

Summons to attend meeting of Full Council

Annual Council



Date: Tuesday, 25 May 2021

Time: 2.00 pm

Venue: Conference Hall - City Hall, College Green,
Bristol, BS1 5TR

To: All Members of Council

Issued by: Sam Wilcock, Democratic Services

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

Tel: 0117 92 23846

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

Date: Friday, 14 May 2021



www.bristol.gov.uk

Agenda

1. Welcome and Introductions

(Pages 5 - 7)

2. Apologies for Absence

3. Election of Lord Mayor

4. Election of Deputy Lord Mayor

5. Declarations of Interest

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

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

6. Minutes of the Previous Meeting

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

(Pages 8 - 22)

7. Lord Mayor's Business

To note any announcements from the Lord Mayor

8. Public Statements

Due to Covid Safety requirements we have put the following measures in place:

- All attendees to Full Council are asked to have a Covid lateral flow test 24 hrs prior to the day of the meeting and show the results of a negative test. It's important that you report the results of your test and that you get confirmation sent to your phone. Reception staff will ask to see this on the day of the meeting. If you have a



positive test or if you develop any Covid 19 symptoms - high temperature, a new continuous cough, or a loss or change to your sense of smell or taste, you should [book a test on GOV.UK](#) and self-isolate while you wait for the results.

- You are required to wear a face mask at all times unless you are exempt. Social distancing rules remain in place.
- Members of the press and public who wish to attend City Hall are advised that you will be asked to watch the meeting on a screen in another room as due to the maximum occupancy of the venue.

Under the Council's constitution, there is no provision for public forum at the Annual Council meeting. However, in consultation with the Mayor and Party Group Leaders, the Lord Mayor has determined that written statements from members of the public will be accepted for this meeting on the following basis:

1. The wording of all written statements must be submitted by the deadline of midday the day before the meeting, Monday 24th May 2021. Please note that public questions are not permitted on this occasion. Statements should be sent to democratic.services@bristol.gov.uk. One written statement per member of the public or member of Council is permitted.

2. Statements for this meeting must be about the reports included on the agenda.

Details of all statements submitted will be sent to the Lord Mayor, Mayor and all Councillors as soon as possible after the above deadline.

9. Dates and times of Full Council meetings 2021-22

(Pages 23 - 24)

10. Establishment of Committees 2021-2022

(Pages 25 - 30)

11. Allocation of Committee Seats 2021-2022

Report to follow.

12. Constitution Update : Council Procedure Rules

(Pages 31 - 37)

13. Report to Full Council : Working Group to Oversee Agreed Management Actions



(Pages 38 - 72)

Signed

A handwritten signature in black ink, appearing to read 'T. Oliver'.

Proper Officer
Friday, 14 May 2021



Public Information Sheet

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

You can find papers for all our meetings on our website at <https://www.bristol.gov.uk/council-meetings>

Covid-19: changes to how we hold public meetings

Following changes to government rules, public meetings including Cabinet, Full Council, regulatory meetings (where planning and licensing decisions are made) and scrutiny will now be held at City Hall.

Covid Safety Measures for Attendance at City Hall - Full Council

Due to Covid Safety requirements we have put the following measures in place:

- All attendees to Full Council are asked to have a Covid lateral flow test 24 hrs prior to the day of the meeting and show the results of a negative test. It's important that you report the results of your test and that you get confirmation sent to your phone. Reception staff will ask to see this on the day of the meeting. If you have a positive test or if you develop any Covid 19 symptoms - high temperature, a new continuous cough, or a loss or change to your sense of smell or taste, you should [book a test on GOV.UK](#) and self-isolate while you wait for the results.
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Public Forum – Full Council

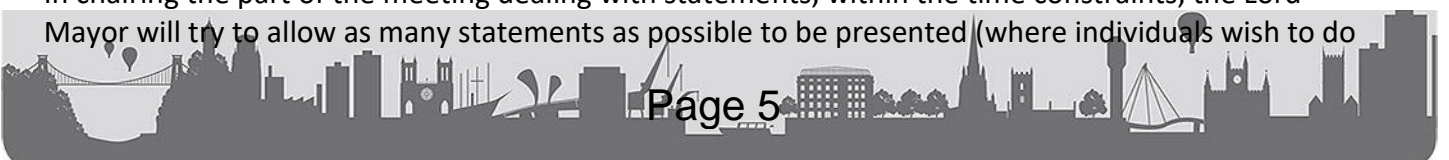
At the annual meeting of Full Council in May 2021, specific public forum rules apply as outlined on the agenda. For other 'ordinary meetings' the following applies:

Petitions, Statements and Questions must be about a matter the Council has responsibility for or which directly affects the city. For further information about procedure rules please refer to our Constitution <https://www.bristol.gov.uk/how-council-decisions-are-made/constitution>

Your statement or question will be sent to the Committee Members and will be published on the Council's website before the meeting. Please send it to democratic.services@bristol.gov.uk. The following requirements apply:

There is a limited amount of time available at the start of the meeting for the public forum section of the meeting, which is the point in the meeting where petitions and statements will be taken.

In chairing the part of the meeting dealing with statements, within the time constraints, the Lord Mayor will try to allow as many statements as possible to be presented (where individuals wish to do



this), covering as many topics as possible. Inevitably though, depending on the number of statements received in total, there may not always be sufficient time available to enable everyone to present their statements.

Petitions from members of the public

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

Statements

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

Questions

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

Your intention to attend the meeting to speak must be received no later than two clear working days in advance. The meeting agenda will clearly state the relevant public forum deadlines.

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

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

During the meeting:

- There will be no debate on public forum statements or petitions.
- Public Forum will be circulated to the Committee members prior to the meeting and published on the website.
- If you have arranged with Democratic Services to attend the meeting to present your statement or ask a question(s), you should log into Zoom and use the meeting link provided which will admit you to the waiting room.



- The Chair will call each submission in turn and you will be invited into the meeting. When you are invited to speak, please make sure that your presentation focuses on the key issues that you would like Members to consider. This will have the greatest impact.
- Your time allocation may have to be strictly limited if there are a lot of submissions. **This may be as short as one minute, and you may be muted if you exceed your allotted time.**
- If there are a large number of submissions on one matter, a representative may be requested to speak on the group's behalf.
- If you do not attend the meeting at which your public forum submission is being taken your statement will be noted by Members.

For further information about procedure rules please refer to our Constitution

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

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

Webcasting/ Recording of meetings

Members of the public attending meetings or taking part in Public forum are advised that all virtual public meetings including Full Council and Cabinet meetings are now broadcast live via the council's [webcasting pages](#). The whole of the meeting will be broadcast (except where there are confidential or exempt items).

Other formats and languages and assistance for those with hearing impairment

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



Bristol City Council Minutes of the Full Council

16 March 2021 at 6.00 pm



Members Present:-

Mayor Marvin Rees, Councillors Peter Abraham, Donald Alexander, Lesley Alexander, Nicola Beech, Nicola Bowden-Jones, Mark Bradshaw, Mark Brain, Charlie Bolton, Tom Brook, Fabian Breckels, Tony Carey, Craig Cheney, Barry Clark, Jos Clark, Stephen Clarke, Harriet Clough, Eleanor Combley, Asher Craig, Chris Davies, Mike Davies, Carla Denyer, Kye Dudd, Richard Eddy, Martin Fodor, Helen Godwin, Paul Goggin, Geoff Gollop, John Goulandris, Fi Hance, Margaret Hickman, Claire Hiscott, Helen Holland, Gary Hopkins, Chris Jackson, Hibaq Jama, Carole Johnson, Steve Jones, Anna Keen, Tim Kent, Sultan Khan, Gill Kirk, Cleo Lake, Jeff Lovell, Brenda Massey, Matt Melias, Graham Morris, Anthony Negus, Paula O'Rourke, Steve Pearce, Celia Phipps, Ruth Pickersgill, Kevin Quartley, Liz Radford, Tim Rippington, Jo Sergeant, Afzal Shah, Steve Smith, Jerome Thomas, Estella Tincknell, Jon Wellington, Mark Weston, Lucy Whittle, Chris Windows and Mark Wright

1. Welcome and Introductions

The Lord Mayor welcomed all attendees to the meeting.

2 Apologies for Absence

Apologies for absence were heard from Councillor English.

3 Declarations of Interest

None received.

4 Minutes of the Previous Meetings

On the motion of the Lord Mayor, seconded by Councillor Kent, it was

RESOLVED:



That the minutes of the meeting of the Full Council held on the 11th February, 23rd February 2021 and 2nd March be confirmed as correct record and signed by the Lord Mayor.

5 Lord Mayor's Business

The Lord Mayor thanked all outgoing Councillors for their time and service to the City of Bristol. In particular, the Lord Mayor and Council paid tribute to Councillor Peter Abraham who was standing down having been first elected in 1966.

6 Public Forum (Public Petitions, Statements and Questions)

Public petitions:

The Full Council received and noted two public petitions received which were referred to the Mayor for his consideration and response.

Ref No	Name	Title
PP01	Emma Edwards	Holm Oak Tree on Ashley Down Road, 1884 signatures
PP02	Simon Stafford-Townsend	Change the names of Colston Street and Colston Avenue, 163 signatures

Public statements:

The Full Council received and noted the following statements which were referred to the Mayor for his consideration:

Ref No	Name	Title
PS01	Sarah Halligan	Review of Hotwells Speed Limits
PS02	Mohamed Makawi	School Streets 4 Bristol
PS03	Natalie Chow	Support for Christy Braham's question to FC
PS04	Liam Smith	Support for Christy Braham's question to FC
PS05	Mathilda Pack	Support for Christy Braham's question to FC
PS06	Daniel Edwards	Support for Christy Braham's question to FC
PS07	Elsie Mori	Support for Christy Braham's question to FC
PS08	Alice Brewer	Support for Christy Braham's question to FC



PS09	Jane Tily	Support for Christy Braham's question to FC
PS10	Eric Green	Support for Christy Braham's question to FC
PS11	Joy Hunt	Support for Christy Braham's question to FC
PS12	Simon Robson	Support for Christy Braham's question to FC
PS13	Adriana Evans	Support for Christy Braham's question to FC
PS14	Robert Mitchell	Support for Christy Braham's question to FC
PS15	Alison Allan	Support for Christy Braham's question to FC
PS16	Lizzie Webb	Support for Christy Braham's question to FC
PS17	Elena Duckworth	Support for Christy Braham's question to FC
PS18	Andrew McCalla	Support for Christy Braham's question to FC
PS19	Ruby Begum	Support for Christy Braham's question to FC
PS20	Magda Czaja	Support for Christy Braham's question to FC
PS21	Sam Smith	Support for Christy Braham's question to FC
PS22	Daniel Key	Support for Christy Braham's question to FC
PS23	Shannon Kneis	Support for Christy Braham's question to FC
PS24	Gabrielle Watson	Support for Christy Braham's question to FC
PS25	Jessica Winkler	Support for Christy Braham's question to FC
PS26	Steve Ayres	Support for Christy Braham's question to FC
PS27	Elsie Bradley Middle	Support for Christy Braham's question to FC
PS28	Hribhu Mendiratta	Support for Christy Braham's question to FC
PS29	Judith Sluglett	Support for Christy Braham's question to FC
PS30	Sean Kirtley	Support for Christy Braham's question to FC
PS31	Emma Powell	Support for Christy Braham's question to FC



PS32	Sue Mullins	Support for Christy Braham's question to FC
PS33	Sarah Burroughs	Support for Christy Braham's question to FC
PS34	Catherine Lambert	Support for Christy Braham's question to FC
PS35	Ben Scarlett	Support for Christy Braham's question to FC
PS36	Anne Coughlan	The Mardyke Steps
PS37	Danielle Baxter	Support for Christy Braham's question to FC
PS38	Jake Colman	Support for Christy Braham's question to FC
PS39	Sam Lockwood	Support for Christy Braham's question to FC
PS40	Tom Antebi	Support for Christy Braham's question to FC
PS41	Rowena Hayward, Rebecca Dawkins, Adie Baker	GMB Statement - British Gas - Fire and Rehire
PS42	Anurag Khahra	Support for Christy Braham's question to FC
PS43	Andrew Lynch	Bristol Port Company
PS44	David Wilkinson & Dawn Shorten	Colston Street name change
PS45	Jonte Hance	Colston Street name change
PS46	Roger Wilson-Tucker.	Development at 99, Devonshire Road, Westbury Park
PS47	Rob Dixon	Bonnington Walk Open Space
PS48		Statement Withdrawn
PS49	Alex Hartley	Mayoral referendum
PS50	Merche Clark	Mayoral referendum
PS51	Christina Biggs	Clean Air Zone
PS52	Jen Smith	Mayoral Referendum



PS53	Andrew Brown	Mayoral referendum
PS54	Nicholas Coombes	Mayoral referendum
PS55	David Redgewell	Public Transport Network
PS56	Jackie Hawken	CAZ on North Bristol
PS57	Susan Lewis	Re-opening the Mardyke Steps
PS58	Mick O'Neill-Duff	Brislington Cemetery
PS59	Nick Lynn	Colston Street name change
PS60	Erica Dubuisson	Colston Street name change
PS61	Andrew Varney	Bristol Quality of Life
PS62	Claire Mitchell	Bonnington Walk Development
PS63	Sally Kent	Bristol SEND
PS64	Kay Galpin	Bristol SEND
PS65	Clean Up SEND	Bristol SEND
PS66	Thomas Hathaway	Student rent relief

Statements PS43, PS45, PS47, PS49, PS50, PS51, PS55, PS56 and PS59 were presented by individuals present at the meeting.

Public Questions:

The Full Council noted that the following questions had been submitted:

Ref No	Name	Title
PQ01 & PQ02	Penny Beeston	Legal Costs and Stoke Lodge Playing Fields
PQ03 & PQ04	David Redgewell	Graffiti removal
PQ05	Christy Braham	Unlawful Evictions
PQ06	Lee Starr-Elliott	Hartcliffe Farm
PQ07 & PQ08	Ted Powell	Supply Teachers/ SEND pupils in Bristol
PQ09 &	Clive Stevens	Policy Development Scrutiny in a Mayoral System



PQ10		
PQ11	Jonathan Hucker	Car Clubs in Suburban Areas
PQ12	Suzanne Audrey	Backbench and Opposition Councillors
PQ13	Jonathan Hucker	Bristol Beacon
PQ14	Stephanie French	Bristol's Tree Management Policy
PQ15	John Pauling	Derelict Property in Westbury Park
PQ16	Duncan Laxen	Derelict Property in Westbury Park
PQ17	Maureen Phillips	Derelict Property in Westbury Park
PQ18	Mr J Bishop	Derelict Property in Westbury Park
PQ19	Philip Lidstone	Derelict Property in Westbury Park
PQ20	Deborah Walpole	Derelict Property in Westbury Park
PQ21	Caroline and John Davenport	Derelict Property in Westbury Park
PQ22	Sylvia Dodd	Derelict Property in Westbury Park
PQ23	David Wilcox	Bristol Airport
PQ24	Andrew Lewis-Barned	Derelict Property in Westbury Park
PQ25	Heather Mack	Bonnington Walk land clearance
PQ26	Judith Sluglett	Derelict Property in Westbury Park
PQ27	Stephen Noreiko	Derelict Property in Westbury Park
PQ28	Caroline Graham	Derelict Property in Westbury Park
PQ29	Heulwen Flower	The Chocolate Path
PQ30	Cathy Warne	Derelict Property in Westbury Park
PQ31	Christine Townsend	Kingsweston to Blaize stone bridge
PQ32	Christine Townsend	St George and St Piux primary sites
PQ33	Peter Champion	Derelict Property in Westbury Park
PQ34	Huw Owen	Derelict Property in Westbury Park
PQ35	Tina Owen	Derelict Property in Westbury Park
PQ36	Kathryn Bristow	Colston Four
PQ37	Roy Sanders	Derelict Property in Westbury Park
PQ38	Christina Biggs	CAZ
PQ39	Philip Barker	Derelict Property in Westbury Park
PQ40	Kevin Chidgey	Derelict Property in Westbury Park
PQ41	Andrew Varney	Sorry state of Sparke Evans Bridge
PQ42	Grace Dalley	Derelict Property in Westbury Park
PQ43	Andy Leeming	Derelict Property in Westbury Park
PQ44	Rob Stewart	Derelict Property in Westbury Park
PQ45	Ed Plowden	One City approach
PQ46 & PQ47	Simon Stafford-Townsend	Bristol History Commission
PQ48	Joanna Mellors	Derelict Property in Westbury Park
PQ49	Lily Fitzgibbon	Students in privately owned accommodation
PQ50	Lily Fitzgibbon	Use of harmful pesticides



PQ51 & PQ52	Alderman Mike Wollacott	Pandemic impacts
PQ53	Valerie Williams	Derelict Property in Westbury Park

Within the time available, the Mayor responded verbally to questions PQ02, PQ03, PQ05, PQ09 and PQ10 also responding to supplementary questions.

7 Petitions Notified by Councillors

The Full Council received and noted the following petitions from Councillors:

Ref No	Name	Title	Number of signatures
CP01	Cllr O'Rourke	Reopen the Mardyke Steps	405
CP02	Cllr Weston	Bins and Blaise	219
CP03	Cllr Morris	Sturminster Road	24
CP05	Cllr Hopkins	Redcatch Park Pavillion	753

8 Mayoral Commission Update: Youth Mayors/ Youth Council end of year progress report

The Full Council received a progress report from the Youth Mayor's on behalf of the Youth Council.

RESOLVED

That the report from the Youth Mayors and Youth Council be noted.

9 Pay Policy Statement 2021-2022

The Full Council considered a report which proposed adoption of the Pay Policy Statement for the year 2021-22.

Councillor Wellington moved the report and the recommendations contained therein. Councillor O'Rourke seconded the report.

There was a debate and it was:

RESOLVED:

That Full Council approved the Pay Policy Statement for 2021-22

10 Scrutiny Annual Report



The Full Council considered a report which highlighted the work completed during the municipal year and made suggestions for the future approach to Scrutiny.

There was a debate and it was:

RESOLVED:

That Full Council note the Scrutiny Annual Report 2020/21

11 Motions

Following a short adjournment, it was moved by the Lord Mayor that standing order CPR2.1(xi) be suspended to allow the meeting to go past the 30 minutes time limit for motions. Following a vote it was agreed to proceed up until 9pm.

Motion 1 – Mayoral Referendum

Councillor Hopkins moved the following motion:

Council notes that the people of Bristol in 2012 decided to adopt a mayoral model following a referendum for Bristol City Council. While noting that the current mayoral system of governance cannot be changed until 2024, there is a ground swell of opinion that the Council should review its current mayoral system of governance, from both the community and a number of elected members on the Council.

A new Mayor will be elected this May until 2024 and it will be up-to them how they use their power.

Council notes that the position of directly elected Metro Mayor has been introduced and powers and money have been transferred to that office.

This motion is to determine that a referendum should be held and to enable full consultation on the new governance arrangements and alternative system, Leader and Cabinet, with a view to holding a referendum in May 2022.

Therefore, this Council resolves:

- (i) That the holding of a referendum on the Council's governance arrangements be approved and that the Council's Returning Officer be requested to prepare to hold such a referendum on Thursday 5th May 2022.
- (ii) That the governance review and referendum question be to determine whether to retain the mayoral model or change to a Leader and Cabinet governance arrangement.
- (iii) Delegate to the Chief Executive, in consultation with Party Leaders, to make any decisions or clarifications on any proposed changes with regards to arrangements and Executive powers as per the Local Government Act 2000 that are required as part of the referendum.



The motion was seconded by Councillor Mike Davies.

Following debate, the Lord Mayor invited Councillor Hopkins, as mover of the original motion to speak.

Following final remarks, upon being put to the vote, the original motion was LOST (24 For, 35 against, 3 abstentions)

Motion 2 – Bristol’s Clean Air Zone Western Boundary

The Lord Mayor moved a further motion and it was agreed that standing order CPR2.1(xi) be suspended to allow the meeting to continue until 9.10pm in order to hear the motion.

Councillor Weston moved the following motion:

This Council acknowledges the difficult circumstances, challenges and choices which have had to be made to finalise the Full Business Case submission for Bristol’s Clean Air Zone to DEFRA by 26th February 2021. The local authority is under legal, moral, and political imperatives to tackle particulate pollution, especially in relation to reducing NO2 vehicle emissions in parts of the city where these regularly exceed permissible limits.

Delay in the production of an action plan led to Ministerial Directions the latest of which required implementation for nitrogen dioxide compliance, specifying a Medium Charging Clean Air Zone Class C with small Charging Clean Air Zone Class D... as soon as possible and at least in time to bring forward compliance to 2023.

Notwithstanding these facts, Council is extremely concerned over the unintended consequences or effect created by the western boundary of the presently proposed scheme. The inclusion of the A4 Portway – running into the Cumberland Basin road network – a major north-south transit route is certain to cause serious problems for commercial and commuter traffic.

The result of this measure will be to either raise costs or displace large volumes of vehicles onto alternative roads and residential streets. This, in turn, will lengthen journey times and increase environmental pollution in other areas previously spared this health hazard. Accordingly, Council calls on the Mayor and Party-Group Leaders to urgently lobby the Under-Secretary of State at DEFRA and the Joint Air Quality Unit (JAQU) to review the Council’s evidence to determine whether the current western perimeter of the CAZ could be revised whilst still complying with the overarching legal duties placed on the Council by legislation.

The motion was seconded by Councillor Goulandris.

Following debate, the Lord Mayor invited Councillor Weston, as mover of the original motion to speak.



Following debate, upon being put to the vote, the motion was LOST (20 Members voting for, 37 against, 1 abstention).

Meeting ended at 9.10pm

To approve the Pay Policy Statement 2021-22 (Resolution)	
Marvin Rees	For
Councillor Peter Abraham	No vote recorded
Councillor Donald Alexander	For
Councillor Lesley Alexander	Against
Councillor Nicola Beech	For
Councillor Nicola Bowden-Jones	For
Councillor Mark Bradshaw	For
Councillor Mark Brain	For
Councillor Charlie Bolton	Abstain
Councillor Tom Brook	For
Councillor Fabian Breckels	For
Councillor Tony Carey	Against
Councillor Craig Cheney	For
Councillor Barry Clark	For
Councillor Jos Clark	No vote recorded
Councillor Stephen Clarke	For
Councillor Harriet Clough	Against
Councillor Eleanor Combley	For
Councillor Asher Craig	For
Councillor Christopher Davies	Against
Councillor Mike Davies	For
Councillor Carla Denyer	For
Councillor Kye Dudd	For
Councillor Richard Eddy	Against
Councillor Martin Fodor	For
Councillor Helen Godwin	For
Councillor Paul Goggin	For
Councillor Geoff Gollop	Against
Councillor John Goulandris	Against
Councillor Fi Hance	For
Councillor Margaret Hickman	For
Councillor Claire Hiscott	Against



Councillor Helen Holland	For
Councillor Gary Hopkins	Against
Councillor Christopher Jackson	For
Councillor Hibaq Jama	No vote recorded
Councillor Carole Johnson	For
Councillor Steve Jones	Against
Councillor Anna Keen	For
Councillor Tim Kent	Against
Councillor Sultan Khan	Against
Councillor Gill Kirk	For
Councillor Cleo Lake	Abstain
Councillor Jeff Lovell	For
Councillor Brenda Massey	For
Councillor Matthew Melias	Against
Councillor Graham Morris	Against
Councillor Anthony Negus	Against
Councillor Paula O'Rourke	For
Councillor Steve Pearce	For
Councillor Celia Phipps	For
Councillor Ruth Pickersgill	For
Councillor Kevin Quartley	Against
Councillor Liz Radford	Against
Councillor Tim Rippington	For
Councillor Jo Sergeant	Abstain
Councillor Afzal Shah	For
Councillor Steve Smith	Against
Councillor Jerome Thomas	For
Councillor Estella Tincknell	For
Councillor Jon Wellington	For
Councillor Mark Weston	Against
Councillor Lucy Whittle	For
Councillor Chris Windows	Against
Councillor Mark Wright	Against
Carried	
Mayoral Referendum Golden Motion (Motion)	
Marvin Rees	Against
Councillor Peter Abraham	No vote recorded
Councillor Donald Alexander	Against
Councillor Lesley Alexander	For
Councillor Nicola Beech	Against
Councillor Nicola Bowden-Jones	For
Councillor Mark Bradshaw	Against



Councillor Mark Brain	No vote recorded
Councillor Charlie Bolton	For
Councillor Tom Brook	Against
Councillor Fabian Breckels	Against
Councillor Tony Carey	For
Councillor Craig Cheney	Against
Councillor Barry Clark	Against
Councillor Jos Clark	No vote recorded
Councillor Stephen Clarke	Abstain
Councillor Harriet Clough	For
Councillor Eleanor Combley	Against
Councillor Asher Craig	Against
Councillor Christopher Davies	For
Councillor Mike Davies	For
Councillor Carla Denyer	Against
Councillor Kye Dudd	Against
Councillor Richard Eddy	For
Councillor Martin Fodor	Against
Councillor Helen Godwin	Against
Councillor Paul Goggin	Against
Councillor Geoff Gollop	For
Councillor John Goulandris	For
Councillor Fi Hance	Abstain
Councillor Margaret Hickman	Against
Councillor Claire Hiscott	For
Councillor Helen Holland	Against
Councillor Gary Hopkins	For
Councillor Christopher Jackson	Against
Councillor Hibaq Jama	Against
Councillor Carole Johnson	Against
Councillor Steve Jones	For
Councillor Anna Keen	Against
Councillor Tim Kent	For
Councillor Sultan Khan	For
Councillor Gill Kirk	Against
Councillor Cleo Lake	Abstain
Councillor Jeff Lovell	Against
Councillor Brenda Massey	Against
Councillor Matthew Melias	For
Councillor Graham Morris	For
Councillor Anthony Negus	For
Councillor Paula O'Rourke	Against



Councillor Steve Pearce	Against
Councillor Celia Phipps	Against
Councillor Ruth Pickersgill	Against
Councillor Kevin Quartley	For
Councillor Liz Radford	For
Councillor Tim Rippington	Against
Councillor Jo Sergeant	Against
Councillor Afzal Shah	Against
Councillor Steve Smith	For
Councillor Jerome Thomas	Against
Councillor Estella Tincknell	Against
Councillor Jon Wellington	Against
Councillor Mark Weston	For
Councillor Lucy Whittle	Against
Councillor Chris Windows	For
Councillor Mark Wright	For
Rejected	
Bristol's Clean Air Zone Western Boundary (Motion)	
Marvin Rees	Against
Councillor Peter Abraham	No vote recorded
Councillor Donald Alexander	Against
Councillor Lesley Alexander	For
Councillor Nicola Beech	Against
Councillor Nicola Bowden-Jones	No vote recorded
Councillor Mark Bradshaw	Against
Councillor Mark Brain	No vote recorded
Councillor Charlie Bolton	No vote recorded
Councillor Tom Brook	Against
Councillor Fabian Breckels	Against
Councillor Tony Carey	For
Councillor Craig Cheney	Against
Councillor Barry Clark	Against
Councillor Jos Clark	No vote recorded
Councillor Stephen Clarke	Against
Councillor Harriet Clough	For
Councillor Eleanor Combley	Against
Councillor Asher Craig	Against
Councillor Christopher Davies	For
Councillor Mike Davies	No vote recorded
Councillor Carla Denyer	Against
Councillor Kye Dudd	Against
Councillor Richard Eddy	For



Councillor Martin Fodor	Against
Councillor Helen Godwin	Against
Councillor Paul Goggin	Against
Councillor Geoff Gollop	For
Councillor John Goulandris	For
Councillor Fi Hance	Against
Councillor Margaret Hickman	Against
Councillor Claire Hiscott	For
Councillor Helen Holland	Against
Councillor Gary Hopkins	For
Councillor Christopher Jackson	Against
Councillor Hibaq Jama	Against
Councillor Carole Johnson	Against
Councillor Steve Jones	For
Councillor Anna Keen	No vote recorded
Councillor Tim Kent	For
Councillor Sultan Khan	For
Councillor Gill Kirk	Against
Councillor Cleo Lake	Against
Councillor Jeff Lovell	Against
Councillor Brenda Massey	Against
Councillor Matthew Melias	For
Councillor Graham Morris	For
Councillor Anthony Negus	Against
Councillor Paula O'Rourke	Against
Councillor Steve Pearce	Against
Councillor Celia Phipps	Against
Councillor Ruth Pickersgill	Against
Councillor Kevin Quartley	For
Councillor Liz Radford	For
Councillor Tim Rippington	Against
Councillor Jo Sergeant	For
Councillor Afzal Shah	Against
Councillor Steve Smith	For
Councillor Jerome Thomas	Against
Councillor Estella Tincknell	Against
Councillor Jon Wellington	Against
Councillor Mark Weston	For
Councillor Lucy Whittle	Against
Councillor Chris Windows	For
Councillor Mark Wright	Abstain
Rejected	





Full Council

25 May 2021



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

Title: **Dates and Times of Full Council meetings 2021-22**

Ward: Citywide

Recommendation

To approve the dates and times of Full Council meetings in 2021-2022

Summary

To approve the dates and times of Full Council meetings in 2021-2022

The significant issues in the report are:

Not applicable.

Policy

1. Not applicable

Consultation

2. **Internal**
Party Group Whips
The Lord Mayor
3. **External**
Not applicable

Context

4. Not applicable

Proposal

5. The proposed Full Council meeting times / dates are:
 - 6pm, Tuesday 6 July 2021
 - 6pm, Tuesday 7 September 2021
 - 6pm, Tuesday 9 November 2021
 - 2pm, Tuesday 7 December 2021
 - 2pm, Tuesday 11 January 2022
 - 2pm, Tuesday 22 February 2022 (budget Council meeting)
 - 2pm, Wednesday 2 March 2022 (reserve, additional budget meeting, if required)
 - 6pm, Tuesday 15 March 2022

Other Options Considered

Not applicable.

Risk Assessment

Not applicable.

Public Sector Equality Duties

Not applicable.

Legal and Resource Implications

Not applicable.

Appendices:

None.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: None

Full Council

25 May 2021



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

Title: Establishment of Committees 2021-22

Ward: Citywide

Recommendation

1. To approve the composition of Committees for the 2021-22 municipal year (full recommendations are set out in detail at the end of the report).

Summary

As per above recommendation.

The significant issues in the report are:

As set out in the main report.



Policy

1. The Full Council must appoint at least one Overview and Scrutiny Committee and such other committees as it considers appropriate to deal with the matters which are neither reserved to the Full Council nor are executive functions.
2. Full Council has the option to appoint Chairs and Vice Chairs to Committee/Commissions.

Consultation

3. **Internal**
Party Group Whips
4. **External**
Not applicable

Context

5. See 1. above.

Proposal: Establishment of committees

a. Arrangements for Overview and Scrutiny:

6. The following Overview and Scrutiny bodies are proposed for establishment by Full Council in 2021-22:
 - Overview and Scrutiny Management Board
 - People Scrutiny Commission (Health Sub Committee of the People Scrutiny Commission)
 - Growth and Regeneration Scrutiny Commission
 - Communities Scrutiny Commission
 - Resources Scrutiny Commission

As the Overview and Scrutiny Management Board oversees the scrutiny work programme, its membership includes the Chairs of the Commissions.

7. Joint bodies: the Full Council is asked to note that the following joint bodies (meetings of which also involve representatives of other relevant authorities) will be continuing:
 - Joint Health Scrutiny Committee (meets as and when required)
 - Joint Health Overview and Scrutiny Committee for the purpose of jointly scrutinising the Bristol, North Somerset and South Gloucestershire Sustainability and Transformation Partnerships (STP)
 - West of England Combined Authority Overview and Scrutiny Committee (“The WECA Overview and Scrutiny Committee”)
 - Joint Overview and Scrutiny Arrangement comprising of the Constituent Councils of the West of England Combined Authority, the Mayor and North Somerset Council (“The Joint Overview and Scrutiny Arrangement”).

- West of England Combined Authority Audit Committee (“The WECA Audit Committee”)

b. Regulatory Committees:

8. The Full Council is recommended to establish four Regulatory Committees as follows:

- Development Control Committee A
- Development Control Committee B
- Public Safety and Protection Committee
- Public Rights of Way and Greens Committee

c. Appeals Committee

9. The Full Council is asked to establish an Appeals Committee.

d. Other Non-executive Committees:

10. The Full Council is asked to consider the appointment of other non-executive committees.

11. It is proposed that the Full Council should approve the establishment of the following committees:

- Audit Committee
- Human Resources Committee
- Selection Committee
- Area Committees 1 to 6

f. Statutory Committees

12. The **Licensing Committee** is established as a standing committee and does not have to be re-appointed. Any vacancies must be filled by the Full Council – this task is non-delegable, i.e. only Full Council can decide who will serve on the committee. Members continue to serve on the Committee until they either resign or are removed by the Full Council. The appointment of Members is a licensing function and as such equalities law applies to it, and the Full Council should fill vacancies having due regard to equalities tests. The Full Council will be asked to fill any current vacancies on the Licensing Committee in a further report to this meeting.

13. The **Health and Wellbeing Board** is a statutory function under Section 194 of the Health and Social Care Act 2012. This Board is continuing and therefore the annual re-establishment is not required.

Other Options Considered

Not applicable.

Risk Assessment

Not applicable.

Public Sector Equality Duties

Not applicable.

Legal and Resource Implications

Legal

As per paragraph 1. above, the Full Council must appoint at least one Overview and Scrutiny Committee and such other committees as it considers appropriate to deal with the matters which are neither reserved to the Full Council nor are executive functions.

(Legal advice provided by Tim O’Gara, Director – Legal and Democratic Services)

Financial

(a) Revenue

Not applicable

(b) Capital

Not applicable

Land

Not applicable

Human Resources

Not applicable

RECOMMENDATIONS:

- 1. That the following committees be established;**
 - a. Overview and Scrutiny bodies:**
 - **Overview and Scrutiny Management Board**
 - **People Scrutiny Commission (Health Sub Committee of the People Scrutiny Commission)**
 - **Growth and Regeneration Scrutiny Commission**
 - **Communities Scrutiny Commission**
 - **Resources Scrutiny Commission**

Joint bodies:

- **Joint Health Scrutiny Committee**
- **Joint Health Overview and Scrutiny Committee for the purpose of jointly scrutinising the Bristol, North Somerset and South Gloucestershire Sustainability and Transformation Partnerships (STP)**
- **West of England Combined Authority Overview and Scrutiny Committee (“The WECA Overview and Scrutiny Committee”)**
- **Joint Overview and Scrutiny Arrangement comprising of the Constituent Councils of the West of England Combined Authority, the Mayor and North Somerset Council (“The Joint Overview and Scrutiny Arrangement”)**
- **West of England Combined Authority Audit Committee (“The WECA Overview and Scrutiny Committee”)**

b. Regulatory Committees:

- **Development Control Committee A**
- **Development Control Committee B**
- **Public Safety and Protection Committee**
- **Public Rights of Way and Greens Committee**

c. Appeals Committee

d. Other (non-executive) Committees:

- **Audit Committee**
- **Human Resources Committee**
- **Selection Committee**
- **Area Committees 1 to 6**

e. Statutory Committees:

- **To note the position in relation to the Licensing Committee.**
- **To note that the Health and Wellbeing Board does not need to be formally re-established as it remains extant.**

Appendices:

Appendix A – List of Area Committees

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: None

APPENDIX A**Area Committees (Community Infrastructure Levy (CIL) Committees)**

There is an Area CIL/s.106 Committee for each of the following 6 Areas (each to be known as an “Area Committee”):

- Avonmouth and Lawrence Weston, Westbury-on-Trym and Henleaze, Stoke Bishop, Clifton, Clifton Down, Hotwells and Harbourside (Area 1);
- Henbury and Brentry, Southmead, Horfield, Bishopston and Ashley Down, Redland and Cotham (Area 2);
- Lockleaze, Eastville, Frome Vale and Hillfields (Area 3);
- Ashley, Central, Lawrence Hill, Easton, St George West, St George Central and St George Troopers Hill (Area 4);
- Bedminster, Southville, Windmill Hill, Knowle, Brislington East and Brislington West (Area 5);
- Bishopsworth, Hartcliffe and Withywood, Filwood, Hengrove and Whitchurch Park and Stockwood (Area 6).

The councillors elected to serve those wards are members of the corresponding Area Committee.

To the Councillors in each Area Committee the Mayor has delegated executive decisions in relation to the following:

- The expenditure of the local element of CIL monies raised within the area
- Devolved s.106 monies where there is a decision to made in relation to what and where the monies should be spent (as opposed to when the funds have already been earmarked for a specific project as part of the agreement)

Annual Council

25 May 2021



Report of: Monitoring Officer

Title: Council Constitution - Council Procedure Rules

Ward: Citywide

Recommendation

1. That Annual Council adopt the revised Council Procedure Rules endorsed by Audit Committee at their meeting 22 March 2021 and set out in Appendix 1 of this report.
2. That the revised Council Procedure Rules come into force following Annual Council.

Summary

This report asks Annual Council to adopt the revised Council Procedure Rules as recommended by the Audit Committee, as part of the Monitoring Officer's ongoing review of the constitution to reflect current practice, remove inconsistencies, and provide clarity. It is proposed that the revised Council Procedure Rules are adopted by Full Council to come into force following Annual Council.

The significant issues in the report are:

The significant issues are set out in paragraphs 7 - 8 of the report and the detail of proposed updates set out in Appendix 1 to the report.



Policy

1. The Council has a duty to keep its constitution under review. This includes all relevant codes and protocols, and the procedure rules for committees.
2. Responsibility for reviewing the Council's Constitution and making recommendations to Full Council was delegated to the Audit Committee in December 2018. The Monitoring Officer reports to the Audit Committee with updates on the work that is being undertaken to review and update the Council's Constitution.

Consultation**3. Internal**

The Party Group Leaders were consulted on the proposed updates to the Council Procedure Rules at their meeting on 22 February 2021. The Whips were consulted at their meeting on 29 February 2021. Audit Committee endorsed the proposed updates and agreed to recommend the Council Procedure Rules to Full Council at their meeting of the 22 March 2021.

4. External

Not applicable

Context

5. The Council Procedure Rules govern the way Full Council meetings operate.
6. The Procedure Rules are part of the Council's Constitution, which is kept under review by the Council's Monitoring Officer.

Proposal

7. That Annual Council adopts the updates to the Council Procedure Rules as recommended by the Audit Committee to come into force following Annual Council.
8. The principal changes to the Council Procedure Rules are set out in Appendix 1 and include amendments and clarification to the text to reflect current practice, including removal of rules that do not apply. Inserts a new right to reply for the mover of an amendment to a motion. Updates the notice required for public forum statements to provide consistency with the registration to speak deadline and clarifies those eligible to submit public forum, which is currently internally inconsistent within other Procedure Rules and the Petition Scheme. It should be noted that a further review of the public forum arrangements can take place later in the municipal year if required.

Other Options Considered

9. None required.

Risk Assessment

10. None required.

Legal and Resource Implications

Legal

As set out in the report.

Financial

(a) Revenue

Not applicable.

(b) Capital

Not applicable.

Land/Property

Not applicable.

Human Resources

Not applicable.

Appendices:

Appendix 1 – Council Procedure Rules Proposed Amendments

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

None.

Appendix 1:

Council Procedure Rules – Constitution Updates for Adoption by Annual Council

Rule/Ref.	Contents (existing)	Contents (recommended)	Rationale
1. Members of the Public submitting Public Forum: CPR10.1 (a) Public Petitions and statements 2. Public Forum Deadlines: CPR10.1 (a) Public Petitions and statements	Members of the public, provided they give notice in writing or by electronic mail to the proper officer (and include their name and 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 of the working day before a meeting, may present a petition or submit a statement at ordinary meetings of the full Council	Members of the public who live or own a business in Bristol, provided they give notice in writing or by electronic mail to the proper officer by no later than 12 noon two clear working days before a meeting, may present a petition or submit a statement at ordinary meetings of the full Council. Submissions must include the name and address of the member of the public and details of the wording of the petition, and in the case of a statement, a copy of the submission.	(i.a) to clarify who is eligible to submit public forum (i.b) to prioritise Bristol residents and correct current inconsistencies with respect to eligibility across Full Council, Cabinet, other committees, and the petition scheme. (ii.a) to bring the public forum deadline forward to align with the change to a 6-day publication date and to provide consistency with the registration to speak deadline, as trialled during the period when the VMPP (Virtual Meeting Procedure Rules) were operational. (ii.b) to allow more time for Members to consider submissions prior to the meeting. (ii.c) to allow time for checking of Bristol resident's status (ii.d) to allow more time for engagement with submitters to reduce likelihood of redactions or refusal.
3. Right to Reply on Amendments: CPR13 Rules of Debate	1. MOTION moved and seconded 2. DEBATE ON MOTION 3. AMENDMENT moved and seconded 4. When debate finished 5. INVITE MOVER OF ORIGINAL MOTION 1 TO REPLY TO DEBATE ON AMENDMENT	1. MOTION moved and seconded 2. DEBATE ON MOTION 3. AMENDMENT moved and seconded 4. When debate finished 5. INVITE MOVER OF ORIGINAL MOTION TO REPLY TO DEBATE ON AMENDMENT	(iii) to permit the mover of the amendment to respond to the debate on amendment prior to a vote.

Rule/Ref.	Contents (existing)	Contents (recommended)	Rationale
		6. INVITE MOVER OF THE AMENDMENT TO REPLY TO DEBATE ON AMENDMENT	
4. Substitutes CPR4 Appointment of Substitute Members of Committees and Sub-Committees	CPR4.1-CPR4.4 this text made provision for the appointments of substitutes to Full Council meetings	CPR4.1-CPR4.4 content removed as not relevant to Full Council.	(iv) Substitutes are not relevant to Full Council and therefore CPR4 is not applicable.
5. Selection of members of council on outside bodies: CPR1.2 (a) Selection of members of council on committees and outside bodies	At the annual meeting, the full Council will: (i) decide which committees to establish for the municipal year; (ii) decide the size and terms of reference for those committees; (iii) decide the allocation of seats and substitutes to political groups in accordance with the political balance rules; and (iv) receive nominations of members of council to serve on each committee.	At the annual meeting, the full Council will: (i) decide which committees to establish for the municipal year; (ii) decide the size and terms of reference for those committees; (iii) decide the allocation of seats to political groups in accordance with the political balance rules; and (iv) receive nominations of members of council to serve on each committee.	(v.a) to amend the text to reflect current practice. Outside Body and committee memberships are allocated by the whips and not agreed at annual council (v.b) to remove the reference to allocation of substitutes at annual council
6. Public Forum made available at meetings: CPR10.1(d) Statements	Statements, provided they are of reasonable length, will be copied and circulated to all members of council and made available to the public attending the meeting if requested. If requested, a written reply will be provided within 10 working days following the Council meeting.	Statements, provided they are of reasonable length, will be copied and circulated to all members of council and published on the website. If requested, a written reply will be provided within 10 working days following the Council meeting.	(vi) insertion of text that submissions will be 'published' on the website, to provide clarity and reflect current practice
7. Number of supplementary questions CPR10.7 Supplementary questions	A questioner who has put a question in person may also put without notice, one supplementary question to the Mayor or Executive Member who has replied to their original question. A supplementary question must arise directly out of the original question	A questioner who has put a question in person may also put without notice, one supplementary question to the Mayor or Executive Member who has replied to their original question. A supplementary question must arise directly out of the original question or the reply. The Lord	(vii) insertion of text that one supplementary question per original question is permitted, to provide clarity and reflect current practice

Rule/Ref.	Contents (existing)	Contents (recommended)	Rationale
	or the reply. The Lord Mayor may reject a supplementary question on any of the grounds in CPR10.5 (scope of questions) above. A maximum of two supplementary questions may be asked by a member of the public	Mayor may reject a supplementary question on any of the grounds in CPR10.5 (scope of questions) above. A maximum of two supplementary questions may be asked by a member of the public, one supplementary question is permitted per original question asked.	
8. Reports for Noting CPR13.1 No debate until motion or amendment is seconded	A motion or an amendment may be debated only after it has been seconded by another member of council.	A motion or an amendment may be debated only after it has been seconded by another member of council. If a report is for noting only, a seconder is not required.	(viii) insertion of text that clarifies a seconder is not required for reports for noting, to provide clarity and reflect current practice
9. Signed copies of motions CPR13.2 Right to require motion or amendment in writing	Unless notice of the motion or amendment has already been given, a signed copy of the motion must be put in writing and handed to the proper officer either before it is moved or immediately after it is moved. (See also CPR13.6 (g) re. amendments)	Unless notice of the motion or amendment has already been given, the motion must be put in writing and sent electronically to the proper officer either before it is moved or immediately after it is moved. (See also CPR13.6 (g) re. amendments)	(ix) to provide clarity and reflect current practice through electronic means
10. Lord Mayor to read out amended motion CPR13.6 (f) Amendments to motions	After an amendment has been carried, the Lord Mayor will read out the amended motion before accepting any further amendments, or if there are none, put it to the vote.	Deletes the text requiring the Lord Mayor to read out the amended motion.	(x) to provide clarity and reflect current practice
11. Final response from the Mayor CPR1.1 Timing and Business' and CPR2.1 Ordinary Meetings	CPR1.1 The Annual Meeting will: (viii) receive a statement from the Mayor, a statement from the group leaders, a statement from the Youth Council/Youth Mayors and a final response from the Mayor;	Contents moved from CPR 1.1 to CPR 2.1 (vi) and (viii) 'CPR2.1 (2) (iv) receive any announcements from the Lord Mayor, Mayor, members of the executive or the Head of Paid Service.	(xi) to align with current practice at ordinary Council meetings

Rule/Ref.	Contents (existing)	Contents (recommended)	Rationale
	'CPR2.1 (2) (iv) receive any announcements from the Lord Mayor, Mayor, members of the executive or the Head of Paid Service.	CPR 2.1 (viii) receive a statement from the Youth Council/ Youth Mayors	
12. Mayoral Commissions CPR14.5 Mayoral Commissions	Each Mayoral Commission may submit/present a progress report to Full Council each year for information.	Contents moved to CPR2.1 for completeness	(xii) to provide clarity/consistency to reflect current practice at ordinary council meetings.
13. State of the City Debate CPR14.1 to 14.4 State of the City Debate	<p>CPR14.1 Calling of debate The Mayor may call a state of the city debate annually on a date and in a form to be agreed with the Lord Mayor.</p> <p>CPR14.2 Form of debate The Mayor will decide the form of the debate with the aim of enabling the widest possible public involvement and publicity. This may include holding workshops and other events prior to or during the state of the city debate.</p> <p>CPR14.3 Chairing of debate The debate will be chaired by the Lord Mayor.</p> <p>CPR14.4 Results of debate The results of the debate will be: (i) disseminated as widely as possible within the community and to agencies and organisations in the area; and (ii) considered by the Mayor in proposing the budget and policy framework to the council for the coming year.</p>	Contents deleted	(xiii) to provide clarity and reflect current practice

Full Council

25 May 2021



Report of: Working Group to Oversee Agreed Management Actions

Title: Report to Full Council: Working Group to Oversee Agreed Management Actions

Ward: N/A

Recommendation

To note the report in Appendix 1 and the recommendations included within it.

Summary

1. The “Working Group: To Oversee Agreed Management Actions” was established pursuant to the motion passed by Full Council on 11 February 2021 (the **Motion**) (Appendix 1, Schedule 1). The Motion requested that a cross-party group be established to examine the action plan prepared by officers (**Management Actions** – Appendix 1, Schedule 2) for how the recommendations in Grant Thornton’s report “Review of Governance Arrangements for Bristol City Council’s Subsidiaries” (January 2021) (**Grant Thornton Report**) were being implemented, and that the group report back to Full Council.
2. As anticipated by the Motion, the Working Group is now reporting to Full Council on progress made against the Management Actions to implement the recommendations of the Grant Thornton Report. The Working Group is confident that, by submitting this report and the recommendations and conclusions included herein, it has discharged its responsibilities effectively.

The significant issues in the report are:

As set out in Appendix 1.

Appendices:

Appendix 1: Report to Full Council – Working Group: To Oversee Agreed Management Actions

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

None

APPENDIX 1

Report to Full Council

Working Group: To Oversee Agreed Management Actions

Introduction

1. The “Working Group: To Oversee Agreed Management Actions” was established pursuant to the motion passed by Full Council on 11 February 2021 (the **Motion**) (Schedule 1). The Motion requested that a cross-party group be established to examine the action plan prepared by officers (**Management Actions** – Schedule 2) for how the recommendations in Grant Thornton’s report “Review of Governance Arrangements for Bristol City Council’s Subsidiaries” (January 2021) (**Grant Thornton Report**) were being implemented, and that the group report back to Full Council.
2. As envisaged by the Working Group’s Terms of Reference (Schedule 3), the Working Group met three times and, at each meeting, considered the work being undertaken to progress the Management Actions.
3. The membership of the Working Group was Cllr Alexander (Chair of second meeting), Cllr Hopkins, Cllr Goggin, Cllr Gollop, Cllr O’Rourke (Chair of third meeting), former Cllr Phipps, and Cllr Weston (Chair of first meeting).
4. As anticipated by the Motion, the Working Group is now reporting to Full Council on progress made against the Management Actions to implement the recommendations of the Grant Thornton Report. The Working Group is confident that, by submitting this report and the recommendations and conclusions included herein, it has discharged its responsibilities effectively.

Summary of progress of Management Actions to implement the Grant Thornton recommendations

5. This section includes a summary of the Working Group’s observations and recommended next steps in respect of each recommendation.
6. Recommendation 1
 - a) Grant Thornton Recommendation: Discussions and decisions made within exempt committee meetings should be recorded.
 - b) Council Management Action: It has not been custom and practice in Bristol to take minutes at the part of a Committee or Cabinet meeting dealing with sensitive or commercially confidential issues, but we have clearly stated when a meeting or part of a meeting will be closed to the public to enable confidential issues or exempt papers to be considered and the resulting decision (Cabinet) is recorded and published. We acknowledge that in looking back when the exemption no longer applies this appears to be a gap in our governance arrangements and lacks public transparency and as such propose to revise this approach within the Council for the future.

We will put in place procedures to ensure that exempt committee and Cabinet meetings are minuted appropriately and signed off at the subsequent meeting as a true record and publish decision taken in the exempt session.

- c) Working Group observations: The Working Group notes that minutes of exempt meetings are now being taken and exempt decisions will be published where appropriate.
- d) Next steps: The Working Group notes that implementation of this recommendation is ongoing but that action being taken is appropriate. The Working Group has advised that a policy setting out this approach should be developed.

7. Recommendation 2

- a) Grant Thornton Recommendation: Public reports should be consistent with the issues and concerns raised within exempt papers. The exempt papers should only provide confidential information which cannot be discussed within the public sessions.
- b) Council Management Action: Whilst seeking to balance public transparency and as the only shareholder the responsibility for the protection of shareholder value, we had previously identified the need for additional information to be incorporated within the presentation of the Council-owned companies' business plans. Content considered exempt for commercial reasons have been incorporated within the exempt business plans and continue to be significantly improved. We have worked closely with the companies over the last 12 months to ensure that exempt information is presented effectively and only includes information which cannot be discussed in public sessions.

We will continue to improve the reports to ensure that exempt information is presented effectively, with appropriate redactions to ensure consistency in the information reported and that only information which cannot be discussed in public sessions is excluded.

- c) Working Group observations: The Working Group notes that steps have been taken to minimise the extent of exempt information included in Cabinet Reports relating to the companies and to include clear cross references where such information is necessary.
- d) Next steps: The Working Group notes that implementation of this recommendation is ongoing but that action being taken is appropriate.

8. Recommendation 3

- a) Grant Thornton Recommendation: Cabinet reports relating to Bristol Holding Limited's companies which include exempt information should be improved. Exempt papers should clearly identify and quantify the risks and advice provided by the Shareholder Group and any relevant independent advisors as well as the clear views of Bristol Holding Limited.
- b) Council Management Action: We are committed to ensuring a high quality of discussion and decision making and note that exempt sessions of Cabinet invited views from the Shareholder Group and other representatives. We acknowledge that it would be beneficial to also capture these in the written reports.

Risk assessments will be included in each Cabinet Report relating to the Council's companies and we will consider with the Shareholder Group how their advice, and that of other advisors and organisations, should be presented to Cabinet.

The report template will be strengthened, and training provided where required to improve the quality of the report content and ensure key financial points and risks

from the proposal and associated appendices are appropriately summarised in reports.

In cases where logistics make it impossible to update written reports prior to publication, any additional views of Shareholder Group will be incorporated into Cabinet Member introductory remarks to ensure they are known to Cabinet.

- c) Working Group observations: The Working Group notes that steps have been taken to ensure that advice received in respect of Cabinet Reports is clearly set out.
- d) Next steps: The Working Group notes that implementation of this recommendation is ongoing but that action being taken is appropriate. The Working Group has asked that the minutes of Shareholder Group be made available to OSMB members upon request and it has been agreed that these can be provided on a confidential basis.

9. Recommendation 4

- a) Grant Thornton Recommendation: The Council should ensure Cabinet decisions are based upon more timely and current information.
- b) Council Management Action: This finding highlights the governance challenge that was inherent in operating a commercial company in a high-paced, volatile marketplace whilst needing to serve the high levels of scrutiny, transparency and assurance which are required in local government.

Consideration will be given to the governance pulse and how this could be streamlined from Shareholder Group to Cabinet, whilst still enabling appropriate Scrutiny and feedback to be considered and where appropriate, reflected in the plans / reports and further written confirmation of endorsement or recommendations obtained.

In future Cabinet Reports will be explicit about the date of the latest Business Plan upon which the report is based. We will also consider holding separate Cabinet meetings for budget and business plans to help ensure sufficient capacity is available for wider discussions should it be required at the point that a decision is taken.

Utilising new IT systems available to officers, the version control of reports and appendices will be improved with appropriate report prompts and ensure that during iteration of proposals, the professional commentary of Business Partners is subject to a final review and only signed-off as complete at the end of the process.

- c) Working Group observations: The Working Group notes that steps have been taken to ensure that Cabinet Reports clearly state the date on which information in the report is based and that systems are in place to ensure that Cabinet is approving materially up to date information.
- d) Next steps: The Working Group notes that implementation of this recommendation is ongoing but that action being taken is appropriate.

10. Recommendation 5

- a) Grant Thornton Recommendation: The Council should update the articles of association and shareholder agreement to reflect the strengthened role of Bristol Holding Limited. The terms of reference for all elements and functions of the governance structure should be in place and updated.

- b) Council Management Actions: A Governance Review has already been commissioned to help inform the update of the articles of association and shareholders' agreement, to take into account Bristol Holding's role. This was placed on hold subject to the completion of this Value for Money review and can now be progressed. The Terms of Reference for the Shareholder Group will be updated as part of this review. A series of guidance notes are being devised to illustrate the governance structure and the workings of the governance arrangements for inclusion in the company's handbook.
- c) Working Group observations: The Working Group notes that the Terms of Reference of the Shareholder Group have been updated and that a Company Handbook is being prepared. The Working Group also notes that the Council has commissioned a Governance Review to consider the governance arrangements in respect of the companies and any potential amendments to the governance documents.
- d) Next steps: The Working Group notes that implementation of this recommendation is ongoing but that action being taken is appropriate and that the Governance Review is being undertaken in a robust manner.

11. Recommendation 6

- a) Grant Thornton Recommendation: The Council should agree and consider if the client function role is appropriate for each of its companies and document the roles and responsibilities for those companies where it is agreed.
- b) Council Management Action: We acknowledge that it was a challenge for the council to act as a client function due to commercial energy retail being outside of the council's core services, increasing reliance on the use of external advisers. We note that this is not an issue in terms of the council's other companies.

A Governance Review has already been commissioned to consider the client function, and how it can be strengthened to ensure that roles and responsibilities are clear across the Group and the Council. We have already included the 'strategic client' within Shareholder Group to ensure that the Shareholder Representative has additional appropriate strategic advice relating to each company when taking decisions at the Shareholder Group meetings. We will consider introducing a similar arrangement to support the weekly Companies update provided at the Cabinet Member Briefings.

- c) Working Group observations: The Working Group notes that steps have been taken to ensure the strategic client is present to advise the Shareholder representative as it takes decisions. The Working Group also recognises that the Governance Review is further considering the nature of the client function.
- d) Next steps: The Working Group notes that implementation of this recommendation is ongoing but that action being taken is appropriate and that the Governance Review is being undertaken in a robust manner.

12. Recommendation 7

- a) Grant Thornton Recommendation: Consideration should be given to the role of the Executive Chair of Bristol Holding. This should include if this role is appropriate

going forward, and does it ensure independence of the chair and reduce potential conflicts.

- b) Council Management Action: The revised Bristol Holding arrangements were intended to be reviewed. The Governance Review has been commissioned and the role of Executive Chair, independence and potential conflicts will be considered as part of the planned review. The Executive Chair post was filled on a fixed term basis in order to facilitate a revised approach if deemed appropriate as a result of this review.
- c) Working Group observations: The Working Group notes that the Governance Review is considering the role of the Executive Chair and will make a recommendation in respect of the role.
- d) Next steps: The Working Group notes that implementation of this recommendation is ongoing but that action being taken is appropriate and that the Governance Review is being undertaken in a robust manner.

13. Recommendation 8

- a) Grant Thornton Recommendation: The Council should minimise the potential for conflicts of interest, such as the role of the Executive Chair, elected members and officers. To facilitate this, the Council should develop a conflicts of interest policy to ensure potential conflicts in relation to Council owned companies are identified and managed appropriately. This could be incorporated within a company's handbook.
- b) Council Management Action: The Council has in place procedures for declarations of interests for elected members and officers and proactively considers conflicts of interests on an ongoing basis. A formal Conflicts of Interests Policy is intended to be developed, along with supporting guidance, which will be incorporated into the company handbook which we have been developing. Training for elected members who are directors includes conflicts of interests and this element of the training will be further developed.
- c) Working Group observations: The Working Group notes that the Company Handbook will include materials on conflicts of interest and that training will also be provided on this on an ongoing basis.
- d) Next steps: The Working Group notes that implementation of this recommendation is ongoing but that action being taken is appropriate. The Working Group has suggested that general training be made available to all members and more detailed training be made available to members of OSMB, Audit Committee and members who are directors on the company boards and this will be picked up as part of member induction training.

14. Recommendation 9

- a) Grant Thornton Recommendation: The Council should develop a mechanism to enable the Audit Committee to be sighted on potential exempt issues within their role and responsibilities and legal duties.
- b) Council Management Actions: In the Access to Information report presented to the November 2020 Audit Committee, it was acknowledged that the Audit Committee has a responsibility to ensure that key representations to the external auditors as part of the external audit are accurate and complete in line with ISA260 and other

standards. The Audit Committee should be able to access such information, including exempt information, that is reasonably necessary for them to discharge this duty. The report also provided the Audit Committee with an overview of the legal framework relating to access to information by Members of the Council, including access to exempt information.

We will continue to ensure that Audit Committee have the ability to see exempt information which is reasonably necessary for them to carry out their legal duties.

- c) Working Group observations: The Working Group notes that it was provided with details of the different categories of information that the Audit Committee should receive to discharge its functions and is satisfied that this is clear.
- d) Next steps: The Working Group notes that implementation of this recommendation is ongoing but that action being taken is appropriate. The Working Group has suggested that joint briefings for the Chair of Audit Committee and the Chair of OSMB on company matters should be considered.

15. Recommendation 10

- a) Grant Thornton Recommendation: The Council should consider publishing all reserved matter decisions relating to its companies and consideration should be given to how elected members access to confidential information relating to reserved matter decisions could be improved.
- b) Council Management Actions: Reserved Matter Decisions taken by the Shareholder Representative following receipt of advice from various members of the Shareholder group and officers are not key decisions (which are always taken by Cabinet), but they are nevertheless recorded in a formal Decision Record and tracked on a Decision Register.

Consideration will be given to whether an equivalent process to Officer Executive Decisions (which are decisions which do not meet the criteria for a formal key decision to be taken at a Cabinet meeting but are considered important enough to be open to public scrutiny and as such published on the ModernGov website) can be adopted for these Reserved Matter Decisions.

- c) Working Group observations: The Working Group notes that summaries of reserved matter decisions taken since 1 January 2021 have been published on the council's website and that summaries of new decisions will be published monthly.
- d) Next steps: The Working Group considers the action taken to be appropriate.

16. Recommendation 11

- a) Grant Thornton Recommendation: Appropriate training should be provided on a regular basis to elected members who are involved in the Council's owned companies, in relation to decision making, scrutiny and the Audit Committee. This should include both sector specific training, roles and responsibilities and potential conflicts of interest.
- b) Council Management Actions: Training is routinely provided to all elected members who are involved in the Council owned companies and a training programme is currently being developed for elected members involved in the Council owned companies for 2021/22.

We will engage with independent external parties such as Centre for Public Scrutiny and CIPFA on the development and design of the training to ensure its suitability for the various roles being performed by elected members in relation to our subsidiaries. Where required, external experts will support the training delivery. All newly elected members will also be given training on the companies as part of their induction process.

- c) Working Group observations: The Working Group notes that training sessions will be available to all members in respect of the companies. It is aware that some general training will be available to all members, whilst more detailed training will be available to members of OSMB, Audit Committee and members who are directors on the company boards.
- d) Next steps: The Working Group notes that implementation of this recommendation is ongoing but that action being taken is appropriate. The Working Group has suggested that additional training on commercialisation be made available to members. The Working Group has emphasised the importance of providing training to members in relation to the companies, given the complex environments in which they operate.

17. Recommendation 12

- a) Grant Thornton Recommendation: The Council should improve the risk management arrangements to ensure that all key risks are identified and clearly reported to Cabinet.
- b) Council Management Actions: Steps have been taken during 2020/21 to strengthen the risk management framework in the Council and across the Council's subsidiaries and continues to be advanced in order to move further towards risk maturity and seamless embedding of risk management. Whilst ensuring its suitability and effectiveness, further consideration is being given to greater alignment with the risk matrix adopted by the Council and its subsidiaries, in terms of scoring, likelihood and impact to facilitate ease of collation and consistency in reporting.

We propose that going forward the risk will be incorporated in the reports to Cabinet and where the lack of alignment prevents this, the full details will remain in the Business Plan and the significant risks and potential Council impact will be summarised in the officer comments to the report.

Subsidiary and Investment risks will be disaggregated from the 'long term commercial investments and major projects risk'(CRR1) and separately identified and management actions reported on quarterly within the Corporate Risk Management Reports. This will ensure the continuous overview and monitoring currently being undertaken by the Shareholder Group can be more visible.

- c) Observations: The Working Group notes that consideration is being given to how the presentation of company risks can be aligned with the council's risk management framework and are able to be escalated as appropriate within the council.
- d) Next steps: The Working Group notes that implementation of this recommendation is ongoing but that action being taken is appropriate.

Conclusions and recommendations

18. The Working Group has concluded that appropriate action is being taken to implement the Management Actions in response to the recommendations in the Grant Thornton Report.
19. It recognises that, in the majority of cases, implementation is ongoing (in line with the timelines set out in the Management Actions) but that steps are in place to ensure this implementation is effectively carried out.
20. The Working Group would like to thank officers for their support and advice. Furthermore, the Working Group would like to highlight to Full Council that the proceedings of the Working Group have been constructive and that there has been significant benefit in the work that has been carried out.
21. The Working Group would also like to thank the Independent Shareholder Advisor who attended one of the group's meetings and gave an overview of the work being done on the Governance Review in respect of particular Management Actions.
22. The Working Group has emphasised in its meetings the importance of ensuring members receive enhanced training on governance arrangements and operations of the companies, and the environment in which they operate, to ensure that members can effectively carry out their role when considering, and scrutinising, decisions.
23. The Working Group strongly recommends that all members of the Council discharge their responsibilities towards the companies with professionalism and that the issues that arise in respect of the Council's companies are treated with the seriousness which they deserve and that this report from the Working Group is borne in mind by councillors when taking future decisions and actions in respect of the Council's companies.
24. The Working Group refers this report to the council's External Auditors to consider as part of their ongoing review of the implementation of the Management Actions arising from the Grant Thornton Report. Members of the Working Group request that they are invited to the Audit Committee when the External Auditors report back on their assessment of progress in the implementation of the Management Actions.

Schedule 1 – Motion

Full Council Motion

11 February 2021

This Council notes with alarm the numerous failings identified in the recent review of governance arrangements for Bristol Holding Company and its subsidiaries.

The value-for-money assessment in respect of Bristol Energy was especially damning and exposed some glaring deficiencies in existing structures, methods of monitoring and information sharing. As a result, the conclusion was drawn that Cabinet was not properly informed when it came to making ‘high-risk’ investment decisions in that failed business.

These shortcomings inevitably raise continuing concerns over a lack of transparency and the ability or effectiveness of scrutiny to oversee executive/political decision-making for publicly-owned commercial companies.

In order to restore public confidence, protect the taxpayer, and discharge the Authority’s obligations to its employees in such enterprises, Council calls on the Mayor to accept and adopt (in total and without delay) the twelve recommendations contained in the report of our external auditors.

Furthermore, a cross-party board or panel needs to be established as an adjunct to the Audit Committee and OSM, the membership of which shall have full access rights to potentially exempt information. For the sake of clarity, the composition of this body will be made on the basis of proportionality and determined by Party Whips. It’s first meeting will take place within two weeks of formation, with the initial task being to examine a detailed action plan prepared by officers on how all of the changes advised by the independent auditor are to be delivered.

A report on the progress made towards implementation must then be brought back to Full Council within three months of the passing of this resolution. (Or no later than Annual Full Council.) In this way, appropriate checks and balances within the Council’s Constitution can be restored, rightly respected, and adequately safeguarded.

Schedule 2 – Management Actions



Review of Governance Arrangements for Bristol City Council's Subsidiaries

2019/20

January 2021 - FINAL

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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Council or any weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

Value for money approach

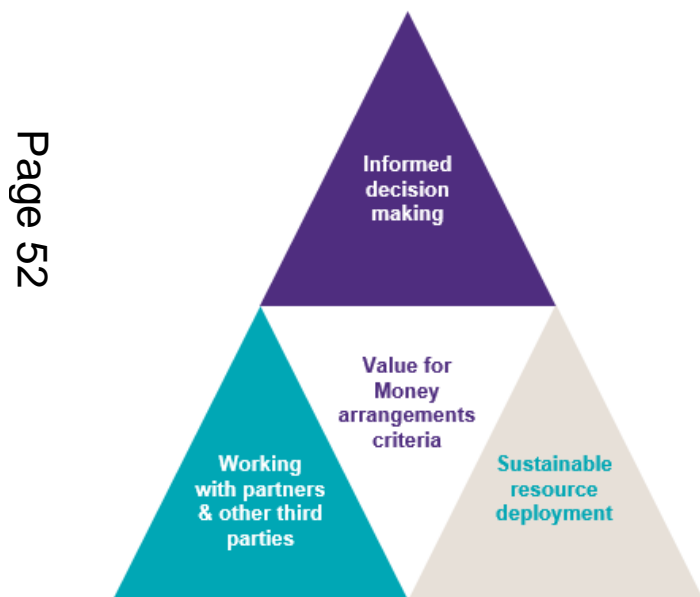
Background to our VFM approach

The NAO issued its guidance for auditors on Value for Money work in November 2017. The guidance states that for Local Government bodies, auditors are required to give a conclusion on whether the Authority has proper arrangements in place to secure value for money.

The guidance identifies one single criterion for auditors to evaluate:

“In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people.”

This is supported by three sub-criteria, as set out below:



Significant VFM risks

Those risks requiring audit consideration and procedures to address the likelihood that proper arrangements are not in place at Bristol City Council to deliver value for money.

During the course of our work we identified three significant risks. This report considers the following significant risk:



Governance arrangements for the Authority's subsidiaries

Bristol City Council (the Council) made changes to the governance arrangements in place over its subsidiary companies in 2019/20.

We will review:

- the governance structure, roles and responsibilities of the Mayor, Committees and Boards involved for the Holding Company and its subsidiaries to ensure proper governance;
- how the Authority is monitoring planned returns and any action taken to ensure they continue to deliver value for money to the Authority; and
- informed decision making based on key decisions made in 2019/20 to ensure they were based on sound understanding and reliable information and data. We will consider:
 - the quality of supporting documentation and business decisions provided to decision makers;
 - training, support and guidance provided to decision makers; and
 - the performance monitoring arrangements to ensure decision makers understand performance against agreed objectives (both shareholder and Board) and the contribution made to the Authority's wider strategic objectives.

Scope

This review focuses on the events and arrangements in place during 2019/20 and does not consider the decision to establish Bristol Energy Limited (BE) in 2015 or the decision made to sell in 2020/21.

Our focus has been on arrangements within the Council and not within the separate legal entities, only in so much as they provide assurance to the Council and impact on the overall governance arrangements.

Use of formal auditor's powers

This report provides a summary of the work we have completed to enable us to conclude on the significant value for money risks identified.

In addition, we are considering our wider responsibilities and have yet to decide if we will issue a public interest report. A public interest report would enable us to focus on arrangements and events outside of the 2019/20 financial year and wider issues outside of the defined scope of the value for money risk assessment.

Executive summary

Overall findings and conclusion

Based upon our review of the governance arrangements and decision making processes at the Council relating to Bristol Energy Limited (BE) in 2019/20, we propose a qualified, 'except for' conclusion subject to completing the remaining work on the other value for money risks we identified in our 2019/20 Audit Plan. In our opinion, the Council's arrangements for economy, efficiency and effectiveness were adequate, except for arrangements for 'Informed Decision Making' and the following principles:

- understand and use appropriate and reliable financial and performance information to support informed decision making and performance management including where relevant, business cases supporting significant investment decisions; and
- manage risks effectively and maintaining a sound system of internal control.

The particular findings that have led us to this conclusion are:

Arrangements for communicating key inputs to Cabinet from the Shareholder Group and Bristol Holding Limited, as well as the outcomes of scrutiny from the Overview and Scrutiny Management Board (OSMB), were inadequate. This input was important as the complex nature of the energy industry, and the specialist knowledge and expertise required, needed to be properly taken into account in supporting Cabinet's decision-making.

As a result, the information and papers provided at the January 2020 Cabinet did not clearly state the risks faced by BE, or provide sufficient robust information to enable Cabinet to make an informed decision.

More specifically:

- Cabinet was not formally made aware of concerns raised at the Shareholder Group, including the fact that the Independent Shareholder Advisor was recorded as being unable to support the business plan;
- the business planning and decision making process was prolonged so that information and advice obtained at the early stages of the process became out of date in a highly volatile energy market, such as the exempt financial report was out of date and was based on an earlier version of the business plan that had been provided to the Shareholder Group in November 2019;
- the public papers did not include a risk assessment and, whilst the exempt version of the business plan included a list of risks and their mitigations, contrary to accepted practice, these risks were not scored or assessed against the likely impact and did not feature prominently in the report; and

- the report from Bristol Holding Limited stated that both BE and Bristol Holding Limited remained concerned that it would not take much to drive BE into a situation that may require additional shareholder funding and/or collateral. As this report was included in exempt session, it was not contained within the main body of the papers provided to Cabinet but was included within the appendices and, as such, its messages were more difficult for Cabinet to consider.

In our opinion, and supported by subsequent events, BE's business plan represented an overly unrealistic view of how BE might perform. BE's potential role in the City Leap partnership also appears to us to have been misjudged, as it was erroneously considered to be fundamental to the success of City Leap. Initially considering BE to be a 'non-negotiable' part of City Leap restricted consideration of the business plan options for BE, including its sale. Whilst previous consideration had been given to the sale of BE, this was not actioned until BE was in severe financial crisis and no other options were available.

In addition, during 2019/20 the Council's Audit Committee had not always been sufficiently sighted on developments and information relating to the governance arrangements and risks in relation to BE. The Audit Committee is responsible for providing independent assurance on the governance and risk management framework and in order to discharge their responsibilities effectively, Audit Committee members should have had a closer involvement with the issues relating to the Council's investment in BE during the year.

The situation has been compounded by the fact that some information and decisions, such as decisions made by the Shareholder Representative (Deputy Mayor), are not routinely published. In our opinion and based on practice elsewhere, we consider that these decisions could be published by the Council. This approach, which restricts access to information, some of which does not need to be confidential, is creating concerns that the Council is not as open and transparent as it could be and should now be addressed within its governance arrangements.

Our recommendations for improvement are set out on the following page.

Executive Summary

Recommendations

Recommendation 1: Discussions and decisions made within exempt committee meetings should be recorded.

Recommendation 2: Public reports should be consist with the issues and concerns raised within exempt papers. The exempt papers should only provide confidential information which cannot be discussed within the public sessions.

Recommendation 3: Cabinet reports relating to Bristol Holding Limited's companies which include exempt information should be improved. Exempt papers, should clearly identify and quantify the risks and advice provided by the Shareholder Group and any relevant independent advisors as well as the clear views of Bristol Holding Limited.

Recommendation 4: The Council should ensure Cabinet decisions are based upon more timely and current information.

Recommendation 5: The Council should update the articles of association and shareholder agreement to reflect the strengthened role of Bristol Holding Limited. The terms of reference for all elements and functions of the governance structure should be in place and updated.

Recommendation 6: The Council should agree and consider if the client function role is appropriate for each of its companies and document the role and responsibilities for those companies where it is agreed.

Recommendation 7: Consideration should be given to the role of the Executive Chair of Bristol Holding. This should include if this role is appropriate going forward, and does it ensure independence of the chair and reduce potential conflicts.

Recommendation 8: The Council should minimise the potential for conflicts of interest, such as the role of the Executive Chair, elected members and officers. To facilitate this, the Council should develop a conflicts of interest policy to ensure potential conflicts in relation to Council owned companies are identified and managed appropriately. This could be incorporated within a company's handbook.

Recommendation 9: The Council should develop a mechanism to enable the Audit Committee to be sighted on potential exempt issues within their role and responsibilities and legal duties.

Recommendation 10: The Council should consider publishing all reserved matter decisions relating to its companies and consideration should be given to how elected members access to confidential information relating to reserved matter decisions could be improved.

Recommendation 11: Appropriate training should be provided on a regular basis to elected members who are involved in the Council's owned companies, in relation to decision making, scrutiny and the Audit Committee. This should include sector specific training, roles and responsibilities in relation to Council owned companies and potential conflicts of interest.

Recommendation 12: The Council should improve the risk management arrangements to ensure that all key risks are identified and clearly reported to Cabinet.

Background

Background

The Council began to develop its commercial opportunities in 2015 and established Bristol Waste Company Limited (Bristol Waste) shortly followed by BE Bristol Holding Company Limited was established with Bristol City Council as the sole shareholder, with Bristol Waste and BE established as subsidiaries. BE began trading on the open market in February 2016. BE was set up by the previous Council Mayor and the governance arrangements have developed and changed over the years from its inception.

BE was created as an ethical company, to reduce social inequality whilst improving environmental performance and to invest in renewable energy and low carbon projects as a trusted local energy supplier. BE was not wholly motivated by profit and was required to deliver social value. In its original business case it was expected to make a satisfactory return on investment of 12% by its fifth year of operation. Its intention was to be a company that the City could be proud of whilst generating in time a revenue stream that could be invested in the City.

The intention was that BE required working capital advances from Bristol City Council until it was able to make a profit. This support was estimated to be until 2016 or 2018 and be in the region of £1-£2m per annum. The outline business case estimated that the total amount of funding at risk following the launch of BE would be a maximum of £4.2m. Annual trading surpluses were also estimated to be between £1-£8m by 2020.

Table 1 illustrates that although BE had grown in both customer numbers and revenue, it has been unable to provide a surplus with cumulative losses of £47m by 31 March 2020. By 31 March 2020 the Council's financial commitment had increased to £36.5m in the form of shares and a maximum potential exposure from parent company guarantees (PCG) of up to £17.6m.

In 2018 the Council began to develop its City Leap Partnership, a series of energy and infrastructure investment opportunities to assist in the delivery of a carbon neutral City by 2050. This partnership required a range of investors/partners to provide this investment. From an early stage of the City Leap Partnership BE's involvement was considered mutually beneficial. For the Council, BE demonstrated the Council's credentials in the energy market as well being able to act as the energy provider for the partnership. For BE, the City Leap Partnership provided the opportunity to minimise the financial risk to the Council's investment and provided new financial prospects for BE. However, as time progressed, although it was recognised that the City Leap Partnership could progress with or without a council-owned energy company, and as market conditions became tougher BE was increasingly considered as not viable without City Leap.

Table 1: Financial results and commitments

Bristol Energy financial results					
	2016/17	2017/18	2018/19	2019/20	2020/21
	£m	£m	£m	£m	£m
Turnover	13.7	52.5	76.2	102.3	
Profit/(Loss)	(8.4)	(11.2)	(12.2)	(15.2)	
Meter points	58,129	120,752	165,000	168,000	
Council financial commitments					
Shareholding – ordinary	3.7	5.6	7.2	9.1	
Preference shares	8.3	16.6	21.5	27.4	
Total	12	22.2	28.7	36.5	
Financial commitment	15.8	31.3	31.3	*37.7	
Parent Company Guarantees (PCG)	8.6	10.4	17.6	17.6	
PCGs issued	3.8	6.95	16.7	15.4	
PCG exposure	1.9	4.5	14.9	14.3	
Other funding				**2 ***1.2	****2

- The remaining £1.2m has been authorised by Cabinet but had not been drawn down as at August 2020
- ** Innovation funds

*** Contract award for City Leap
**** Emergency funds should an unplanned insolvency scenario emerge

Summary of events and key decisions

In order to understand the governance arrangements in place and events that took place we have set out the key points since 2017 following BE being established in 2015. We have not identified all meetings and discussions that took place, but have focused on the reserved matter decisions that were taken in 2019/20.

Business planning and performance

In January 2017 Cabinet approved the 2017/18 business plan for BE within the exempt session of the meeting. This included agreement of total funding of £31.3m, of which 80%, £10.4m was through the form of parent company guarantees, and the remaining 20% cash collateral was part of the £31.3m total cash investment figure. The business plan was approved within the expected timeframe, so that an agreed business plan was in place ahead of the financial year which it covered.

Later that year the Council engaged external consultants to consider the future options for BE and their recommendations to achieve profitability. In October 2017 the external consultants reported to the Shareholder Group. A shortlist of options were provided which included selling the business, although it was considered that the sale of BE at this stage was not appropriate as the sale would not recover the Council's investment to date of £19.8m. The Shareholder Group concluded that there were no simple solutions to increase profitability and that action was required by management to consider the options proposed.

In January 2018 BE's 2018/19 business plan was rejected pre-Cabinet as it required an increase in funding to a maximum of £44.8m and PCG in the region of £40m. In order to help and support BE additional external consultants were engaged. The findings were reported in August 2018. It was agreed that BE should reduce costs through a strategic restructure and transformation. The opportunities that City Leap could provide to BE were also identified, such as additional revenue through diversification into energy services. As a result, interim business plan proposals were approved in September 2018, increasing the maximum PCG exposure to £17.6m, with funding to remain capped at £31.3m.

Simultaneously the Council was developing its City Leap Partnership and began its soft market testing to find partners. Its prospectus was launched and it was made clear to potential partners that the Council expected BE to be integral to the Partnership.

Later that year additional support was commissioned to assist in BE's transformation and to assist in delivering the recommendations identified earlier in the year, the aim being to produce a more credible business plan and improve profitability whilst also delivering social value. This transformation resulted in an increased turnover of staff, at both executive level and in middle management and also led to the resignation of the Managing Director in December 2018.

2019/20 business plan

In late 2018 BE began to develop its 2019/20 business plan and delivered a presentation to OSMB in its exempt part of the meeting.

This presentation included an update on the consultancy engagement, City Leap development and progress on the 2019/20 business plan ahead of Cabinet's meeting in April 2019.

In early 2019 the Shareholder Group held detailed discussions on BE's business plan and the opportunities that City Leap provided. Discussions noted that City Leap could proceed with or without BE and that it was a great opportunity to solve BE's cash flow issues. However, it was recognised that BE's performance would need to improve to enable this to be achieved.

The record of the Shareholder Group Extraordinary meeting stated that "*All members in the meeting acknowledged that BE is not viable with just its core business, and some expressed concern around investing more on the basis of the business plan as it stands alone*". Concerns were also raised that there was insufficient time to give the business plan due consideration and that too much emphasis was being placed on finding a solution for BE within the business plan.

The options for selling BE were also discussed but not progressed. It was around this time that BE became a non-negotiable 'red line' requirement within the City Leap programme. Previously a soft market testing exercise had been undertaken and the Council made it clear to potential partners that it expected BE to be integral to City Leap.

On 1 April 2019 OSMB reviewed BE's business plan, followed by Cabinet the next day. OSMB recognised that BE seemed to be taking a more positive direction and was taking control of the financial situation but raised concerns over the volatility of the market and the length of time it would take to breakeven, even under the best case scenario. The majority (four out of seven members) considered there were too many risks to continue to fund BE.

On the 2 April 2019 Cabinet was provided with a public facing business plan, a confidential business plan and a summary of the discussion at OSMB. An exempt financial report was also provided which suggested that a positive EBITDA might be possible in 2023/24 but that if the worst case was to materialise the funding requirement might be £60m and the EBITDA loss would continue to be around £8m per annum.

Whilst the finance report provided did include some scenario planning, in our view it did not clearly set out the assumptions made and the risks faced by the Council. It stated that a number of scenarios had been modelled and referred the reader to the business plan. The report did not quantify any financial risks other than stating that the worst case scenario could see the cumulative funding requirement reaching £60m in 2023/24. We note that the finance report identified that the Shareholder Group had concluded that the opportunities and synergies for BE's involvement in the City Leap Partnership must be explored, including the options to make BE more financially sustainable.

Despite the concerns raised by OSMB, Cabinet approved BE's business plan for 2019/20, three months after the normal time for approving the business plan.

Summary of events and key decisions

2019/20 business plan continued

It was also at 2 April 2019 Cabinet meeting that Cabinet agreed to proceed with the procurement process to identify a strategic partner for the City Leap Partnership. This approval included additional innovation funds of £2 million.

A detailed document was provided that included the structural options for the City Leap Partnership. The preferred option was to establish a joint venture which would include a City Leap Partnership Company and that BE would be transferred from Bristol Holding Limited to the City Leap Partnership Company. The decision to include BE was based upon the benefits that BE would provide and the cost to the Council of not including BE. The report also considered the cost to the Council should BE not be included. The report concluded that the financial benefit to the Council was greater if BE was included within the partnership.

It should be noted that whilst we were provided with a copy of the note from OSMB to the April 2019 Cabinet, we were unable to confirm the level and extent of discussion undertaken at OSMB or Cabinet, as details of the meetings were not recorded within the exempt part of the meeting.

Recommendation 1: Discussions and decisions made within exempt committee meetings should be formally recorded.

2020/21 business plan

Following the strengthened and extended role of Bristol Holding Limited, the Bristol Holding Board reviewed and required changes to be made to BE's business plan in October 2019 ahead of discussion with the Shareholder Group.

The Shareholder Group, unlike previous years, only reviewed the business plan once in November 2019 in a formal meeting and required further work to be completed prior to its finalisation. We are told that a robust discussion was held and that the Independent Shareholder Advisor was unable to support the business plan. The Shareholder Group recorded a list of actions required to complete the business plan and the Council's Director of Finance concluded that, on this basis, she required further assurance. We understand further discussions were conducted via email but, Bristol Holding Limited was responsible for ensuring the appropriate due diligence was undertaken and that the actions were completed for the next iteration of the business plan.

OSMB reviewed the business plan in December 2019 during public session and did not require more detailed discussion within an exempt session. The business plan was introduced by the Executive Chair of Bristol Holding and a summary provided by the Managing Director of BE. The Shareholder Representative also attended the meeting.

The business plan was provided to Cabinet for approval on 21 January 2020. The papers to Cabinet included a cover report, and public and exempt versions of the business plan.

In addition a confidential finance report was provided from the Council's Interim Finance Business Partner and a report from the Executive Chair for Bristol Holding Limited.

Cabinet did not receive an update/report from the Shareholder Group and were therefore not formally made aware of the concerns raised at the Shareholder Group or if those concerns were resolved. No formal referral was made from OSMB and the Cabinet papers did not record that OSMB were consulted and the outcome of that discussion.

The report from Bristol Holding Limited clearly stated that BE faced significant risks/challenges and that both BE and Bristol Holding Limited remained concerned that it would not take much to drive the company into a situation that would require additional shareholder funding and/or collateral. Details were provided of the circumstances which could lead to additional funding being required, such as poor debt recovery and insufficient growth in customers and that the market risks would be difficult to mitigate, such as, further energy supplier failure and regulatory change risk, whereby Ofgem industry-wide change might drive additional collateral requirements on BE and the Council. It also stated that the company has launched a range of recovery plans but did not provide any detail. Whilst this report was provided, Bristol Holding Limited continued to support the business plan.

The supporting report to Cabinet did not include a risk assessment. We are aware that risks were included in the exempt version of the business plan and highlighted in the report from Bristol Holding Limited. However the risks identified within the exempt business plan were not scored, leaving it unclear as to their estimated likelihood and impact.

It is significant that the confidential finance report, provided by the Council's Interim Finance Business Partner at the time it was presented to Cabinet, was out of date and was based on an earlier version of the business plan as provided to the Shareholder Group in November 2019. It only provided a high level review and stated that the '*Financial Models and calculations underpinning the Business Plans were not available at the time of this report. As this limits the degree of financial scrutiny that can be undertaken, access to these reports is required to enable this report to be finalised*'. In our view, this significantly undermined the quality of this advice and should have been updated for Cabinet.

The approval of BE's business plan by Cabinet was agenda item 18 of 22, of which there were 14 key decisions including the Council's 2020/21 budget. Our review of the webcast identified that there were no questions or comments made and the business plan was approved without any challenge. No recording or minutes are held for the exempt session of the meeting, so we are unable to confirm if the business plan was challenged in this session, although from discussion with officers we understand that it was not.

Both the business planning process for 2019/20 and 2020/21 illustrate that the Shareholder Representative sought advice from the Shareholder Group and Bristol Holding Limited and that scrutiny was provided by OSMB. However, the indications are that whilst this advice might be considered within the Shareholder Group it has not been considered or acted upon by Cabinet. This was compounded by the way that the information and key risks were included within the Cabinet papers.

Summary of events and key decisions

Therefore, we consider that the information and papers provided at the January 2020 Cabinet meeting did not clearly state the risks faced by BE, or provide sufficient robust information to enable Cabinet to make an informed decision. In our opinion, and supported by subsequent events, it also represented an overly unrealistic view of how BE might perform.

Recommendation 2: Public reports should be consistent with the issues and concerns raised within exempt papers. The exempt papers should only provide confidential information which cannot be discussed within the public sessions.

Recommendation 3: Cabinet reports relating to Bristol Holding Limited's companies which include exempt information should be improved. Exempt papers should clearly identify and quantify the risks and advice provided by the Shareholder Group and any relevant independent advisors as well as the clear views of Bristol Holding Limited.

Recommendation 4: The Council should ensure Cabinet decisions are based upon more timely and current information.

Six days after Cabinet approved BE's business plan (27 January 2020) the Deputy Mayor (Shareholder Representative) was informed that BE was experiencing a significant cash flow crisis and would no longer be able to meet its business plan objectives with immediate action required to ensure it could meet its financial objectives and prevent a negative cash position. From this point, Bristol Holding Limited's Executive Chair and Finance Director were heavily involved in supporting BE to resolve the immediate cash flow position and to establish a viable way forward.

Through support from Bristol Holding Limited and by earlier access to funds from the Council, the immediate cash crisis was alleviated. The work undertaken highlighted that BE was very likely to need further cash in March and August 2020 and at this stage this was likely to be above the funding cap previously agreed by Cabinet.

BE's financial position had been impacted by:

- a reduction in the wholesale price of gas and electricity by around 30%;
- declining customer retention;
- competitors' offering customers low prices which provided little if any profit; and
- inadequate cash management.

At the end of February 2020 the Shareholder Group was informed of the situation and in March 2020, Cabinet was formally updated on the situation facing BE. External advisors who were already commissioned by Bristol Holding Limited to support the City Leap Partnership were engaged to find a sustainable solution.

The external advisors completed two reviews:

- Phase 1 – a review of BE's short-term cashflow forecast. The report identified that without further funding from the Council, BE would be insolvent (as a result of its inability to pay its debts as they became due) and funding above the £7.7 million agreed cap would be required.
- Phase 2 – support for BE Board to identify solutions and to provide an options analysis. The report identified the medium term funding requirement, with £1.44m expected over the following six weeks and a further £5.7m in August 2020 as a contribution towards the ROC payment. Four options were considered, with an accelerated sale requiring the lowest level of funding, although if a sale could not be achieved then additional funding might be required to avoid insolvency. Additional funding was approved only if it was as a result of a supplier of last resort.

In March 2020, BE's Managing Director (MD) resigned. The MD had been in post since August 2019, having previously held the post of Finance Director since August 2018. An interim MD was appointed by the Shareholder Representative, who was considered to be more experienced in dealing with the situation in hand.

In addition, the Council's Audit Committee requested additional information to provide assurance on the governance arrangements of BE in March 2020. This was prompted by elected members becoming aware of the findings raised by the external advisors in the first phase of their work. A detailed response was provided in May 2020 in response to concerns raised by the Audit Committee.

In April 2020 the procurement process was paused as a consequence of BE no longer being a viable option for the City Leap Partnership and also to address other issues within the procurement process. The bidders were updated on developments relating to the situation that BE was then in. The following month the procurement process was restarted to reflect the material difference in BE's circumstances.

Following the two reports provided by the external advisors, Cabinet agreed in June 2020 to proceed with the accelerated sale of BE.

Summary of events and key decisions

Other reserved matters

A range of decisions which fall below the key decision threshold can be made by the Shareholder Representative (the Deputy Mayor – Finance, Governance, Performance and Culture) and the Constitution sets out the decision making process.

In 2019/20 these reserve matters decisions included:

- issue of shares;
- appointment of BE Non-Executive Directors and the Managing Director;
- appointment of the auditors; and
- license approval for gas shipping.

Advice was provided to the Shareholder Representative by Council Officers and the Shareholder Group. The decisions were made outside the Shareholder Group. A record was produced for each decision and part way through the year the documentation was improved to ensure a record of supporting information and sources of advice was maintained. These decisions were not published on the Council's website. We understand this is in line with the Council's approach on delegated decisions which is to not publish delegated decisions made by Senior Officers or Portfolio Holders.

The Deputy Mayor updates the Mayor through weekly briefing meetings, these meetings are not recorded. These updates will include both key decisions, other reserved matters and other items of interest or concern.

In order to promote a more open and transparent culture we recommend that the delegated decisions made by the Shareholder Representative should be published. See recommendation 10.

Governance arrangements

Governance Structure

The chart opposite illustrates the governance structure in place during 2019/20. Clear roles and responsibilities to support the governance structure, as set out opposite, are essential to ensure effective decision making and to ensure all those involved understand their role. This should avoid duplication and enable those involved to understand the role and responsibilities of others.

An effective governance structure should also be supported by guidance and agreed legal documentation. The Council does not have an agreed protocol or companies handbook in operation. In addition, we have found that the articles of association and shareholder agreement require updating and do not reflect the agreed changed roles and responsibilities of Bristol Holding Limited. Although terms of reference are in place for some of the functions, these are not up to date, as discussed later.

Recommendation 5: The Council should update the articles of association and shareholder agreement to reflect the strengthened role of Bristol Holding Limited. The terms of reference for all elements and functions of the governance structure should be in place and updated.

Roles and Responsibilities

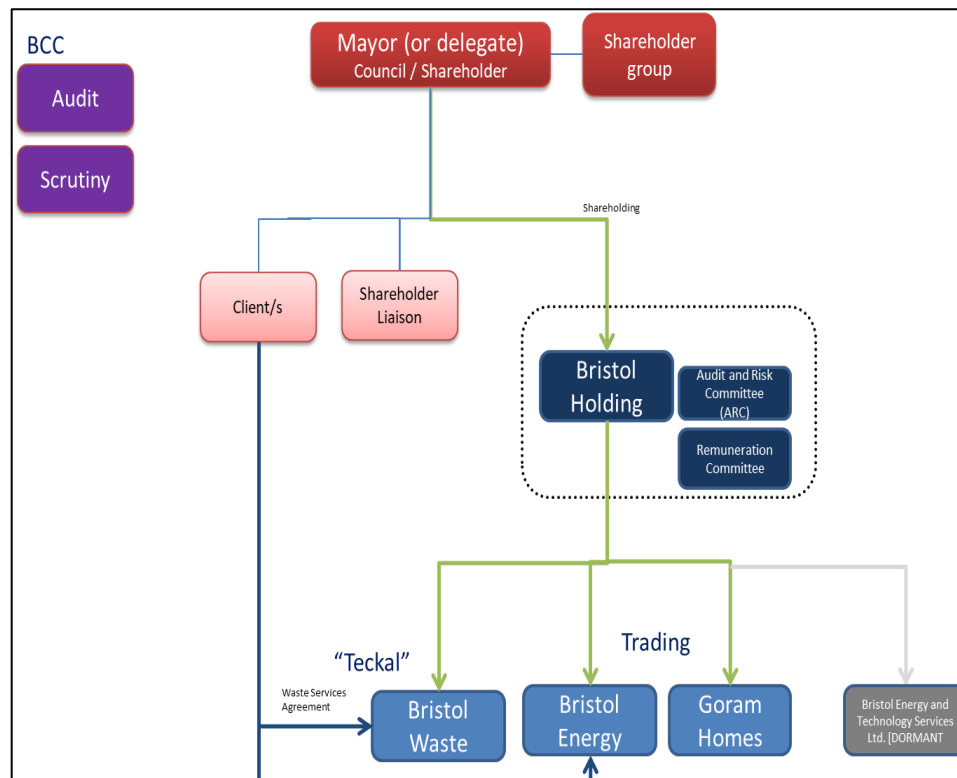
Mayor and Deputy Mayor (Shareholder Representative)

Bristol City Council has a mayoral model of governance and decisions relating to companies are, ultimately, the responsibility of the Mayor. Shareholding is an executive function and in 2017 delegated authority was given to the Deputy Mayor – Finance, Governance, Performance and Culture, who acts as the Shareholder Representative.

Key decisions are made in Cabinet and other reserved matter decisions are made by the Deputy Mayor. Weekly briefing sessions are held with the Deputy Mayor. These sessions are recorded and key Officers from the Council attend.

The current structure means that the Shareholder Representative was responsible for making a large number of delegated decisions, not just for BE but for all the Council owned companies. For key decisions the Shareholder Representative is also responsible for updating the Mayor and Cabinet. Although advice is provided by the Shareholder Group and Bristol Holding Limited, this creates a situation where one individual is responsible for a large amount of decisions. This is unlike decision making for commercial companies outside local government where decisions would not be made by one individual but by the company board.

Governance Structure



Governance arrangements

Shareholder Group

The aim of the Shareholder Group is to provide advice to the Deputy Mayor. The meetings are not public but are recorded and minutes are taken. The role and membership of the Shareholder Group has changed in 2019/20, as the role of Bristol Holding Company Limited has been expanded. Since January 2020 the frequency of the meetings has been reduced from monthly to quarterly and it is the Council's intention that the Group should be more strategic.

Membership of the Shareholder Group is set out in its terms of reference, which was developed by the Council. In addition to the Deputy Mayor, the Group should consist of:

- at least two members of the Cabinet in addition to the Deputy Mayor;
- at least one independent person providing relevant expertise;
- the Chair of Overview and Scrutiny Management Board (OSMB), observer only;
- the Head of Paid Service;
- Section 151 officer;
- Monitoring Officer;
- Director of Commercialisation and Citizens / Shareholder Liaison Director; and
- and other individuals, as considered appropriate by the Deputy Mayor.

Our review of the minutes identified that only one member of the Cabinet attends in addition to the Deputy Mayor.

The terms of reference for the Shareholder Group is also now out of date (last updated 20 September 2019) and does not take account of the changed role of the Group, resulting from the strengthened role of Bristol Holding Limited.

The terms of reference also refer to a Companies Handbook, although this document is as yet to be produced by the Council.

Client and shareholder liaison functions

The Council has not produced terms of reference for these two functions.

The role of the client function lacked clarity because the Council does not commission services directly from BE and, as a result, a contract or SLA was not required.

Recommendation 6: The Council should agree and consider if the client function role is appropriate for each of its companies and document the role and responsibilities for those companies where it is agreed.

The shareholder liaison function support the shareholder and provide the link between the shareholder and Bristol Holding Company Limited/BE and the shareholder and the Council.

Bristol Holding Limited and Bristol Energy Limited

In April 2019 Cabinet agreed to strengthen the role of Bristol Holding Limited and to support this new role through the appointment of an Executive Chair. Additional resources were provided to Bristol Holding Limited to enable it to oversee the operation and performance of its subsidiaries and therefore reduce the role of the Shareholder Group.

Bristol Holding Limited and its subsidiaries began to operate a strengthened group structure, with Bristol Holding Limited ensuring delivery of BE's performance and objectives. This included centralised resources and structures, such as the new Audit and Risk Committee and the Remuneration Committees. The Shareholder representative appointed the Executive Chair in August 2019 and two Non-Executive Directors shortly afterwards.

An elected member was also appointed as a third Non-Executive Director in November 2019, followed by a Company secretary.

The appointment of the Executive Chair (an individual who carries out the responsibilities of the chair of the board and the chief executive/managing director of the company) is not good practice and does not follow [The UK Corporate Governance Code – July 2018](#). The Council provided the following reasons for this appointment in the report to Cabinet in April 2019:

- the use of Executive Chairs is more common in government entities; and
- it may be more appropriate in an environment where the shareholder has direct control of the Executive Chair, and is comfortable with the governance implications.

We do not consider that these reasons justify the lack of independence that an Executive Chair would have and the possible conflict of interest in responsibilities. In our experience local authorities often struggle to balance the level of control and commercial freedoms whilst operating in a political environment. An independent chair is important to ensure the success of local authority companies.

Recommendation 7: Consideration should be given to the role of the Executive Chair of Bristol Holding. This should include if this role is appropriate going forward, and does it ensure independence of the chair and reduce potential conflicts.

We do, however, acknowledge that the strengthened role of Bristol Holding Limited was invaluable in supporting BE during its cash flow crisis in early February 2020. The Executive Chair and the Finance Director were heavily involved in supporting BE and validating the position to the Council.

Governance arrangements

Bristol Holding Limited and Bristol Energy Limited continued

In previous years the Council has had its officers on company boards. The Council has moved away from this approach and considers that elected members are the preferred option. The main reason for this is that elected members operate with a democratic mandate.

BE also had an elected member operating as a Non-Executive Director appointed in August 2018. Subsequently, the elected member was appointed to Cabinet as portfolio holder for Waste, Commercialisation and Regulatory Services. Although the Council recognised that this situation was not ideal, the approach taken was to consider each possible conflict of interest situation as it arose.

It is not uncommon for elected members to be found on the boards of local authority companies, but it is generally not considered good practice due to potential conflicts of interest that may arise and their potentially limited commercial experience. Elected members are able to provide challenge but are unlikely to have or be able to compensate for the experience and knowledge that others might bring. The energy business is highly specialist and requires extensive specific knowledge to be able to effectively contribute. We do however recognise that the appointment of elected members can be balanced by the appropriate selection of other board members.

Conflicts of interest can arise when the Council, the Council owned company, officers and elected members have differing roles and responsibilities. Existing arrangements indicate that it is highly likely that conflicts of interest will occur, therefore it is important that the governance arrangements provide effective mechanisms for identifying and dealing with potential conflicts.

Recommendation 8: The Council should minimise the potential for conflicts of interest, such as the role of the Executive Chair, elected members and officers. To facilitate this, the Council should develop a conflicts of interest policy to ensure potential conflicts in relation to Council owned companies are identified and managed appropriately. This could be incorporated within a company's handbook.

Audit Committee

The Council's Audit Committee has a responsibility to provide independent assurance on the governance, risk management framework and the associated control environment operating across the Council. To some extent this will include the Council's owned companies, although this is not included or clarified within the Council's Audit Committee terms of reference.

In order to discharge these duties the Council's Audit Committee received the minutes of Bristol Holding Limited's Audit and Risk Committee, Companies' annual governance statements and also received updates from external audit and internal audit relating to any relevant work they have carried out.

Concerns have been raised relating to access to confidential information, because a proportion of papers were viewed to be commercially sensitive and, as such, could not be easily viewed. This has since been discussed by the Audit Committee and a response provided by the Monitoring Officer as to the legal basis on which the Audit Committee have access to information.

In order to discharge their responsibilities the Audit Committee should have sight of issues relating to the Council's governance arrangements. We recognise that information which is commercially sensitive cannot be publicly available and access needs to be restricted, but the Council needs to find a way to balance the legal and commercial sensitivities to enable Audit Committee to operate effectively. This should not be all exempt papers but only those relevant to the Committee role and responsibilities. We are aware that some Councils achieve this by the Monitoring Officer holding briefing sessions with the Chair and Vice Chair of the Audit Committee.

Recommendation 9: The Council should develop a mechanism to enable the Audit Committee to be sighted on potential exempt issues within their role and responsibilities and legal duties.

Overview and Scrutiny Management Board (OSMB)

As set out in the Council's Constitution, OSMB is authorised to scrutinise decisions and actions which are the responsibility of the Mayor or Executive and to scrutinise governance arrangements at both the strategic and local level. The terms of reference do not mention companies owned by the Council, but are sufficient to cover all reserved matters and key decisions, as these are the responsibility of the Mayor or Cabinet, or are delegated to the Deputy Mayor.

OSMB has had the opportunity to scrutinise key decisions made by Cabinet regarding BE, performance, both mid and year end and has provided its response to Cabinet. These responses have been confidential and, if they were discussed by Cabinet, the minutes and meetings were not recorded.

OSMB's ability to scrutinise reserved matters has been restricted as it has not routinely been made aware of these decisions. These decisions are made by the Deputy Mayor, in line with the scheme of delegation, but are not routinely published on the Council's website.

Recommendation 10: The Council should consider publishing all reserved matter decisions relating to its companies and consideration should be given to how elected members access to confidential information relating to reserved matter decisions could be improved.

Governance arrangements

Overview and Scrutiny Management Board (OSMB) continued

These decisions relate to the issue of funds and appointment of members of the Board, which will become public following notification to Companies House. In our opinion, this is not in line with the philosophy of open and transparent decision making, or with our experience of other local authorities which own companies. It also reduces the opportunity for OSMB to scrutinise these decisions, or to scrutinise the governance arrangements.

Training

Induction training was provided a number of years ago to the elected member who sat on the BE Board, but has not been provided in recent years. Formal training has not been provided to elected members involved in the scrutiny function, although advice is available from officers who attend meetings. The energy market is a highly complex and regulated market which requires specialist knowledge and, as such we consider that training would have benefited those involved in the decision making process and scrutiny.

Recommendation 11: Appropriate training should be provided on a regular basis to elected members who are involved in the Council's owned companies, in relation to decision making, scrutiny and the Audit Committee. This should include sector specific training, roles and responsibilities in relation to Council owned companies and potential conflicts of interest.

Managing risk

The number of occasions when the Council has commissioned external advisors to consider solutions and options for BE illustrates that the Council has to an extent understood the risk that BE posed. However, we consider that the risks were not fully appreciated by Cabinet for a number of reasons:

- the risk posed to the tax payer by BE was not separately documented and was subsumed in the corporate risk register within the risk 'long term commercial investments and major projects' which included other projects such as Colston Hall;
- the commercial sensitivity of the information meant that risks were not clearly identified and scored in reports and was either contained less prominently within the appendices or was not provided; and
- the complex nature of the industry resulted in it being more difficult to understand the information and mitigations being provided, resulting in information provided by BE being more difficult to challenge.



As discussed earlier in our report, this was compounded by the view that the City Leap Partnership would mitigate the risks in this area and provide a financial lifeline to BE.

In addition, as the Council did not identify any prior warning of the significant deterioration in BE's financial position and cash crisis, this outcome suggests that the Council did not have effective risk management arrangements in place. These arrangements could be improved, for example by more clearly stating and evaluating the risks and mitigations, ensuring information is up to date and as current as possible and providing specialist advice direct to Cabinet.




The decision making process was prolonged, and although the process was no longer than for any other significant Council decision, the energy market is highly volatile. Advice was sought, but it was obtained some time before the business plan was approved, resulting in it being out of date at the point of decision, for example the Shareholder Group reviewing the business plan two months before the Cabinet. This exposed the Council to significant risks. This should be addressed through recommendation 4, either ensuring timely information is provided or possibly by reducing the length of time of the decision making process.

Recommendation 12: The Council should improve the risk management arrangements to ensure that all key risks are identified and clearly reported to Cabinet.



Action plan

Assessment	Recommendations
1  (Medium)	<p>Discussions and decisions made within exempt committee meetings should be recorded.</p> <p>Management response</p> <p>It has not been custom and practice in Bristol to take minutes at the part of a Committee or Cabinet meeting dealing with sensitive or commercially confidential issues, but we have clearly stated when a meeting or part of a meeting will be closed to the public to enable confidential issues or exempt papers to be considered and the resulting decision (Cabinet) is recorded and published. We acknowledge that in looking back when the exemption no longer applies this appears to be a gap in our governance arrangements and lacks public transparency and as such propose to revise this approach within the Council for the future.</p> <p>We will put in place procedures to ensure that exempt committee and Cabinet meetings are minuted appropriately and signed off at the subsequent meeting as a true record and publish decision taken in the exempt session.</p> <p>Responsible Officer Timing</p> <p>Director: Legal & Democratic Services February 2021</p>
 (High)	<p>Public reports should consist with the issues and concerns raised within exempt papers. The exempt papers should only provide confidential information which cannot be discussed within the public sessions.</p> <p>Management response</p> <p>Whilst seeking to balance public transparency and as the only shareholder the responsibility for the protection of shareholder value, we had previously identified the need for additional information to be incorporated within the presentation of the Council-owned companies' business plans. Content considered exempt for commercial reasons have been incorporated within the exempt business plans and continue to be significantly improved. We have worked closely with the companies over the last 12 months to ensure that exempt information is presented effectively and only includes information which cannot be discussed in public sessions.</p> <p>We will continue to improve the reports to ensure that exempt information is presented effectively, with appropriate redactions to ensure consistency in the information reported and that only information which cannot be discussed in public sessions is excluded.</p> <p>Responsible Officer Timing</p> <p>Director: Legal & Democratic Services Ongoing</p>



Controls

-  High – Significant effect on control system (red)
-  Medium – Effect on control system (amber)
-  Low – Best practice (green)




Action plan

Assessment	Recommendations
<p>3</p> <p></p> <p>(High)</p>	<p>Cabinet reports relating to Bristol Holding Limited's companies which include exempt information should be improved. Exempt papers, should clearly identify and quantify the risks and advice provided by the Shareholder Group and any relevant independent advisors as well as the clear views of Bristol Holding Limited.</p> <p>Management response</p> <p>We are committed to ensuring a high quality of discussion and decision making and note that exempt sessions of Cabinet invited views from the Shareholder Group and other representatives. We acknowledge that it would be beneficial to also capture these in the written reports.</p> <p>Risk assessments will be included in each Cabinet Report relating to the Council's companies and we will consider with the Shareholder Group how their advice, and that of other advisors and organisations, should be presented to Cabinet.</p> <p>The report template will be strengthened, and training provided where required to improve the quality of the report content and ensure key financial points and risks from the proposal and associated appendices are appropriately summarised in reports.</p> <p>In cases where logistics make it impossible to update written reports prior to publication, any additional views of Shareholder Group will be incorporated into Cabinet Member introductory remarks to ensure they are known to Cabinet.</p> <p>Responsible Officer Timing</p> <p>Director: Legal & Democratic Services By April 2021</p>
<p></p> <p>(High)</p>	<p>The Council should ensure Cabinet decisions are based upon more timely and current information.</p> <p>Management response</p> <p>This finding highlights the governance challenge that was inherent in operating a commercial company in a high-paced, volatile marketplace whilst needing to serve the high levels of scrutiny, transparency and assurance which are required in local government.</p> <p>Consideration will be given to the governance pulse and how this could be streamlined from Shareholder Group to Cabinet, whilst still enabling appropriate Scrutiny and feedback to be considered and where appropriate, reflected in the plans / reports and further written confirmation of endorsement or recommendations obtained.</p> <p>In future Cabinet Reports will be explicit about the date of the latest Business Plan upon which the report is based. We will also consider holding separate Cabinet meetings for budget and business plans to help ensure sufficient capacity is available for wider discussions should it be required at the point that a decision is taken.</p> <p>Utilising new IT systems available to officers, the version control of reports and appendices will be improved with appropriate report prompts and ensure that during iteration of proposals, the professional commentary of Business Partners is subject to a final review and only signed-off as complete at the end of the process.</p> <p>Responsible Officer Timing</p> <p>Director: Legal & Democratic Services & Director: Finance By April 2021</p>



Action plan

	Assessment	Recommendations
5	 (High)	<p>The Council should update the articles of association and shareholder agreement to reflect the strengthened role of Bristol Holding Limited. The terms of reference for all elements and functions of the governance structure should be in place and updated.</p> <p>Management response</p> <p>A Governance Review has already been commissioned to help inform the update of the articles of association and shareholders' agreement, to take into account Bristol Holding's role. This was placed on hold subject to the completion of this Value for Money review and can now be progressed. The Terms of Reference for the Shareholder Group will be updated as part of this review. A series of guidance notes are being devised to illustrate the governance structure and the workings of the governance arrangements for inclusion in the company's handbook.</p> <p>Responsible Officer Timing</p> <p>Director: Legal & Democratic Services By October 2021</p>
Page 66	 (Medium)	<p>The Council should agree and consider if the client function role is appropriate for each of its companies and document the role and responsibilities for those companies where it is agreed.</p> <p>Management response</p> <p>We acknowledge that it was a challenge for the council to act as a client function due to commercial energy retail being outside of the council's core services, increasing reliance on the use of external advisers. We note that this is not an issue in terms of the council's other companies.</p> <p>A Governance Review has already been commissioned to consider the client function, and how it can be strengthened to ensure that roles and responsibilities are clear across the Group and the Council. We have already included the 'strategic client' within Shareholder Group to ensure that the Shareholder Representative has additional appropriate strategic advice relating to each company when taking decisions at the Shareholder Group meetings. We will consider introducing a similar arrangement to support the weekly Companies update provided at the Cabinet Member Briefings.</p> <p>Responsible Officer Timing</p> <p>Chief Executive By October 2021</p>


Action plan

Assessment		Recommendations
7	 (High)	<p>Consideration should be given to the role of the Executive Chair of Bristol Holding. This should include if this role is appropriate going forward, and does it ensure independence of the chair and reduce potential conflicts.</p> <p>Management response</p> <p>The revised Bristol Holding arrangements were intended to be reviewed. The Governance Review has been commissioned and the role of Executive Chair, independence and potential conflicts will be considered as part of the planned review. The Executive Chair post was filled on a fixed term basis in order to facilitate a revised approach if deemed appropriate as a result of this review.</p> <p>Responsible Officer Timing</p> <p>Chief Executive By October 2021</p>
8	 (Medium)	<p>The Council should minimise the potential for conflicts of interest, such as the role of the Executive Chair, elected members and officers. To facilitate this, the Council should develop a conflicts of interest policy to ensure potential conflicts in relation to Council owned companies are identified and managed appropriately. This could be incorporated within a company's handbook.</p> <p>Management response</p> <p>The Council has in place procedures for declarations of interests for elected members and officers and proactively considers conflicts of interests on an ongoing basis. A formal Conflicts of Interests Policy is intended to be developed, along with supporting guidance, which will be incorporated into the company handbook which we have been developing. Training for elected members who are directors includes conflicts of interests and this element of the training will be further developed.</p> <p>Responsible Officer Timing</p> <p>Director: Legal & Democratic Services April 2021</p>
9	 (Medium)	<p>The Council should develop a mechanism to enable the Audit Committee to be sighted on potential exempt issues within their role and responsibilities and legal duties.</p> <p>Management response</p> <p>In the Access to Information report presented to the November 2020 Audit Committee, it was acknowledged that the Audit Committee has a responsibility to ensure that key representations to the external auditors as part of the external audit are accurate and complete in line with ISA260 and other standards. The Audit Committee should be able to access such information, including exempt information, that is reasonably necessary for them to discharge this duty. The report also provided the Audit Committee with an overview of the legal framework relating to access to information by Members of the Council, including access to exempt information.</p> <p>We will continue to ensure that Audit Committee have the ability to see exempt information which is reasonably necessary for them to carry out their legal duties.</p> <p>Responsible Officer Timing</p> <p>Director: Legal & Democratic Services Ongoing</p>

Action plan

Assessment	Recommendations
<p>10</p> <p></p> <p>(Medium)</p>	<p>The Council should consider publishing all reserved matter decisions relating to its companies and consideration should be given to how elected members access to confidential information relating to reserved matter decisions could be improved.</p> <p>Management response</p> <p>Reserved Matter Decisions taken by the Shareholder Representative following receipt of advice from various members of the Shareholder group and officers are not key decisions (which are always taken by Cabinet), but they are nevertheless recorded in a formal Decision Record and tracked on a Decision Register.</p> <p>Consideration will be given to whether an equivalent process to Officer Executive Decisions (which are decisions which do not meet the criteria for a formal key decision to be taken at a Cabinet meeting but are considered important enough to be open to public scrutiny and as such published on the ModernGov website) can be adopted for these Reserved Matter Decisions.</p> <p>Responsible Officer Timing</p> <p>Director: Legal & Democratic Services April 2021</p>
<p></p> <p>(Medium)</p>	<p>Appropriate training should be provided on a regular basis to elected members who are involved in the Council's owned companies, in relation to decision making, scrutiny and the Audit Committee. This should include both sector specific training, roles and responsibilities and potential conflicts of interest.</p> <p>Management response</p> <p>Training is routinely provided to all elected members who are involved in the Council owned companies and a training programme is currently being developed for elected members involved in the Council owned companies for 2021/22.</p> <p>We will engage with independent external parties such as Centre for Public Scrutiny and CIPFA on the development and design of the training to ensure its suitability for the various roles being performed by elected members in relation to our subsidiaries. Where required, external experts will support the training delivery. All newly elected members will also be given training on the companies as part of their induction process.</p> <p>Responsible Officer Timing</p> <p>Director: Legal & Democratic Services August 2021</p>

Action plan

	Assessment	Recommendations
12	 (High)	<p>The Council should improve the risk management arrangements to ensure that all key risks are identified and clearly reported to Cabinet.</p> <p>Management response</p> <p>Steps have been taken during 2020/21 to strengthen the risk management framework in the Council and across the Council's subsidiaries and continues to be advanced in order to move further towards risk maturity and seamless embedding of risk management. Whilst ensuring its suitability and effectiveness, further consideration is being given to greater alignment with the risk matrix adopted by the Council and its subsidiaries, in terms of scoring, likelihood and impact to facilitate ease of collation and consistency in reporting.</p> <p>We propose that going forward the risk will be incorporated in the reports to Cabinet and where the lack of alignment prevents this, the full details will remain in the Business Plan and the significant risks and potential Council impact will be summarised in the officer comments to the report.</p> <p>Responsible Officer</p> <p>Director: Legal & Democratic Services & Director of Finance</p> <p>Timing</p> <p>February 2021</p> <p>Subsidiary and Investment risks will be disaggregated from the 'long term commercial investments and major projects risk' (CRR1) and separately identified and management actions reported on quarterly within the Corporate Risk Management Reports. This will ensure the continuous overview and monitoring currently being undertaken by the Shareholder Group can be more visible.</p> <p>Responsible Officer</p> <p>Director: Finance</p> <p>Timing</p> <p>2021 Quarter 4 Report & Ongoing</p>



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Schedule 3 – Working Group Terms of Reference

Working Group: To oversee agreed Management actions

- 1) Purpose:
 - a. To oversee the work being carried out by Officers to implement the actions previously agreed with the external auditors, in response to the 12 recommendations in the external auditors VFM review of Governance Arrangements for Bristol City Council's Subsidiaries.
 - b. To report to Full Council on the progress that has been made to implement the 12 recommendations in May 2021 and no later than Annual Council.
- 2) Scope:
 - a. This Working Group has been constituted by Full Council. The remit and scope of the Working Group is determined by the agreed motion passed by Full Council.
 - b. The Working Group will not duplicate the functions of either relevant Scrutiny committee(s) or the Audit Committee.
 - c. The Working Group will report on the progress made towards implementation of the Independent Auditors recommendations to Full Council.
 - d. Members of the Working Group shall have access to such information as is reasonably necessary to fulfil their terms of reference and the business of the Working Group.
- 3) Roles and responsibilities:
 - a. The Working Group has a forward-looking remit to examine a detailed action plan prepared by officers on how the recommendations proposed by the independent auditor are to be delivered.
 - b. The Working Group will report on the progress made to implement the 12 recommendations outlined by the external auditors to Full Council, to include those actions which have been implemented as at May 2021 as well as the current status of any actions which are still in progress.
 - c. The Working Group will report to Full Council in May 2021 or no later than Annual Full Council.
- 4) Membership:
 - a. The Membership of this group reflects the political composition of Bristol City Council and will be appointed by Whips.
 - b. Members who are unable to attend board meetings can be substituted by another member from the corresponding Party Group.
 - c. A Chair and deputy Chair will be appointed by the Members of the Working Group.
 - d. The Working Group will be able to invite Council officers to attend Board meetings on request.
 - e. The Director – Legal and Democratic Services will be the lead officer supporting the Working Group.
 - f. Democratic Services shall be responsible for clerking the meeting of the Working Group.
 - g. The Chief Executive, Director – Legal and Democratic Services, Director - Finance and Shareholder Liaison Manager shall have standing invitations to attend.

5) Meeting

- a. The Working Group will hold three meeting to take place in March and April. The first meeting of the Working Group shall take place within two weeks of the meeting membership being confirmed by the Party Group Whips.
- b. The working group is not constituted as a committee, and therefore not subject to Council procedural rules, (notice arrangements public forum etc).
- c. Democratic Services will minute the meeting of the Working Group, recording all agreed actions and decisions.