Collaborated on draft Inclusive Economic Growth Strategy and Local Industrial Strategy.</p> <p>Developed a BCC Brexit No Deal Scenario Assessment to inform action planning, then refreshed it in Q2 19/20.</p> <p>Participation in MHCLG events and national working group of local authority representatives.</p> <p>Formed Brexit Project Board to take forward preparedness actions and met consistently to drive progress.</p> <p>Agreed funding for key areas for mitigation work.</p> <p>Established TOR for a Brexit Coordination Group to manage daily activity in a No Deal scenario (Jan 2019) and tested (Mar 2019).</p> <p>Established regular meeting of Brexit Lead Officers from neighbouring authorities and WECA to share approaches and best practice. (Sep 19).</p>	↑	2	7	14	<p>Continue to implement actions identified through No Deal Brexit Scenario Assessment as required. Ongoing.</p> <p>Continued internal Brexit Project Board to oversee BCC preparedness and respond with agility to changing circumstances. Ongoing.</p> <p>Continued monitoring of external environment and government relations. Ongoing.</p> <p>Continue engagement with all relevant government departments and partners to ensure sectoral/organisation risks are communicated and mitigations proactively suggested. Ongoing.</p> <p>Continue to meet with neighbouring Brexit Lead Officers and plan further actions together, including shared initiatives.</p> <p>Taking forward a range of actions set by Brexit Project Board. Ongoing.</p>	2	5	10
Risk Owner: Head of Paid Service.	Action Owner: Director Policy, Strategy and Partnerships.	Portfolio Flag: Finance, Governance and Performance.			Strategy Theme: Our Organisation.				

Corporate Risk Register as at December 2019 - External and Civil Contingency Risks									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating
<p><b>BCCC1: Flooding.</b></p> <p>There could be a risk of damage to properties and infrastructure as well as risk to public safety from flooding which may be caused by a tidal surge, heavy rainfall and river and groundwater flood events.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> <li>• Tidal surge, heavy rainfall, river and groundwater flood events.</li> <li>• Impact of climate change.</li> <li>• Lack of effective flood defences and preparedness for major incidents.</li> </ul>	<p>The Avon and Somerset Local Resilience Forum (LRF) is a partnership of all the organisations needed to prepare for an emergency in the LRF area. It includes the emergency services, health services, Maritime and Coastal Agency, Environment Agency, volunteer agencies, utility companies, transport providers and the five councils of Bath and North East Somerset, Bristol, North Somerset, Somerset and South Gloucestershire.</p> <p>Bristol is working with the Avon and Somerset LRF to construct new sea defences around North Somerset, Bristol and South Gloucestershire. Working with emergency services, local authorities and other agencies to develop flood response plans and procedures, investigating instances of flooding, training specialist staff in swift water rescue techniques, communicating with housing and business developers to incorporate flood protection into new developments. It provide guidance to members of the public about flooding, including flood warnings and what people can do to help themselves, regular maintenance and clearing programs of gullies and culverts, especially in the event of storm warnings.</p> <p>Bristol has in place a local Flood Risk Management Strategy which comprises of 5 keys areas and 43 separate actions in line with Environment Agency's national strategy.</p>	↔	3	5	15	<p>There is sustained resourcing and delivery of all actions in LFRMS over life of strategy. Strategy includes the following key projects:</p> <ul style="list-style-type: none"> <li>• Working in partnership with the Environment Agency to develop a Bristol Tidal Flood Risk Management Strategy to protect the city centre, including climate change.</li> <li>• Working in partnership with South Gloucester and the Environment Agency to deliver a flood scheme to help protect Avonmouth Village and the Enterprise Area from tidal flooding, including climate change.</li> </ul>	3	3	9
Risk Owner: Executive Director Growth and Regeneration.	Action Owner: Director Management of Place, Flood Risk Engineer.	Portfolio Flag: Energy, Waste and Regulatory Services.			Strategy Theme: Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing.				

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Corporate Threat Risk Performance Summary				Quarter 4 Jan – Mar 19/20		Quarter 1 Apr – Jun 19/20		Quarter 2 Jul - Sept 19/20		Quarter 3 Oct - Dec 19/20		Quarter 4 Jan - Mar 20/21	
Page	Risk ID	Risk	Risk Owner	Rating	Travel	Rating	Travel	Rating	Travel	Rating	Travel	Rating	Travel
4	CRR7	Cyber-Security(Previously Cyber-Attack)	Senior Information Risk Owner (SIRO)	3x7=21	↔	3x7=21	↔	3x7=21	↔	3x7=21	↔		
10	CRR25	Suitability of Line of Business Systems (LOB)	Senior Information Risk Owner (SIRO)	3x5=15	↔	4x5=20	↓	4x5=20	↔	4x5=20	↔		
11	CRR29	Information Security Management System.	Senior Information Risk Owner (SIRO)			4x5=20	New	4x5=20	↔	4x5=20	↔		
7	CRR19	Tree Management	Executive Director Growth and Regeneration	3x5=15	↔	3x5=15	↔	3x5=15	↔	3x5=15	↔		
9	CRR24	Procurement and contract management compliance	Executive Director Resources and Director of Finance (Section 151 Officer)	3x5=15	↔	3x5=15	↔	3x5=15	↔	3x5=15	↔		
3	CRR6	Fraud and Corruption	Executive Director Resources and Director of Finance (Section 151 Officer)	3x5=15	↔	3x5=15	↔	3x5=15	↔	3x5=15	↔		
1	CRR1	Long Term Commercial Investments and Major projects Capital Investment	Executive Director Growth and Regeneration, Executive Director Resources and Section 151 Officer	3x7=21	↔	3x7=21	↔	3x7=21	↔	2x7=14	↑		
10	CRR26	ICT Resilience	Head of Paid Service, service area leads	3x7=21	↔	2x7=14	↑	2x7=14	↔	2x7=14	↔		
9	CRR23	Better Lives Programme	Executive Director, People	2x7=14	↔	2x7=14	↔	2x7=14	↔	2x7=14	↔		
4	CRR9	Safeguarding Vulnerable Children	Executive Director, People	2x7=14	↔	2x7=14	↔	2x7=14	↔	2x7=14	↔		
5	CRR10	Safeguarding Vulnerable Adults	Executive Director, People	2x7=14	↔	2x7=14	↔	2x7=14	↔	2x7=14	↔		
5	CRR12	Failure to deliver suitable emergency planning measures, respond to and manage emergency events when they occur.	Executive Director Growth and Regeneration	2x7=14	↔	2x7=14	↔	2x7=14	↔	2x7=14	↔		
5	CRR3	Asbestos Management	Head of Paid Service and CLB	3x7=21	↔	3x7=21	↔	2x7=14	↑	2x7=14	↔		
2	CRR4	Corporate Health, Safety and Wellbeing	Head of Paid Service and CLB	3x7=21	↔	3x7=21	↔	2x7=14	↑	2x7=14	↔		
12	CRR30	Failure to deliver Bristol City Council's wider Clean Air Plan. Communication/engagement with stakeholders does not result in sufficient behavioural change (excluding traffic clean air zone).	Executive Director Growth and Regeneration					3x5=15	New	2x5=10	↑		
3	CRR5	Business Continuity and Council Resilience	Head of Paid Service / Executive Director Growth and Regeneration	3x5=15	↔	3x5=15	↔	2x5=10	↑	2x5=10	↔		
7	CRR18	The risk of failing to deliver the range of housing to meet Bristol's needs and not realise the ambition to deliver 2000 homes, of which 800 are affordable, per annum by 2020.	Executive Director Growth and Regeneration	2x7=14	↓	2x5=10	↑	2x5=10	↔	2x5=10	↔		
6	CRR13	Financial Framework and MTFP	Director of Finance (Section 151 Officer)	3x5=15	↓	2x5=10	↑	2x5=10	↔	2x5=10	↔		
8	CRR21	General Data Protection (GDPR Compliance)	Senior Information Risk Owner (SIRO)	3x5=15	↔	2x5=10	↑	2x5=10	↔	2x5=10	↔		
6	CRR15	Financial Deficit	Director of Finance (Section 151 Officer)	1x5=5	↔	2x5=10	↓	2x5=10	↔	2x5=10	↔		
11	CRR27	Capital Transport Programme Delivery	Executive Director Growth and Regeneration	3x7=21	New	3x5=15	↑	3x5=15	↔	3x3=9	↑		
8	CRR22	Partnerships Governance	Head of Paid Service	3x3=9	↑	3x3=9	↔	3x3=9	↔	2x3=6	↑		

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Corporate risk performance summary for closed / de-escalated risks				Quarter 4 Jan – Mar 18/19		Quarter 1 Apr – Jun 19/20		Quarter 2 Jul – Sept 19/20		Quarter 3 Oct - Dec 19/20		Quarter 4 Jan - Mar 19/20	
Status	Risk ID	Risk	Risk Owner	Rating	Travel	Rating	Travel	Rating	Travel	Rating	Travel	Rating	Travel
Closed	CRR8	Service Review	Head of Paid Service	2x5=10	Closed								
De -escalated	CRR16	Leadership	Head of Paid Service and CLB	2x5=10	↔	2x5=10	Closed						
De -escalated	CRR17	Strategy Management	Head of Paid Service	1x7=7	↔	1x7=7	Closed						
Merged into CRR1	CRR11	BCC Infrastructure Delivery	Director of Finance (Section 151 Officer) and Executive Director Growth and Regeneration	2x7=14	↔	2x7=14	↔	2x7=14	↔	2x7=14	Closed		

Corporate Risk Performance Summary for Opportunity risks				Quarter 4 Jan – Mar 18/19		Quarter 1 Apr – Jun 19/20		Quarter 2 Jul – Sept 19/20		Quarter 3 Oct - Dec 19/20		Quarter 4 Jan - Mar 19/20	
Page	Risk ID	Risk	Risk Owner	Travel	Rating	Rating	Travel	Rating	Travel	Rating	Travel	Rating	Travel
13	OPP2	Corporate Strategy	Head of Paid Service	4x7=28	↔	4x7=28	↔	4x7=28	↔	4x7=28	↔		
13	OPP1	One City	Head of Paid Service	4x5=20	↔	4x5=20	↔	3x7=21	↑	3x7=21	↔		
14	OPP3	Devolution	Head of Paid Service	3x5=15	↔	3x5=15	↔	3x5=15	↔	3x5=15	↔		
14	OPP4	Brexit	Head of Paid Service	1x5=5	↔	1x5=5	↔	1x5=5	↔	1x5=5	↔		

Corporate Risk Performance Summary for External and Civil Contingency risks				Quarter 4 Jan – Mar 18/19		Quarter 1 Apr – Jun 19/20		Quarter 2 Jul – Sept 19/20		Quarter 3 Oct - Dec 19/20		Quarter 4 Jan - Mar 19/20	
Page	Risk ID	Risk	Risk Owner	Travel	Rating	Rating	Travel	Rating	Travel	Rating	Travel	Rating	Travel
15	BCCC2	Brexit	Head of Paid Service	4x5=20	↔	3x7=21	↓	3x7=21	↔	2x7=14	↑		
15	BCCC1	Flooding	Executive Director Growth and Regeneration	3x5=15	↔	3x5=15	↔	3x5=15	↔	3x5=15	↔		



**Risk Scoring Matrix**

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

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

**Current and Tolerance risk ratings:** The ‘Current’ risk rating for both threats and opportunities refer to the current level of risk taking into account any strategies to manage risk - management actions, controls and fall back plans already in place. The ‘Tolerance’ rating represents what is deemed to be a realistic level of risk to be achieved once additional actions have been put in place. On some occasions the aim will be to contain the level of the risk at the current level.

**Positive Risks (Opportunities):** Where the risk is an opportunity, a cost benefit analysis is required to determine whether the opportunity is worth pursuing, guided by the score for the matrix, e.g. an opportunity with a score of 28 would be pursued as it would offer considerable benefits for little risk.

**LIKELIHOOD AND IMPACT RISK RATING SCORING****Likelihood Guidance**

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

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

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